



HIGH PERFORMANCE
HIGH VALUE

GILLIG CORPORATION

AND

AUTO, MARINE AND SPECIALTY PAINTERS

District Council 16 - Local Union 1176

For the period:

January 1, 2007 - December 31, 2009

(Extended)

January 1, 2010 - December 31, 2011

(Extended)

January 1, 2012 - December 31, 2014

(Extended)

January 1, 2015 - December 31, 2016

(Extended)

January 1, 2017 - December 31, 2023

Covering: Paint Department Employees (Except Body Shop)

451 Discovery Drive

Livermore, CA 94551

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AGREEMENT

This Agreement made and entered this _____ day, of _____, 2007, by and between **GILLIG CORPORATION**, hereinafter called the **Employer**, and **AUTO, MARINE AND SPECIALTY PAINTERS UNION, DISTRICT COUNCIL 16, LOCAL UNION 1176**, hereinafter called the **Union**.

WITNESSETH:

SECTION 1. RECOGNITION

The Union is recognized as the sole collective bargaining agent for all Paint Department employees (excluding Body Shop employees), including working foremen, employed at the Employer's 25800 Clawiter Road, Hayward, California facility; excluding production control personnel, office clerical employees, guards and supervisors as defined in the Act.

In the event this facility is relocated in Alameda County, or if production and maintenance operations are expanded or transferred to another location in Alameda County, and if operations at the new location are substantially the same as, or directly connected with, the present operations so that the new location would be considered an accretion to the present bargaining unit under the National Labor Relations Act, this Agreement shall be in full force and effect at such new location.

SECTION 2. MANAGEMENT RIGHTS

The management of the business and the direction of the working force including but not limited to the right to direct, plan, and control plant operations; to establish or schedule work to be performed; to hire and promote employees, and to discipline, or discharge employees for just cause; to discontinue jobs or work or to lay off employees for just cause; to discontinue jobs or work or to lay off employees for lack of work or other legitimate reasons not in conflict with this Agreement; to introduce new and improved; methods or facilities, to change existing methods or facilities, or to purchase supplies and service for the performance of its business; to determine the products to be manufactured and the process and means of manufacture; are exclusively the right of the management of the Employer and all rights inherently a function of management and not relinquished in this Agreement remain solely with management; provided that none of the above provisions shall be used for the purpose of discriminating against any employee because of his or her membership in the Union. Should a dispute arise concerning these management rights or responsibilities, the dispute should be treated in accordance with provisions of Section 9 of this Agreement and any decision reached pursuant to Section 9 must be within the scope and terms of this Agreement.

SECTION 3. UNION SECURITY

3.1 Union Security

It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement, shall remain members in good standing, and those who are not members on the effective date of this Agreement, shall on the thirty-first (31st) calendar day following the effective date of this Agreement, become and thereafter remain members in good standing in the Union.

It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall on the thirty-first (31st) calendar day following the beginning of such employment, become and thereafter remain members in good standing in the Union.

The Employer, upon written request of the Union, shall discharge any employee within seven (7) calendar days after receipt of such notice who fails to tender the periodic dues and initiation fees uniformly required by the Union as a condition of requiring or retaining membership in the Union. If the Union has notified the Employer in writing prior to the expiration of the seven (7) days, that the employee has paid the amounts owing, the discharge shall not take place.

3.2 Hiring

The Employer agrees that in hiring to fill all vacancies or new positions in any classification covered by this Agreement, that they will hire through the office of the Union, provided the Union shall be able to furnish competent and experienced persons for the work required.

If *the* Union is unable to furnish qualified workers within twenty-four (24) hours after the Employer calls for them, the Employer shall be free to procure the workers from any other source. All newly hired employees shall present management with a clearance slip from the Union prior to beginning work.

3.3 Check-off of Union Dues

Upon receipt of a written assignment and authorization signed by the employee of a mutually acceptable form, the Employer agrees to deduct the regular monthly Union dues for the subsequent month from the pay of such employee. The amount deducted shall be in accordance with the Union constitution.

Payment shall be made to the Union on or before the tenth (10th) day of the calendar month following the deduction.

An Employee's deductions shall begin in the first calendar month following receipt of the authorization card by the Employer.

Should the Employer not deduct dues from any employee's pay because of either insufficient earnings or absence for any reason during the deduction period, the Employer shall make appropriate deductions directed by the Union; provided however, it will be the sole responsibility of such employee to make the required dues payment directly to the Union Office.

The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits, legal proceedings, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer for the purpose of complying with any of the provisions of this Section or in reliance on any assignment furnished under such provisions. The provisions of this Section shall be effective only in accordance and consistent with applicable provisions of federal and state law.

3.4 Deductions

The Employer, upon receipt of individual valid authorizations agreed to by the Employer and the Union, will make payroll deductions from wages of an employee for D.R.I.V.E., P.A.T., and credit union contributions. Remittances shall be in accordance with the authorization.

SECTION 4. HOURS AND OVERTIME

4.1 Regular Work Week

(Day Shift). The regular workweek at the straight time rate shall consist of five (5) consecutive eight (8) hour working days from Monday through Friday. Payday will be weekly for all employees.

4.2 Regular Work Day

(Day Shift) The regular workday at the straight time rate shall consist of eight (8) consecutive hours, exclusive of meal period, during the regular workweek and between the hours of 5:00 a.m. and 1:30 p.m. The starting time and quitting time may be changed by mutual agreement between the Employer and the Union.

It is agreed and understood, however, that the Employer may at its discretion, schedule all, or part of, the stockroom, material handling, shipping-receiving, parts, and maintenance departments in a manner to provide eight (8) hours work between the hours of 6:00 a.m. and 4:00 p.m., Monday through Friday.

4.3 Minimum Hours

Employees who have seniority with their Employer and who are ordered to report to work on any day other than Saturday, Sunday and Holidays, and who do so at the specified time shall receive a minimum of eight (8) hours' work, or if eight (8) hours' work is not furnished, a minimum of eight (8) hours' pay at the straight time rate.

Employees having seniority who are ordered to report for work on Saturday, Sunday and Holidays and who do so at the specified time shall receive a minimum of four (4) hours' work, or if four (4) hours' work is not furnished, a minimum of four (4) hours' pay at the applicable rate; provided, however, that such minimums on Saturdays and Sundays are not applicable to continuous shift workers, whose regularly scheduled days off shall be substituted for Saturdays and Sundays. The above minimum hour requirements shall not apply if such employees quit, voluntarily lay off, or are discharged for cause.

The minimum guarantee shall not apply where work is not available due to circumstances beyond the Employer's control such as earthquake, fire, flood, lightning, calamity, public utility failure or shortage, insurrection, riot, strike, civil disturbance, adverse environmental condition, bomb threat, tear gas, or governmental order.

4.4 Shift Operations

A second or third shift may be established when more than one (1) shift is worked.

All employees on second or third shift at the time of the ratification of this agreement will keep the differential they individually presently enjoy (i.e. Journeypersons = \$1.57, Specialist A = \$1.38, Specialist B = \$1.28, Specialist C = \$1.18.) This differential will apply for these employees should they leave second or third shift and return to second or third shift at any future time.

Any employees who are hired on to or transfer to second or third shift after March 1, 1997, will receive a shift premium of \$1.00 per hour. Any employee forced or required to work second or third shift for training purposes or special assignments will receive a shift differential as in the above paragraph, so long as they were hired before March 1, 1997.

There shall be a one-half (1/2) hour interval between the termination of the first shift and the beginning of the second shift. If the second shift on Friday should lap over into Saturday, there shall be no Saturday rate paid in this instance.

Employees will be offered work on any new shift created on the basis of Departmental Seniority. In the event that the desired number of employees wishing to work the new shift is not equal to the number needed by the Employer, employees will be assigned by inverse seniority.

The Employer may temporarily transfer a senior employee to a shift for a period not to exceed forty-five (45) workdays. At the end of forty-five (45) days, the senior employee will be transferred back to his/her previous job.

4.5 Overtime Rate

All the time worked over eight (8) hours in any one (1) day, or over forty (40) hours in any one (1) week or on Saturdays, shall be paid for at the rate of one and one-half (1 1/2) times the straight-time hourly rate. Work performed before the regular starting time or after the regular quitting time shall be considered overtime and shall be paid for at the rate of one and one-half (1 1/2) times the straight-time hourly rate. Work performed on Sundays shall be paid for at the rate of double (2) times the straight-time hourly rate. Work performed in excess of eight (8) hours on Saturdays or holidays shall be paid for at the rate of double (2) times the straight-time hourly rate. There shall be no pyramiding of premium rates.

4.6 Wash-Up and Breaks

Employees working in the Paint Department will be allowed a total of 10 minutes before conclusion of a shift to wash up and clean equipment. Bondo employees will be allowed a five minute wash up period when needed.

All full-time employees shall be entitled to two (2) ten minute breaks each day. One (1) break shall be in the first half of the shift and the other during the second half of the shift. An additional break of ten (10) minutes shall be taken at the end of the regular shift when three (3) or more hours of overtime is scheduled or anticipated.

4.7 Scheduled Overtime

The employees recognize their responsibility and obligation to perform overtime when requested by the Employer and the Employer agrees to give as much advance notice as conditions warrant when overtime is to be required. Disciplinary action will not be taken if less than 24 hours notice is given to work overtime. When overtime shifts are necessary, written notice will be posted at least five (5) working days in advance.

An employee shall not be obligated to work overtime provided he gives 24 hours notice to the Employer on forms provided, which shall, upon request, state the reason for not working the overtime. The notice form shall be initialed by his supervisor with a copy returned to the employee with the date and time received. There shall be no concerted refusal to work overtime and employees shall not abuse the right to refuse overtime by repeated unjustified refusals to work overtime.

Any employee transferring from his/her regular department into another department during the course of a work day will be eligible for overtime on a job continuation basis with the following exceptions:

(1) If overtime has been posted in that department prior to the lunch break and an employee is transferred in after lunch, he/she is not eligible for overtime on a job continuation basis within that department; further, he/she has no bumping rights of regular employees in that department who have already accepted overtime for that day.

(2) In cases where overtime hasn't been posted prior to the lunch break, an employee transferring into a department with less than two (2) hours remaining in the regular work day will not be eligible for overtime on a job continuation basis until all regular employees of that department and all employees transferred in with two (2) or more hours left in the regular work day have been asked.

4.8 Weekday Overtime

Overtime during the regular workweek will be given by job continuation. Any employee who is performing a specific job where overtime for that day is required will be asked to continue that job. If the employee asked refused the overtime, and no other employee is performing that job, the overtime will be offered to the most senior employee in that department who is qualified to perform the job required.

4.9 Saturday, Sunday and Holiday Overtime

Saturday, Sunday and Holiday overtime shall be offered to the most senior employee in the department on that shift who is qualified to perform the job required.

When the work force is reduced the senior employees will have the option of continuing the day, or leaving and allowing a junior employee to stay for the remainder of the day.

The Employer shall post a schedule of employees who are to work overtime on a Saturday, Sunday or Holiday at least twenty (20) hours in advance of the scheduled overtime. Any employee who claims he was denied an opportunity to work overtime shall notify his foreperson of his claim before the end of his last shift prior to the scheduled overtime, or be barred from making any such claim.

On Saturday, Sunday and Holidays, if only one shift is required to work overtime, assignments will be made by overall seniority in a department provided the most senior employee is qualified to perform the job required.

SECTION 5. HOLIDAYS

5.1 Paid Holidays

The following days shall be observed as Holidays on which no work is performed, except as provided herein:

New Year's Day	Thanksgiving Day
President's Day	Day after Thanksgiving
Memorial Day	Day before Christmas
Fourth of July	Christmas Day
Labor Day	2 Floating Holidays*

*A minimum of two weeks' advance notice must be given to the Employer before a floating holiday is granted and the Employer reserves the right to deny requests which would leave the Employer without the number of employees required to maintain a workable crew. Floating holidays that are scheduled and approved forty-five (45) days prior to the selected day shall not be subject to being bumped on the basis of seniority.

The Employer will allow a minimum of one (1) employee per day to take a floating holiday on any days where no more than ten (10%) percent of the workforce is known to be off.

*Any floating holiday not taken or scheduled to be taken by December 1st of any calendar year will be paid to the employee at the next regularly scheduled payday.

5.2 Qualifying

All regular employees (those continuously employed thirty (30) days or more) shall receive eight (8) hours pay at the employee's straight-time hourly rate even though no work is performed on the above-named holidays; provided, further, that such employees must work the full day on both the last regular working day immediately preceding the holiday and on the first regular working day following the holiday, and unless the employee so works he shall receive no pay for such holiday unless such absence on the regular working day before and after said holidays is due to the express written permission of the Employer or because of bona fide illness evidenced by a physician's certificate.

To be eligible for floating holidays an employee must be on the payroll for one year.

It is agreed that an employee may be no more than one half (1/2) hour late at the beginning of the scheduled day before or the scheduled day after the paid holiday and still qualify for holiday pay. Time lost over the above allowances shall be deducted from the employees' holiday pay at the rate of one for one.

If an employee is absent the last two (2) scheduled working days before a two-day holiday or the first two (2) scheduled working days after a two-day holiday or the last scheduled working day before and the first scheduled working day after a two-day holiday, the employee will lose two (2) days' holiday pay.

5.3 Saturday and Sunday Holidays

If any of the holidays designated in this Section falls on Sunday, the following Monday shall be observed. If any of such holiday falls on a Saturday, it shall be observed on the Friday immediately preceding.

Employees ordered to work on holidays listed in this Section 5 shall be paid at the rate of one and one-half (1 1/2) times the straight-time hourly rate: provided that an employee who is entitled to pay for any such Holiday if not worked, shall receive such Holiday pay in addition to the one and one-half (1 1/2) time he is paid for working.

SECTION 6. VACATIONS

6.1 Duration and Pay

An employee's anniversary date shall constitute the beginning of his or her vacation year. An employee must work a full year and be on the active payroll at the beginning of the last anniversary year in order to qualify for vacation benefits for the previous year. Vacation is considered to be a benefit earned for work performed during the previous year. Work time lost due to layoff or leave or absence will not be considered for vacation time earned. Vacation benefits will be prorated on the basis of time worked during the anniversary year less time spent on layoff or leave of absence, on the basis of one-twelfth (1/12) of the regular benefit entitlement for *each* full month worked during the anniversary year. For employees who are off of work due to disability or industrial injury or illness, sixteen-hundred (1600) hours worked or paid for in their anniversary year shall constitute qualification for full vacation pay. For pro-rata purposes, sixteen-hundred (1600) hours shall be used as the base.

Vacation Qualifications

One (1) week's vacation with pay after one (1) years' continuous service

Two (2) weeks' vacation with pay after two (2) years' continuous service

Three (3) weeks' vacation with pay after five (5) years' continuous service

Four (4) weeks' vacation with pay after fifteen (15) years' continuous service

Five (5) weeks' vacation with pay after twenty-five (25) years' continuous service

Vacation pay shall be computed at forty (40) times the straight-time hourly rate in each week's vacation.

6.2 Vacation Schedule

After the vacation is earned, vacation benefits may be taken at any time during the employee's anniversary year which is mutually agreeable between the employee and the Employer. The Employer will usually not permit vacations to be scheduled during Inventory time.

A vacation schedule shall be posted during the month of December for employees to select their vacation periods for the next calendar year. Vacations will be scheduled according to seniority within a department. Once a vacation is scheduled, it shall not be changed except for emergency or proper cause, and seniority will not be recognized with respect to selecting a new vacation period. (Note: current calendar year vacations would have been bid the previous December.)

Full weeks will be scheduled prior to daily vacations. An employee who has three (3), four (4), or five (5) weeks of vacation may schedule all of his/her entire vacation at once, but the Employer may, as business requires, permit no more than two (2) weeks to be taken at one time.

It is agreed, however, that the Employer may limit the number of employees out of any one department to a maximum of ten percent (10%) (to the nearest whole person, with a minimum of one (1) person in a department where ten percent (10%) does not equal a whole person). It is further agreed that the Employer may schedule vacation requests to maintain a workable crew in a specific area within a department.

Upon the request of a Laid off employee, the Employer shall pay all accrued vacation time at the time of the layoff. If no request is made, the employee shall receive vacation pay and the time off when scheduled to take vacation assuming he/she has been recalled at that time. A laid off employee may request payment for accrued vacation at any subsequent date if he did not request it at the time of the layoff, however, if he/she does so, unpaid time off upon return to work is waived.

6.3 Not Cumulative

Neither vacations nor vacation pay will be cumulative from year to year. No employee shall accept vacation pay in lieu of time off except when mutually agreed between Employer, Employee and the Union. Earned vacation pay shall not be lost.

6.4 Pay in Advance

Vacation paychecks shall be issued on the last scheduled working day preceding the employee's vacation period; provided, however, such employee shall have indicated his vacation date during the vacation bidding in December or has given the Employer one week's notice. Such checks shall be in addition to the normal weekly earned check and shall be by a separate check.

6.5 Holiday Within Vacation

If a Holiday for which he/she would otherwise be paid falls within employee's vacation period, he/she shall receive an additional day off with pay.

6.6 Accumulated Vacation Credit

(1) No Employee shall receive vacation or pay until he/she has completed his/her introductory period. His/her accrued vacation credit shall then be computed from time of hire.

(2) A seniority employee who is terminated for any cause shall be entitled to vacation pay for any unused vacation for which he qualified on the prior anniversary date and, in addition, vacation pay prorated from the prior anniversary date to the date of termination in accordance with the qualification schedule in Section 6.1.

(3) An employee who terminates after completing the introductory period set forth in Section 8.1 shall receive prorated vacation pay.

SECTION 7. SENIORITY

7.1 Definition and Qualification

Seniority is defined as the length of time an employee has been continuously employed within the bargaining unit. Seniority shall not apply to any employee until he/she has completed his/her introductory period, as defined in Section 8. Once attained, seniority shall be effective as of the date of his/her employment, and it shall continue without interruption unless lost as provided herein. Seniority shall only be recognized where specifically provided herein.

An employee's seniority shall be lost and he/she shall be terminated when he/she:

- (1) Formally quits.
- (2) Is discharged for cause.
- (3) Fails to show up for work or fails to call in for three (3) consecutive days.
- (4) Fails to return to work from an official leave of absence.
- (5) Fails to return to work within three (3) days after he/she has been notified by telephone or telegraph to report for work from layoff status.
- (6) Is laid off for a period of:
 - a) Employees with less than four (4) years seniority - twelve (12) consecutive months
 - b) Employees with four (4) or more years - eighteen (18) consecutive months.
- (7) Is unable to return from a medical leave of absence within the same time restraints as outlined in (6) above.

7.2 Layoff and Recall

Bargaining unit seniority shall be used to determine layoff and recall rights within a department regardless of how long an employee has been in a department or how he/she got there.

In the event a layoff in a department is necessary, the following procedure will be followed:

- (1) For all layoffs, introductory employees shall be laid off before other employees
- (2) Employees shall be laid off by seniority in the department affected, less senior first so long as the remaining employees are qualified to perform the work required.

Employees retained or re-hired because of seniority must be willing, competent and qualified to perform the work to be done.

A twenty-four (24) hour notice of layoff will be given to an employee who is to be laid off.

The foregoing shall not apply if the less senior employee is a finish painter, unless the senior employee has performed the job in the past at Gillig or elsewhere and if necessary, successfully passes a skills test.

7.3 Seniority List

The Employer shall keep an up-to-date departmental seniority list of all employees covered by this agreement and post the seniority list in a conspicuous place. This provision is for the convenience of the parties and in case of any dispute concerning the accuracy of the list, the provisions of this Agreement and not the posted list shall control. Employer shall at all times of layoff post a list of introductory employees.

7.4 Salaried Positions

If an employee is requested by management to fill a salaried position and accepts, he/she shall be excluded from, the coverage of this Agreement. In the event the Employer subsequently transfers such employee or such employee requests a transfer *back* to a position covered by this Agreement within six (6) months from his/her promotion, he/she shall be credited with the seniority, which he had on the. date he was promoted to his/her salaried position. The Employer shall notify the Union in writing of the date the employee begins the salaried position.

7.5 Stewards Seniority

All regular shop stewards shall have top seniority for purposes of layoff.

SECTION 8. INTRODUCTORY PERIOD, DISCIPLINE, ABSENTEEISM

8.1 Introductory Period

An introductory period of sixty (60) days shall be established. To this period shall be added the number of days an introductory employee is absent from work during the initial sixty (60) *day* period. Absences due to injuries covered by Worker's Compensation of less than a total of seven (7) days shall not *be* added to the sixty (60) days introductory period.

During the introductory period, an employee may be discharged for any reason, which, in the opinion of the Employer, is just and sufficient, except for legitimate Union activity.

8.2 Right of Discharge

For all offenses, other than those listed below, the Employer agrees to give a written warning prior to discharge. Written warnings will be removed from an employee's personnel file after twelve (12) months from the date the warning is given. No written warning need be given if the discharge is for:

- a. Theft or willful damage to Company property or the property of another employee.
- b. Possession of, or reporting under the influence of, intoxicating beverages, use of illegal drugs or controlled substances without a valid prescription.
- c. Gross insubordination.
- d. Fighting on Company Property.
- e. Possession of firearms or explosives on Company premises.
- f. Falsification of a time card or other Company record.
- g. Failure to show up for work or fails to call in and misses three (3) consecutive shifts.
- h. Participating in unsafe acts that endanger life.
- i. Sleeping on the job during working hours.

When an employee is discharged, the Employer shall notify the Union within twenty-four (24) hours, in writing, of the action taken and the reasons for the action. A copy of the reasons for the discharge shall be given to the discharged employee.

8.3 Appeals

If any employee feels he/she has been unjustly discharged, he/she shall have the right to appeal his/her case to the Adjustment Board through the Union. Such appeals must be filed in writing by the Union within three (3) working days from the date the Union is notified by the Employer of such discharge and unless so filed the right of appeal is lost. It is agreed that no employee shall be discharged while he/she is on vacation, authorized leave of absence or absent due to bona fide illness.

8.4 Discipline Procedure

In all cases of discharge or written reprimand, the employee to be disciplined will be brought to the shop superintendent's office and the disciplinary action taken in the presence of a steward. After the passage of twelve (12) months, a written reprimand may not be used against an employee in discipline or discharge, and will be deleted from his/her personnel file.

8.5 Absenteeism

On evaluating absences for purposes of determining excessive absenteeism, the Company will not base disciplinary action upon any absence for holidays, vacations, Union business, state disability, industrial injuries, paid leaves, leaves pre-excused by management, except in cases of chronic absenteeism.

SECTION 9. SETTLEMENT OF DISPUTES

9.1 Grievance Procedure

In the event of any disputes or grievances which may arise concerning the application or enforcement of this Agreement, other than discharge (see Section 8.3), an aggrieved employee shall, within three (3) working days after he/she first had notice to the facts on which the grievance is based, discuss the grievance with his/her immediate supervisor, and both parties will endeavor to adjust the matter. Failing such adjustment, within three (3) working days, the aggrieved employee and the shop steward may take the grievance up with the plant superintendent and both parties shall endeavor to adjust the matter.

Failing such adjustment, within the next three (3) working days, the grievance may be taken up with the plant manager by the business agent, the shop steward and the aggrieved employee by their submitting a written statement of the grievance which states the specific facts and sections of the Agreement on which the grievance is based, and scheduling a grievance meeting within the next three (3) working days unless such time is extended by mutual agreement to a date certain.

At such plant grievance meeting, each party shall set forth fully and fairly the facts and contentions in support of its position and shall endeavor to adjust the matter. In the event of failure to adjust the matter at the plant grievance meeting, either party may, within the next three (3) working days, give written notice of its desire to obtain the formal determination of the dispute in accordance with the following provisions. (Complaints involving payment of compensation shall be in writing and no adjustments shall be retroactive for more than ninety (90) days.)

9.2 Board of Adjustment

Upon receipt of such notice, a representative of the Union and a representative of the Employer will, if unable to resolve the dispute, promptly establish a Board of Adjustment and prepare a written statement of the issue for submission to such Board of Adjustment; provided, however, either party, whereupon the grievance may be submitted directly to a neutral arbitrator as if a deadlock had been declared.

The Board shall consist of two (2) members selected by the Employer and two (2) members selected by the Union. The two (2) members selected by the Union shall not include representatives of the Local Union party to

this Agreement, and the two (2) members selected by the Employer shall not include persons on the payroll of the Employer who supervise, directly or indirectly, the aggrieved employee or who are otherwise involved in the dispute. The Board of Adjustment shall elect a Chairman and a Secretary and adopt rules of procedure. The Board shall proceed to hear the issue submitted to it promptly, each party being permitted to present such evidence as may be material. The Board shall have no jurisdiction or authority to add to, subtract from, or alter in any way the provisions of this Agreement, but shall have authority to interpret or apply the provisions thereof only to the extent necessary for determination of the grievance submitted to it for determination.

If a majority of the Board can agree on a determination of the grievance, it shall render such decision promptly in writing, a copy of such decision to be delivered to each party. Such decision of the Board shall be final and not serve as a precedent in any other case. If a majority of the Board cannot agree on a decision within a reasonable time after conclusion of the hearing, a deadlock shall be declared and the matter may be submitted by either party to a neutral arbitrator in the following manner.

9.3 Arbitration and Selection of Arbitrator

A neutral arbitrator shall be selected from a panel of seven arbitrators provided by the Federal Mediation and Conciliation Service. The parties shall then strike names from the list, the Union striking first. The last remaining named person shall be requested to be the arbitrator.

9.4 Arbitrability

Any claim or proposal by a party to add to or alter this Agreement, and any matter arising out of any such claim or proposal, shall not be arbitrable. Any dispute as to the arbitrability of any given matter shall be resolved by a court of competent jurisdiction and not by an arbitrator or Board of Adjustment, unless the parties specifically agree otherwise in writing.

9.5 Arbitration Procedure in Discharge Cases

In discharge cases, the hearing shall **be held on the first available date** and, unless specifically requested by the arbitrator or one of the parties, the case shall *be* heard and determined without transcript or filing of briefs and the arbitrator shall be instructed to issue his award from the bench if possible, or in any event within twenty-four (24) hours after the conclusion of the hearing, with an opinion, if requested by either party to be subsequently prepared.

9.6 Arbitration Decision and Award

Except as otherwise provided, the arbitrator shall issue his/her decision and award within thirty (30) days after the case is submitted for decision. The arbitrator shall have not authority to add to, delete from, or otherwise alter this Agreement. The award of the arbitrator, if consistent with the foregoing, shall be final and binding upon the Employer, the Union and all employees concerned.

9.7 Cost of Arbitration

Each party shall bear its own expense *in* presenting its case to the arbitrator. The expense of an arbitrator shall be divided equally between the parties.

9.8 No Interruption of Work

There shall be no interruption of work during the settlement of a grievance.

SECTION 10. STRIKE AND LOCKOUT

10.1 Strikes

The Union and its members agree not to engage in, endorse or encourage any strikes or stoppages of work during the term of this Agreement.

It shall not be a violation of this Section if individual employees of the Company covered by this contract refuse to cross a legitimate picket line at the Company established by another union, provided that:

1. The striking union is the recognized collective bargaining representative of other employees of the Company.
2. The picket line has been officially sanctioned by the Teamsters Joint Council No. 7 and /or the Central Labor Council of Alameda County, the Building Trades Council of Alameda County, or another appropriate labor body.

10.2 Lockout

The Employer agrees not to engage in a lockout during the term of this Agreement.

SECTION 11. HEALTH AND WELFARE

11.1 Eligibility

New employees of the Employer shall become eligible for participation in the Health, Welfare, Dental, Drug and Vision Plans upon the first of the month following completion of their introductory period of employment.

11.2 Health & Welfare

For employees who are members of Auto, Marine and Specialty Painters Union, Local 1176, the following applies:

The Employer agrees to pay the Board of Trustees of the Automotive Industries Welfare Fund for the term of this Agreement, The sum Of Nine Hundred Seventy Dollars (\$970.00)

Should the Board of Trustees of the Automotive Industries Welfare Fund find it necessary from an experience factor to increase the premium in order to maintain the schedule of benefits, the Employer agrees to increase the premium payments upon notification by the Administrator of the Automotive Industries Welfare Fund through the duration of this Collective Bargaining Agreement, subject to the limitations set forth in Section 11.3 below.

11.3 Employer Contribution

Beginning January 1, 2007, and each year thereafter during the original term of this agreement, an additional \$25.00 per employee per month shall become available. If these additional funds are not needed for employee's health & welfare, they will automatically be placed into the Pension Plan, as set forth below. The Union will advise the Employer no later than October 1st of each calendar year where the funds will be applied.

SECTION 12. PENSION PLAN

12.1 Employer Contribution & Eligibility

For employees who are members of Auto, Marine & Specialty Painters Union, Local 1176, the Employer shall pay the sum of \$376.41 per month per employee to the Automotive Industries Pension Trust Fund to provide pension benefits. Contribution amounts may vary based on Section 11.3 above.

The Employer shall transmit said pension payments to the Automotive Industries Pension Trust Fund, and the Employer shall pay Fifteen Dollars (\$15.00) per month to the Supplemental Income 401(k) Plan Fund on the first (1st) day of each month, and in no event later than the fifteenth (15th) day of each month.

New employees of the Employer shall become eligible for participation in the Pension Plan upon the first (1st) day of the month following completion of ninety (90) calendar days of employment.

**See attached Letter of Understanding between Gillig and Painters District Council 16, Local 1176 and Teamsters Local 853

SECTION 13. NO DISCRIMINATION

There shall be no discrimination of any kind because of race, creed, color, national origin, sex, or union activities against any employee or applicant for employment by the Employer or by anyone employed by the Employer; and to the extent prohibited by applicable state and federal law there shall be no discrimination because of age.

SECTION 14. LEAVE OF ABSENCE

14.1 Approved Leaves

Employees with more than one (1) year of continuous service shall be granted leaves of absence of from not less than one (1) week to thirty (30) days. Leaves in excess of thirty (30) days, not to exceed six (6) months, if granted, shall be in writing with a copy sent to the Union.

If the Company believes the number of leaves requested at any one time hampers the functioning of a department, after all other reasonable efforts are made to otherwise staff the department, it may deny further leaves, using seniority and need as its criteria for doing so.

Requests for unpaid funeral leave extensions may be for periods of less than one (1) week.

A vacation request which has been denied may not be changed to a request for a leave of absence and a request for a leave of absence may be denied when a full complement of employees is on vacation.

A leave will be denied if the Company believes it has been requested to circumvent the attendance policy. Such a denial is subject to the grievance procedure. The Company may deny a leave that is an extension of a vacation; provided however, a one (1) week leave will be granted as an extension to a vacation for the purpose of traveling to a foreign country, if the ten percent (10%) departmental limitation is not exceeded.

An employee will only be granted a second leave of absence exceeding two (2) week's duration during the term of the Agreement if the employee uses, or has used, all remaining vacation and personal holidays in lieu of unpaid time off.

An employee on leave shall not engage in gainful employment without written permission from both the Company and the Union.

Vacation time shall not accrue while an employee is on a leave, nor shall holidays which occur during a leave be paid.

Family and medical leaves shall be granted in accordance with Federal and State laws and the regulations issued pursuant to such laws.

14.2 Military Service

Any employee covered by this Agreement and agreements supplementary hereto who leaves a position other than a temporary position with any Employer covered by this Agreement, for immediate induction into any of the armed forces of the United States, shall be re-employed if application is made within ninety (90) days after he/she is discharged from the armed forces, in accordance with the provisions of Section 9B of the Selected Services Act of 1948 and any official amendment or modification thereof.

14.3 Funeral Leave

In the event of a death in the immediate family of an employee who has completed the introductory period set forth in Section 8.1, shall be granted three (3) working days off with pay. Requests for unpaid funeral leave extensions may be for periods of less than one (1) week

This provision does not apply if the death occurs while the employee is off on leave of absence, layoff, or sick leave.

For the purpose of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse and child, mother-in-law, father-in-law, brother-in-law, sister-in-law, step-children, step-parents, grandparent, spouse's grandparent, and grandchild. At the request of the Employer, the employee shall furnish proof of death and relationship.

If a death in the immediate family occurs while an employee is on vacation, the employee shall have the option to cancel any unused portion of the vacation and use funeral leave, so long as the employee attends the funeral service.

14.4 Jury Duty

When an employee working under the jurisdiction of this Agreement necessarily loses time from work because of jury duty, the Company shall reimburse such employee at his full regular straight-time rate of pay, less whatever remuneration he may receive from other sources for said purpose.

En the event a day shift employee is released from jury duty at any time prior to the end of first shift lunch period, he/she shall return to work and shall be allowed a reasonable time to eat lunch.

In the event a second shift employee is released from jury duty at any time prior to the end of 1st shift lunch period, he/she will report to work at his/her regular starting time. If a second shift employee is released from jury duty after the end of first shift lunch period, but prior to 1:00 pm, he/she must report to work for at least half of their scheduled shift (by 6:00 pm). If, at the Employer's option, an employee is allowed to work more than four hours, any hours in excess of four (4) hours will be at I 'A times the employee's regular rate of pay. If a second shift employee is released after 1:00 pm, he/she need not report for work that day.

Third shift employees will be treated as if they were working first shift.

The employee shall be responsible to obtain documentation from the court indicating the date served, time released, and the amount of remuneration from the court in order to be eligible for pay for jury duty.

SECTION 15. UNION REPRESENTATIVES AND BULLETIN BOARDS

15.1 Business Agents

The business agent or qualified representative of the Union shall be allowed to visit the Employer's covered establishment for the purpose of ascertaining whether or not this Agreement is being observed. This right shall be exercised reasonably. The business agent or qualified representative of the Union shall report to the management of the office before proceeding to the plant. In the event he/she wishes to interview an employee, he/she shall

report to the employee's department supervisor and he/she shall be permitted to interview him/her privately in the office. He/she shall not interfere with the normal conduct of work.

15.2 Stewards

A steward and alternate steward may be provided for each shift, such stewards to be appointed by the Union or selected by the employees on the job. Grievances which may arise and which cannot be adjusted on the job shall be reported to the Union by the steward; provided, however, in no event shall the steward or the Union order any changes and no changes shall be made except with the consent of the Employer.

15.3 Bulletin Boards

The Employer shall provide a reasonable number of bulletin boards in places reasonably accessible to the employees covered by this Agreement for the purpose of posting notices of official Union business, such as times and places of meetings.

SECTION 16. INDUSTRIAL INJURIES

All industrial injuries, no matter how slight, must be reported to the supervisor, or Medical Department at the time the injury occurs. Any employee sent home by the Company or Company physician because of industrial injury or industrial disease shall be paid for the remainder of his/her shift.

The Company shall pay employees for any time lost during regular working hours in visits to the doctor in the case of an industrial injury or industrial disease, or shall make arrangements with the doctor that such visits shall be scheduled for after working hours. The Employer will not interfere with doctor visits which occur during working time once the visit is scheduled.

Any employee who is off work due to an industrial injury or industrial disease, the disability having been previously determined by the Company physician, shall be paid his/her regular rate of pay until disability payments are due him/her from the insurance company. The maximum payments shall be three (3) days' pay from any one injury, such payment to be made to employee upon request, except in the case of any employee whose injury exceeds fourteen (14) days.

SECTION 17. GENERAL PROVISIONS

17.1 Safety

Both the Employer and the Union shall expend every effort to see to it that the work performed under the terms and conditions of this Agreement is performed with a maximum degree of safety, consistent with the requirement to conduct efficient operations. The Employer's safety rules shall be posted in a conspicuous place.

The Employer shall convene a meeting of the Plant Safety Committee. There shall be a shop steward present at each safety committee meeting. The Employer will attempt to call a safety committee member to the scene of any accident.

A grievance filed concerning a safety matter, shall be moved through an expedited settlement process. If the parties are unable to agree on a solution concerning an issue of safety, within 72 hours of the time the issue is discussed, the parties shall choose the first available arbitrator from a panel of five (5) that have previously been designated by the parties. The parties shall ask the arbitrator to make a bench decision on the matter.

17.2 Maintenance of Sanitary Facilities

The Employer agrees to maintain a clean, sanitary washroom with toilet facilities.

17.3 New Processes and New Machines

The Employer shall notify the Union in advance of any permanent layoff of seniority employee which is going to result from the installation of new machinery or new processes in order that the impact of such layoff upon the employee may be discussed. Such discussions are to be without recourse to the grievance procedure and without the right of strike or lockout; provided that in the event any new job classification are created or any permanent layoff is made because of the introduction of new machinery or new methods of operation. then the Union may refer to the grievance procedure set forth in this Agreement. Any dispute concerning the wage rates established by the Employer for such new classification and the question of whether such layoff was in accordance with the layoff provision set forth in the seniority section of the Agreement.

17.4 Shop Rules

The Employer may make and enforce shop rules provided that they are posted in the plant and not in conflict with this Agreement. The Employer before posting any new rules shall send each rule to the Union five (5) days before posting in order to insure that there is no conflict with this Agreement. Should the Employer make any changes in its shop rules during the life of this Agreement, which the Union does not agree to, the Union shall have the right to protest such changes by the grievance procedure and the change shall not be placed in effect until the grievance is resolved.

SECTION 18. SICK LEAVE

18.1 Benefits

Each employee who has been continuously employed by the Employer for a period of at least one (1) year shall be credited with sick leave as follows:

1. Each employee who, on April 1, 1977, was continuously employed for at least one (1) year, shall be credited as of that date with five (5) days (forty (40) straight-time hours) of sick leave; and effective January 1, 1978, he/she shall be credited with five (5) additional days (forty (40) straight-time hours) of sick leave; and shall thereafter be credited with six (6) additional days (forty-eight (48) straight-time hours) of sick leave upon the completion of each additional full year of continuous service.
2. All other employees hired before March 1, 1988, shall be credited with five (5) days (forty (40) straight-time hours) of sick leave effective on the employee's first anniversary date of continuous service; he/she shall be credited with an additional five (5) days (forty (40) straight-time hours) of sick leave effective on the employee's second anniversary date of continuous service; and shall thereafter be credited with six (6) additional days (forty-eight (48) straight-time hours) of sick leave upon the completion of each additional full year of continuous service.
3. Employees hired after March 1, 1988, shall be credited with four (4) (thirty-two (32) straight-time hours) of sick leave effective on the employee's first anniversary date of continuous service and an additional four (4) days on each successive anniversary date of employment.

18.2 Waiting Period

Such sick leave shall be applicable only in cases of bona fide illness or accident and shall be paid from the first (1st) workday's absence. In those cases where illness or injury occurs during working hours, the first work day's absence shall be calculated as the twenty-four (24) hour period following the time at which the employee leaves work by reason of illness or injury. Succeeding work days' absences, full pay until sick benefit allowance is used up.

If an employee is absent from work on the day before any of the holidays listed in Section 5 or on the day after any of such holidays, due to bona fide illness or accident, said holidays shall be considered a work day's absence within the meaning of this Section 18.

18.3 Doctor's Certificate or Other Proof

If an employee's illness results in absence from work of three (3) or more consecutive days, then a doctor's certificate or other reasonable proof of illness may be required by the Employer.

18.4 Payment Defined

For the purposes of this Section 18, full pay shall mean pay for the regular daily schedule of working hours, for those days which the employee would have worked had the disability not occurred, calculated at straight-time.

An Employee's sick leave payment shall automatically be *paid* with each absence until the sick benefit allowance is used up.

18.5 Unused Sick Leave Accumulation

Unused sick leave may be accumulated from year to year. Accumulations in excess of thirty (30) days may, at the option of the employee, be converted to cash, if the employee so requests in writing within thirty (30) days of their qualifying date (January 1 or anniversary date).

Payment will be made by the payday following the qualifying date. Employees who quit or are terminated are not eligible for any cash conversion for *unused* sick leave.

18.6 Integration

In industrial injury or disability cases, Workers' Compensation or Unemployment Disability (UCD) benefits and sick benefit allowances shall be paid separately, but in the event Workers' Compensation payments or Unemployment Disability payments cover all or part of the period during which sick benefit allowances are paid, the sum of the two shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with Workers' Compensation or Unemployment Disability payments is to be automatic; the Employer may not waive integration, and any employee entitled to Worker's Compensation or Unemployment Disability payments must apply therefore (in order that the principle of integration may be applied) before sick benefits are payable.

Employees may waive using sick leave in cases involving industrial injury or disability. The burden is on the employee to inform the Employer of a waiver in writing.

SECTION 19. SCOPE OF AGREEMENT AND SEPARABILITY OF PROVISIONS

19.1 Scope of Agreement

Except as otherwise specifically provided herein, this Agreement fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to collective bargaining. Neither party shall, during the term of this Agreement, demand any change therein nor shall either party be required to bargain with respect to any matter. Without limiting the generality of the above, both parties on their own behalf and on behalf of the respective members bound hereby, waive any right to demand of the other any negotiation, bargaining, or change during the life of this Agreement with respect to pensions, retirement, health and welfare, annuity or insurance plans, or respecting any question of wages, hours or any other terms or conditions of employment; provided that nothing herein shall prohibit the parties from changing the terms of this Agreement by mutual agreement.

19.2 Separability of Provisions

Should any section, clause or provisions of this Agreement be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provision shall not invalidate the remaining

portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Agreement.

Upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions, the dispute may at the request of either the Employer or the Union be referred to arbitration for settlement pursuant to the provisions of Section 9.3 hereof; but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide for the same specific objective and purpose of the provision rendered or declared illegal.

19.3 Unlawful Action Not Required

The parties agree that neither will willfully require the other or their respective members bound hereby to do or perform any act prohibited by law.

19.4 Government Controls

Should any provisions of this Agreement not be placed into effect because of government wage regulations or controls, and should such controls be subsequently amended, relaxed or terminated during the term of this Agreement, then and in that event such provision(s) as has not been placed into effect because of said regulations or controls will be effectuated on the date on which it is determined that it is legally possible to do so, but not retroactively in excess of six (6) months, provided that the legality of such action is established during the term of this Agreement.

The Company and the Union agree to cooperate in the preparation and filing of any submission(s) which during the term of this Agreement are required under the regulations of the Cost of Living Council or any successor agency responsible for the administration of government wage controls.

SECTION 20. WAGES AND CLASSIFICATIONS

The classifications and hourly wage rates for employees covered by this Agreement are set forth in Appendix "A" hereto.

SECTION 21. PLANT CLOSURE AND RELOCATION

The Employer shall notify the Union of a proposed plant shutdown or relocation within ninety (90) days as either of these occurrences becomes imminent. in the event of a total plant closure, the following items shall become effective:

1. The Employer agrees to severance pay for any employees displaced by a closure of the plant as contained in a Letter of Understanding attached to this Agreement.
2. The Company agrees to pay an additional two (2) months of Health & Welfare coverage for any employee displaced by a closure who has less than three (3) complete calendar years of service. For Employees with more than three (3) calendar years of service, three (3) months of Health & Welfare coverage shall be paid.

In the event the Employer relocates its operation to another area, the following shall be effective:

1. The Employer will offer employment at any new location to displaced employees on the basis of seniority.
2. In the event an employee declines to transfer, the employee may elect to receive Health & Welfare coverage due as set forth above.
3. The Company and Union will make every effort to find jobs for employees displaced by a plant closure or unable to accept a transfer to a new location.

SECTION 22. SEVERANCE PAY

In the event of a plant closure during the term of this Agreement, severance pay will be paid as a supplement to unemployment benefits to provide the equivalent of the employee's weekly net take-home pay per the following schedule:

<u>Years of Service At Time of Termination</u>	<u>Number of Weeks Unemployment Benefit may be Supplemented</u>
24 years or more	12 weeks
22 years but less than 24	11 weeks
20 years but less than 22	10 weeks
18 years but less than 20	9 weeks
16 years but less than 18	8 weeks
14 years but less than 16	7 weeks
12 years but less than 14	6 weeks
10 years but less than 12	5 weeks
8 years but less than 10	4 weeks
6 years but less than 8	3 weeks
4 years but less than 6	2 weeks
1 year but less than 4	1 week
Less than 1 year	0

In order to maintain benefits eligibility, employees must notify the payroll office every two (2) weeks, either by telephone or by mailing a photocopy of their current unemployment check. Acceptance of any employment following termination will result in no further severance being made.

NOTE:

Employees choosing not to file for unemployment benefits will receive the same severance benefits as if they were receiving unemployment compensation. However, they must still report their employment status every two (2) weeks if they wish to receive severance payments.

An employee receiving severance pay in accordance with the procedures set forth above who obtains another job and loses it for any reason shall be permitted one ninety (90) day period during which he/she shall notify the Company of the job loss and may be returned to the severance program set forth herein.

SECTION 23. SUB-CONTRACTING

The Company has the right to subcontract when it concludes that the work cannot be more economically or efficiently performed by employees. The Employer agrees that it will not sub-contract bargaining unit work with the sole intent of depleting the bargaining unit work force. Upon demand, the Company agrees to supply the Union with all reasons for sub-contracting of any function causing loss of bargaining unit work.

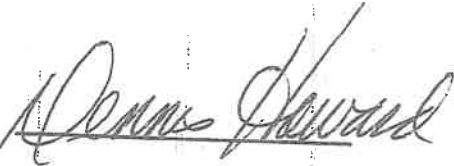
SECTION 24. DURATION

This Agreement shall be effective January 1, 2007, except for those provisions of the Agreement which have been assigned other effective dates as herein above set forth and shall remain full force and effect to and including December 31, 2011, and shall continue thereafter from year to year, unless at least sixty (60) days prior thereto, or to the first (1st) day of January of any subsequent year either party shall file written notice with the other of its desire to amend, modify, or terminate this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____, 2007.

GILLIG CORPORATION

**AUTO, MARINE AND SPECIALTY
PAINTERS UNION, LOCAL 1176
DISTRICT COUNCIL 16**

By: 

By: 

APPENDIX "A"

SECTION 1. CLASSIFICATIONS AND WAGE RATES

The classifications and minimum straight-time hourly wage rates covered by this Agreement shall be as follows (The Union reserves the right to allocate increases beginning in 2007, to pension or health and welfare, if needed):

	<u>1/1/07</u>	<u>1/1/08</u>	<u>1/1/09</u>
Working Foreperson*:	\$ 23.31	\$ 24.66	\$ 26.06
Journeyman:	\$ 22.31	\$ 23.66	\$ 25.06

Employees may be interchanged between bodywork (Local 853) and paint preparation (Local 1176) to provide job coverage in cases of unplanned absenteeism, emergencies or extraordinary circumstances. The employer shall notify the respective chief shop steward of the need to interchange. In no event shall the ability to interchange be used to fill permanent vacancies.

*Replacement Working Forepersons: An employee designated to replace a Working Foreperson shall receive One Dollar (\$1.00) per hour above the journeyman rate of pay for each hour he or she functions as a temporary Working Foreperson. If the assignment requires a change of shift, Two Dollars (\$2.00) per hour above the journeyman rate of pay shall be paid.

SECTION 2. PROGRESSION

Upon completion of one (1) year's service in the Specialist C classification, the employee shall be moved up to the Specialist B classification.

Upon completion of one (1) year's service in the Specialist B classification, the employee shall be moved up to the Specialist A classification.

An employee who has performed satisfactorily as a Specialist A for twelve (12) months will become a journeyman; provided, however, that if the Employer believes that the employee is not competent or qualified to perform the functions of a journeyman in the department, it shall notify the Union in writing and, if the matter cannot be resolved within three (3) working days, the Employer may submit the matter to a Board of Adjustment (pursuant to Section 9.2) which shall be comprised of persons who are qualified, by reason of training and experience, to evaluate the qualifications and competence of a journeyman in the work involved. In such a case, members of the Board of Adjustment may question the employee directly about his/her job knowledge and experience and observe him/her performing the various functions of a journeyman in the work involved.

Where there is a need and vacancy for a journeyman in a department (and the job is not filled pursuant to the foregoing paragraph) the job shall be offered to the most senior qualified Specialist A in the department who has performed satisfactorily as a Specialist A for twelve (12) months or more; provided, however, that if the Employer believes that the employee is not competent or qualified to perform the functions of a journeyman in the department the matter may be adjusted in accordance with the foregoing paragraph.

If an employee is deemed not to be qualified as a journeyman, he/she shall be afforded, upon written request, a reasonable opportunity to perform job functions required of a journeyman which he/she had not previously been afforded a reasonable opportunity to perform.

All employees within a progression temporarily laid off, when re-hired shall be paid the same hourly rate of pay as when temporarily laid off and shall not lose any accumulated time worked toward the regular increase.

SECTION 3. WORKING FOREPERSONS

There shall be at least one (1) Working Foreperson in each department that has three (3) or more employees. If the Working Foreperson is not at work for more than two (2) weeks straight, he or she shall be replaced by another employee on a temporary basis. All employees elevated to Working Forepersons shall have their pay reflect the change in a timely manner

A working foreperson shall receive at least the rate listed for that classification, and shall not have the responsibility to hire or fire, or discipline, employees or effectively recommend such.

It is agreed and understood that this Agreement does not abridge the Employer's rights to promote or demote, to or from the classification of working foreperson.

SECTION 4. MINIMUM RATES

The wage rates listed above are minimum rates for the classifications shown. The minimum rates listed shall not be used to reduce the wage rate of any employee now receiving more than the listed minimum rate for his classification.

SECTION 5. EMPLOYEES HIRED AFTER MARCH 1, 1988

A. The classifications and minimum straight-time hourly wage rates covered by the Agreement shall be as follows:

	<u>1/1/07</u>	<u>1/1/08</u>	<u>1/1/09</u>
Journeyman	Same as Section 1		
Specialist A	\$ 20.40	\$ 21.75*	\$ 23.15*
Specialist B	\$ 19.40	\$ 20.75*	\$ 22.15*
Specialist C	\$ 18.40	\$ 19.75*	\$ 21.15*

*May be allocated by the Union towards Health & Welfare and/or Pension.

B. Summer Hires may be utilized and shall be paid \$1.50 per hour below the Specialist C rate.

SECTION 6. ECONOMICS

6.1 Annual Economics

During the life of this Agreement, Wages, Pension and Health & Welfare shall be as follows!

<u>Year</u>	<u>Wages</u>	<u>Health & Welfare</u>
2007	\$1.30*	\$25.00 per month
2008	\$1.35*	\$25.00 per month
2009	\$1.40*	\$25.00 per month

*May *be* allocated by the Union towards Health & Welfare and/or Pension.

LETTER OF UNDERSTANDING

ATTENDANCE AND TARDINESS CONTROL

Attendance shall be monitored by a point and warning system. The program is designed to control excessive absenteeism by assigning points for absences and tardiness and by making employees aware of where they are under the procedure. Any warning that is not issued within three (3) working days of the unexcused absence or tardy shall not be counted under this program.

½ point	Late [any time after one (1) hour but less than four (4) hours]
½ point	Early out [more than one (1) hour but less than four (4) hours]
1 point	Unpaid absence in excess of paid sick days

One (1) point given for absences of one (1) day or consecutive days for bona fide illness evidenced by a doctor's or hospital certificate. Each day missed in excess of three (3) consecutive days will be assessed a point, in the absence of a certificate.

If a late and an early out occur on the same day, a total of one (1) point will be assessed. No more than a total of one (1) point will be assessed for any one day.

SCHEDULE I

<u>POINTS</u>	<u>ACTION</u>
2 points	Step 1 – written counsel
3 points	Step 2 – written warning
6 points	Step 3 – 2 nd written warning
8 points	Step 4 – Final written warning
9 points	Step 5 - Termination

On the final calendar day of each year, all points shall expire except for those employees on Step 3, or beyond. Those employees shall be subject to the following schedule of points in the next year.

SCHEDULE II

<u>ABSENCE POINTS</u>	<u>ACTION</u>
2 points	Step 1 – written warning
4 points	Step 2 – Final written warning
5 points	Step 3 – Termination

Employees who are placed on Schedule II shall remain on that schedule for two years.

Call-in Procedure

The Company shall provide a system to document calls by time and date, for calls made prior to the switchboard opening. Calls for absences must be received within one (1) hour of the start of the shift or will be considered "no call-no show".

Excused Absences

Vacation days, jury duty, holidays, paid sick days, and Company approved leaves, days that fall under FMLA, ADA, Worker's Compensation, or SDI. Union Business when Employer is pre-notified.


FOR THE EMPLOYER


FOR THE UNION

LETTER OF UNDERSTANDING

HOLIDAYS & VACATIONS, "WORKABLE CREW"

This letter shall serve to interpret the "minimum" number of employees allowed off for Vacations and Floating Holidays in each department.

The Company shall continue the policy of not counting employees out on Funeral Leave or Medical Leave (work or non-work related) when establishing the minimum.

"Workable crew", as contained in the Vacation and Holiday sections of the Agreement, shall be interpreted as ten percent (10%) plus one (1) person allowed out of the department on a floating holiday per week.
(Exception: See Section 5. Floating Holidays)

Where urgent verifiable reasons for a *day* off are presented to the Company, the Company shall allow an employee to utilize a Floating Holiday if the employee has one available for use. This shall not be subject to the pre-scheduling language contained in the Agreement.


FOR THE EMPLOYER


FOR THE UNION

LETTER OF UNDERSTANDING

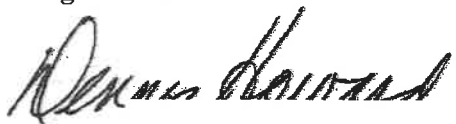
DRUG & ALCOHOL POLICY

It is understood between the parties that the Employer's Drug and Alcohol Policy as provided to the Unions on December 27, 1990, is made a part of this Collective Bargaining Agreement.

It is further understood that any employee who fails a drug and alcohol test will be afforded an opportunity to attend a T.A.R.P. rehabilitation program or another accredited rehabilitation program and will be returned to work without loss of seniority upon the successful completion of the program and *the* execution of a T.A.R.P. Return to Work Agreement. The program must be started immediately upon failing the test and only one opportunity for such rehabilitation will be offered to an employee. Failure of a second test any time after attending a rehabilitation program will result in termination. Failure to immediately agree to commence rehabilitation or failure to successfully complete the program will result in termination.

An employee, who enters the T.A.P. program voluntarily, may be subject to a Return-to-Work Agreement, and subject to random testing (*maximum* of four (4) times in any twelve (12) consecutive month period from their return to work). However, it shall be the employee's choice as to whether or not he/she wishes to participate in the program.

An employee in a voluntary T.A.P. program who tests positive, or who fails to fulfill the Return-to-Work Agreement will be eligible for one (1) additional referral. An employee under an involuntary referral will be subject to immediate termination upon testing positive or failing to fulfill the terms of the Return-to-Work Agreement.



FOR THE COMPANY




FOR THE UNION

LEI. MR OF UNDERSTANDING

MARTIN LUTHER KING'S BIRTHDAY

Any employee wishing to celebrate Martin Luther King's birthday shall notify the Company at least two (2) weeks prior to the holiday. The employee shall be allowed to take a floating holiday, vacation, sick leave, or unpaid excused day off.

In the event the number of requests exceed the amount required to maintain a workable crew, the Company reserves the right to deny requests on the basis of seniority.


FOR THE COMPANY


FOR THE UNION

LETTER OF UNDERSTANDING

SENIORITY

It is agreed by and between the parties that Section 7.1 of the Collective Bargaining Agreement shall include the interpretation set forth in this Letter of Understanding.

Where more than one employee is hired on the same working day, each employee's position on the seniority board shall be determined by the employee number assigned by the Company as employment offers are accepted. The lowest employee number indicates the highest seniority.

It is further understood that the manner of determining seniority when more than one employee has been hired on the same date, set forth herein, has been used prior to the execution of this Letter of Understanding and shall be recognized as determinative in all cases.

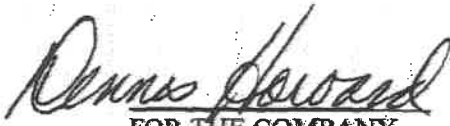

FOR THE COMPANY



FOR THE UNION

LETTER OF UNDERSTANDING

401(k) PLAN AND ADMINISTRATION

This Letter of Understanding will confirm that Gillig Corporation agrees to participate in the Supplemental Income Plan Trust Fund, 401(k) Plan, on behalf of the employees represented by Teamsters Local 853 and Painters Local 1176. Gillig Corporation agrees to make weekly deductions as directed by the employees and forward the deductions to the 401(k) Plan administrator on a monthly basis. Gillig Corporation also agrees that it will pay the monthly administrative fee on behalf of each participating employee.


FOR THE COMPANY


FOR THE UNION

CONTACT EXTENSION

Between

**AUTO, MARINE AND SPECIALTY PAINTER
TEAMSTERS LOCAL 853
LOCAL 1176**

And

GILLIG CORPORATION

The current Collective Bargaining Agreement that expires at midnight on December 31, 2009 has been extended until midnight on December 31, 2011.

The only changes in the Agreement are economic and are as follows:

January 1, 2010: \$1.45 per hour (to be allocated), plus an additional \$25.00 per month to be used for Health and Welfare increases.

If the \$25.00 per month is not needed for Health and Welfare, then it will be applied to either the 401(k) Plan or Pension Plan(s).

January 1, 2011: \$1.50 per hour (to be allocated), plus an additional \$25.00 per month to be used for Health and Welfare increases.

If the \$25.00 per month is not needed for Health and Welfare, then it will be applied to either the 401(k) Plan or Pension Plan(s).

All other terms and conditions in the Collective Bargaining Agreement shall remain the same.

FOR THE UNION:

FOR THE EMPLOYER:

By: *Christopher J. Chappell*

By: *Dennis Howard*

Date: 4-23-08

Date: 4/23/08

By: _____

By: *Pamela J. McKenna*

Date: _____

Date: 4/23/08

CONTRACT EXTENSION

Between

GILLIG, LLC & PAINTERS LOCAL 1176

It is hereby agreed, by and between the above parties that the Collective Bargaining Agreement that expires at midnight on December 31, 2011 is hereby extended until midnight December 31, 2014, upon the terms and conditions set forth herein:

1. On January 1, 2012 an increase of \$1.55 per hour shall be applied to wages, health and welfare and pension as allocated by Painters Local 1176.
2. On January 1, 2013 an increase of \$1.57 per hour shall be applied to wages, health and welfare and pension as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned surcharge of 12 ½ % of current contribution (\$.31 per hour).
3. On January 1, 2014 an increase of \$1.62 per hour shall be applied to wages, health and welfare and pension as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned surcharge of 12 ½ % of current contribution (\$.34 per hour).
4. All other terms and conditions in the aforementioned Collective Bargaining Agreement shall remain as written.

FOR THE COMPANY:

By: Pamela J. McKenna

Date: 2/10/11

FOR THE UNION:

By: Jose Santana

Date: 2/10/11

CONTRACT EXTENSION

Between

GILLIG, LLC & PAINTERS LOCAL 1176

It is hereby agreed, by and between the above parties that the Collective Bargaining Agreement that expires at midnight on December 31, 2014 is hereby extended until midnight December 31, 2016, upon the terms and conditions set forth herein:

1. On January 1, 2015 an increase of \$1.69 per hour shall be applied to wages, health and welfare and pension as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned supplemental contribution of 5% of current contribution (\$.13 per hour).
2. On January 1, 2016 an increase of \$1.74 per hour shall be applied to wages, health and welfare and pension as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned supplemental contribution of 5% of current contribution (\$.14 per hour).
3. All other terms and conditions in the aforementioned Collective Bargaining Agreement shall remain as written.

FOR THE COMPANY:

By: Patricia J. McKenna

Date: 3/19/13

FOR THE UNION:

By: Jose Santana

Date: 3/19/13

CONTRACT EXTENSION

Between

GILLIG, LLC & PAINTERS LOCAL 1176

It is hereby agreed, by and between the above parties that the Collective Bargaining Agreement that expires at midnight on December 31, 2016 is hereby extended until midnight December 31, 2023, upon the terms and conditions set forth herein:

1. On January 1, 2017 an increase of \$1.79 per hour shall be applied to wages, pension, and health & welfare, as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned supplemental contribution of 5% of current contribution (\$.14 per hour).
2. On January 1, 2018 an increase of \$1.84 per hour shall be applied to wages, pension, and health & welfare, as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned supplemental contribution of 5% of current contribution (\$.15 per hour).
3. On January 1, 2019 an increase of \$1.89 per hour shall be applied to wages, pension, and health & welfare as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the planned supplemental contribution of 5% of current contribution (\$.16 per hour).
4. On January 1, 2020 an increase of \$1.94 per hour shall be applied to wages, pension, and health & welfare as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the supplemental contribution of 5% of current contribution (\$.17 per hour).
5. On January 1, 2021 an increase of \$1.99 per hour shall be applied to wages, pension, and health and welfare as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the supplemental contribution of 5% of current contribution (\$.18 per hour).
6. On January 1, 2022 an increase of \$2.04 per hour shall be applied to wages and health and welfare as allocated by Painters Local 1176. In addition, Gillig, LLC shall pay to the Automotive Pension Plan the supplemental contribution of 5% of current contribution (\$.19 per hour).

7. On January 1, 2023 an increase of \$2.09 per hour shall be applied to wages, pension and health and welfare as allocated by Painters Local 1176 In addition, Gillig, LLC shall pay to the Automotive Pension Plan the supplemental contribution of 5% of current contribution (\$.20 per hour).
8. All other terms and conditions in the aforementioned Collective Bargaining Agreement shall remain as written.

FOR THE COMPANY:

By: [Signature]

Date: 12/27/16

FOR THE UNION:

By: [Signature]

Date: 12/19/2016

FOR THE COMPANY:

By: Daniel J. McKenna

Date: 12/27/16

FOR THE UNION:

By: _____

Date: _____

Letter of Understanding

Between

GILLIG

And

Painters District Council 16, Local 1176

and

Teamsters Local 853

This Letter of Understanding shall serve to confirm the agreement between Painters District Council 16, Local 1176 (DC16), Teamsters Local 853 and GILLIG to amend the current Collective Bargaining Agreements between the parties. The purpose of this agreement is to allow the Paint Department employees to be participants in the Western Conference of Teamsters Pension Trust Fund.

The parties agree that a Master Agreement will be signed which will reflect the fact that Teamsters Local 853 is the bargaining representative for all GILLIG Bargaining Unit members currently covered by the respective agreements between the Unions. The contract will provide that GILLIG will execute all appropriate agreements, including subscriber agreements, to allow the Paint Department employees to participate in the Western Conference of Teamsters Pension Trust Fund.

The Master Contract shall remain and be negotiated jointly between GILLIG, District Council 16 and Teamsters Local 853 for future agreements. The parties agree that for all purposes with respect to the negotiation of agreement and ratification of that agreement, the votes shall be pooled and that all votes shall be counted together as a joint bargaining unit for these purposes. This agreement is not subject to revocation or rescission absent agreement by all three parties, namely GILLIG, District Council 16 and Teamsters Local 853.

The parties furthermore recognize that there will be some differences in payments and contributions for wages, Western Conference of Teamsters Pension Trust Fund, Automotive Industries Plans and other provisions of the Master Agreement. Differences between the agreements shall be handled as addendums to the Master Agreement which shall be negotiated by the joint representatives and Gillig.

District Council 16 shall represent the employees of the Paint Department under the Master Agreement. Teamsters Local 853 shall represent the remaining employees in the bargaining unit. These changes are made to comply with the requirements of the Western Conference of Teamsters Pension Trust Fund and to allow the Paint Department employees to participate in that plan.

The parties furthermore agree that this agreement shall be binding upon all successors and assigns of the parties to this agreement in order to allow continued participation in the Western Conference of Teamsters Pension Trust Fund.

Dated:

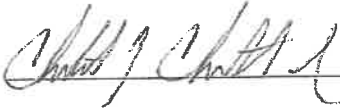
Dated:

2/1/17

District Council 16

Teamsters Local 853

By:



By:



Dated:

GILLIG

By:



11897053

LETTER OF UNDERSTANDING

HEALTH AND WELFARE

This letter of Understanding shall serve to confirm the agreement between District Council 16, Painters Local Union 1176 and Gillig LLC. To amend the current Collective Bargaining Agreement between the parties. The purpose of this agreement is to allow the Paint Department to participate in the District Council 16 Northern California Health & Welfare Trust Fund in lieu of the Board of Trustees of the Automotive Industries Welfare Fund effective January 1, 2019.

11.2 Health & Welfare

For employees who are members of Auto, Marine and Specialty Painters Union, Local 1176, the following applies:

The Employer agrees to pay the Board of Trustees of District Council 16 Northern California Health & Welfare Trust Fund for the term of this Agreement, the sum of 173 hours per month, per employee at \$10.25/hour = \$1773.25 not subject to the 130 hours requirement.

Should the Board of Trustees of District Council 16 Northern California Health & Welfare Trust Fund find it necessary from an experience factor to increase the premium in order to maintain the schedule of benefits, the Employer agrees to increase the premium payments upon notification by the Administrator of the District Council 16 Northern California Health & Welfare Trust Fund through the duration of this Collective Bargaining Agreement, subject to the limitations set forth in Section 11.3 below.


Dated:

GILLIG, LLC

By: 

Dated: 1-24-19

District Council 16

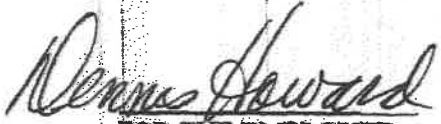
By: 

LETTER OF UNDERSTANDING

FINISH PAINTER'S PREMIUM

Assigned Finish Painters will be paid a premium of 3.00 per day effective April 1, 1991.

Assignment of jobs is at the sole discretion of management.


FOR THE EMPLOYER


FOR THE UNION