

AGREEMENT

between

**VOESTALPINE NORTRAK INC.
Cheyenne, Wyoming**

and

**BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYES DIVISION OF THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

**Effective
July 11, 2012
to midnight
July 10, 2017**

TABLE OF CONTENTS
 (Page Numbers To Be Determined)

<u>ARTICLE NUMBER</u>	<u>PAGE</u>
Preamble	1
Agreement.....	1
I. Separability and Savings Clause.....	1
II. Bargaining Unit Work.....	1
III. Management Rights	2
IV. Seniority	3
V. Grievance Procedure	5
VI. No Strike/No Lockout.....	9
VII. Union Membership.....	10
VIII. Checkoff.....	10
IX. Filling Vacant Positions.....	11
X. Discharge and Discipline	13
XI. Safety and Health.....	14
XII. Drug and Alcohol Free Work Place	14
XIII. Attendance	15
XIV. Leaves of Absence	15
XV. Union Leave	15
XVI. Wages	16
XVII. Hours of Work.....	16
XVIII. Overtime/Premium Pay.....	17
XIX. Reporting Pay and Call-In Pay	18
XX. Temporary Assignments	19
XXI. Insurance	19
XXII. 401(k) Plan	20
XXIII. Vacations.....	20
XXIV. Medical Examinations	22
XXV. Tools-Safety Items	22
XXVI. Transportation Mileage/Travel Time.....	23
XXVII. Holidays.....	23
XXVIII. Jury Duty	24
XXIX. Attending Legal Proceedings.....	25
XXX. Funeral Leave.....	25
XXXI. General Provisions	26
XXXII. Complete Agreement.....	26
XXXIII. Modification, Extension or Termination of Agreement.....	27
XXXIV. Duration of Agreement	28
Appendix A: Wage Schedule and Rates of Pay.....	29
Side Agreements	32

PREAMBLE

Section 1. This Agreement, between **voestalpine Nortrak Inc.** (the “Company” or “Nortrak”) and the Brotherhood of Maintenance of Way Employes Division of the IBT (“BMWED” or the “Union”), is entered into for the purpose of setting forth in writing the understandings they have reached with respect to wages, hours and other terms and conditions of employment of the employees covered hereby, as well as to the rights of the Company and the Union, and to provide a peaceful means for the settlement of any disputes which may arise with respect to the interpretation or application of their understandings and agreements as set forth herein. The Union and Company are dedicated to promoting, in the spirit of goodwill and cooperation, quality, safety and productivity in the manufacturing process.

Section 2. Wherever words are used herein in the masculine gender, they shall be construed as though they were also used in the feminine gender in all cases where they would so apply.

Section 3. Both the Company and the Union agree to abide by and support all applicable Federal and Wyoming state laws, including those which regulate workplace safety and those that prohibit employment discrimination.

AGREEMENT

This Agreement made and entered into this 11th day of **July, 2012**, by and between **voestalpine Nortrak Inc.** (hereinafter also referred to as the “Company” or “Nortrak”) and the Brotherhood of Maintenance of Way Employes Division of the IBT (hereinafter jointly and severally referred to as the “Union” or “BMWED”), witnesseth:

ARTICLE I

SEPARABILITY AND SAVINGS CLAUSE

If any of the specific provisions of this Agreement are rendered unlawful by changes in the law, the Company and the Union agree to negotiate over any changes that may be necessary to conform the terms of this Agreement to the requirements of law. Any provisions rendered unlawful shall not apply to either party. All other provisions not affected shall remain in full force and effect.

ARTICLE II

BARGAINING UNIT WORK

Supervisors and employees not covered by this Agreement shall not perform work normally performed by employees in this bargaining unit, except in cases of emergency, research

work, experimental work, job instruction, cross training, systems and process evaluations, equipment upgrades, unforeseen work overloads, and for security purposes. This provision does not apply to the maintenance supervisor or manager, who may perform maintenance work. Supervisors and employees not covered by this Agreement may also perform work normally performed by bargaining unit employees when performing that work is exploratory in nature or for the purpose of determining severity or existence of defect and effort required for repair. The term "emergency" is defined to mean an unforeseen combination of circumstances which call for immediate action. This Article shall not be construed to prevent employees outside the bargaining unit from performing work normally within their regular duties. Work performed by supervisors and non-bargaining unit employees pursuant to this Article is not intended to reduce work or overtime hours.

ARTICLE III

MANAGEMENT RIGHTS

Section 1. Except as specifically abridged, delegated, granted, or modified by this Agreement, or any supplementary agreements that may hereafter be made, all the rights, powers, and authority the Company possessed prior to the signing of this Agreement are retained by the Company and remain exclusively and without limitation within the rights of management. Such rights of management include, among other things, but are not necessarily limited to, the right to plan, direct and control operations; to determine the location or relocation of the plant, or operations; to control the nature and specifications of all raw materials, semi-manufactured and finished goods; to determine the type of operation and products to be manufactured; to determine whether and to what extent the work required in its business shall be performed by employees covered by this Agreement; to cease operations wholly or partially; to transfer work elsewhere; to subcontract work; to determine when work is to be performed; to establish production, quality, safety and work standards; to determine, alter, revise, change or eliminate any or all means, methods, processes, materials and schedules of production; to determine the existence, number, composition and size of work groups; to assign work to its employees in accordance with requirements determined by management; to determine or change the duties of jobs; to transfer employees between jobs, shifts or departments based on production requirements; to hire, layoff, transfer, promote, demote, terminate or otherwise relieve employees from duty for lack of work or other business related reasons; to discipline, suspend or discharge for just cause including the violation of a rule; to make and enforce reasonable rules for the maintenance of discipline; to investigate misconduct by lawful means, including video or other forms of surveillance; to make and enforce reasonable rules, including those for alcohol and drugs; to establish or continue policies, practices and procedures for the conduct of business and from time to time change or abolish such policies, practices or procedures; and to determine the number of hours per day or per week such operations shall be carried on, including the starting and stopping times and rotation of shifts and jobs, and to select and determine the number and mix of employees required.

These rights are limited only to the extent that this Agreement specifically so provides and may be exercised without prior consultation or negotiation with the Union, except where it is contractually required.

If the Company fails to exercise any of its rights, or exercises them in a particular way, this shall not waive those rights or preclude the Company from exercising them in some other way.

The management rights as set out above are retained by the Company and shall not be impaired by an arbitration award or any other provision of this Agreement other than those provisions that specifically address the subject matter.

No rights or obligations created by or arising from this Agreement shall survive its termination.

ARTICLE IV

SENIORITY

Section 1. Company seniority is defined as an employee's length of continuous, uninterrupted service with the Company since the employee's last date of hire, as shown on Company records. Employees with the same start date will have their seniority position determined based on the last four (4) digits of their Social Security number, with the employee having the lowest number being the most senior.

Section 2. Probationary employees shall have no seniority rights. However, upon successful completion of the ninety (90) calendar day probationary period, the employee's seniority will be retroactive to the last date of hire. During the probationary period, the Company may, at its sole discretion, layoff or discharge any probationary employee, and such action shall not be the basis for a grievance. In the event that the Company informs the Union prior to the end of an employee's probationary period that it desires to extend the employee's probationary period, the employee's probationary period shall be extended an additional sixty (60) calendar days.

Section 3. The Company will post on in-plant bulletin boards, with a copy to the Union, a seniority roster every six (6) months. The employee, or the Union on his/her behalf, will have ten (10) calendar days from the date the seniority roster is posted to challenge the accuracy of the seniority roster. Absent a timely protest from an employee or the Union, the employee's listing will be considered accurate and not subject to the grievance procedure until it is again published. Changes to the seniority roster must be agreed to in writing by the Company designated representative and the Union General Chairman. Unresolved seniority protests may be appealed by the Union to arbitration by making written request for such action within not more than fifteen (15) calendar days following the Company's final decision. Such arbitration

will be handled in line with the applicable arbitration procedures set forth in Article V, GRIEVANCE PROCEDURE.

Section 4. Reduction in Force. The Parties agree that should the Company find it necessary to permanently reduce its workforce because of economic or other reasons, any such reduction in force will be accomplished by the following method: the Company will determine how many employees within each classification as identified in Appendix A will be reduced, and then effectuate the reduction by laying off the needed number of employees in the affected classifications and work area based on ability to perform available work and seniority. Ability to perform available work includes but is not limited to the employee's work performance, training and experience based on Company records. This procedure shall only apply to permanent workforce reductions that the Company expects to exceed ten (10) consecutive workdays. Although the procedures applied to temporary workforce reductions shall be determined by the Company, the junior employees in the affected area will normally be laid off unless there is a reasonable operating need to retain a junior employee. A general reduction in the number of work hours or work days shall not be considered a workforce reduction. Whenever circumstances permit the Company will discuss a general work week reduction with the Union prior to finalizing the posting of the reduced workweek schedule.

Temporary and probationary employees within the affected job classification and work area shall be laid off first based on their last date of hire, laying off the probationary or temporary employees with the most recent date of hire first. Such employees will not retain any recall privileges and their seniority and employment relationship will be terminated. Non-probationary employees laid off in the reduction of force will retain recall privileges for a period equal to their length of service up to a maximum of eighteen (18) months from the date they were laid off. Prior to entering furloughed status, non-probationary employees will receive preference over temporary and probationary employees on work at the plant for which they are qualified to perform immediately. If the Company decides to restore any positions eliminated through layoffs, it will do so by recalling furloughed qualified employees of the job classification and work area in reverse order of layoff. Pay for those employees will be based on the rate for the job to which the employee is recalled. In any event, if the recall process fails to fill the assignment, the position will be bulletined as a vacancy and assigned pursuant to Article IX, FILLING VACANT POSITIONS. Employees on layoff status for more than their length of service up to eighteen (18) months will not retain any recall privileges and will have their seniority and employment relationship terminated.

Section 5. Employees will forfeit their seniority and employment relationship with the Company under the following conditions:

- A. Discharge for cause;
- B. Failure to report for work within three (3) consecutive work days after being notified by the Company in writing by certified mail to return from a layoff;

- C. Voluntary resignation;
- D. Engaging in gainful work, whether for self or another employer, without Company permission while on leave of absence;
- E. Being absent from work for three (3) consecutive work days of their assignment without properly notifying the Company;
- F. Layoff for a period in excess of eighteen (18) consecutive months or for a period equal to their length of service, whichever is less;
- G. **With the exception of absences that are legally excused (such as military duty or in order to accommodate a disability), absence from work for any reason for a period of eighteen (18) consecutive months;**
- H. After their job is eliminated, they refuse to accept another vacant job of equal or higher pay in the same or higher labor grade; or
- I. Retirement.

ARTICLE V

GRIEVANCE PROCEDURE

Section 1. For purposes of this Agreement, a grievance is defined as a dispute between the Company and the Union, or between the Company and any non-probationary employee covered hereby, with respect to the alleged violation of a specific provision of this Agreement. It is understood that the designated representative or shop steward can progress a grievance or act on behalf of any employee. Grievances as herein defined shall be processed in keeping with the following procedure:

STEP ONE: Both parties encourage the verbal resolution of disputes as quickly as possible. An aggrieved employee may discuss the dispute with his immediate supervisor. Upon request by the employee, the appropriate shop steward may attend this meeting. However, to be considered under this Article, the grievance must be submitted to the immediate supervisor in writing on a form mutually agreed to by the Company and the Union, containing in specific terms the information described in Section 3, within five (5) calendar days following the occurrence which caused the grievance. The Supervisor shall give his written answer to the grievance within five (5) calendar days. Provided the Supervisor does not respond within the specified time limit, the time limit for the subsequent step will commence five (5) calendar days from the date the grievance was submitted to the Supervisor. If a timely response is given but

the grievance has not been satisfactorily resolved within five (5) calendar days following the presentation to the Supervisor, then

STEP TWO: The written grievance may be submitted to the Production Manager within five (5) calendar days following the date the answer was due from the immediate supervisor. The Production Manager shall give his written answer to the grievance within five (5) calendar days after its submission to him. The Production Manager and the Chief Steward may meet to discuss the details of the grievance and attempt to reach a resolution prior to the issuance of the Production Manager's written answer. Provided the Production Manager does not respond within the specified time limit, the time limit for the subsequent step will commence five (5) calendar days from the date the grievance was submitted to the Production Manager. In the event there is no satisfactory settlement of the grievance at this Step, then

STEP THREE: The written grievance may be submitted to the Human Resources Manager within five (5) calendar days following the date the answer was due from the Production Manager. The Human Resources Manager shall give his written answer to the grievance within five (5) calendar days after its submission to him. The Human Resources Manager and the Chief Steward may meet to discuss the details of the grievance and attempt to reach a resolution prior to the issuance of the Human Resources Manager's written answer. Provided the Human Resources Manager does not respond within the specified time limit, the time limit for the subsequent step will commence five (5) calendar days from the date the grievance was submitted to the Human Resources Manager. In the event there is no satisfactory settlement of the grievance at this Step, then

STEP FOUR: The written grievance may be submitted to the Plant Manager within five (5) calendar days following the date the answer was due from the Human Resources Manager. The Plant Manager may discuss the grievance with the Union's designated representative within five (5) calendar days following its submission to him, and it is understood that this discussion may take place over the telephone when necessary. The Union's General Chairman or his designee will participate in this meeting. The Plant Manager will give his answer within five (5) calendar days following the meeting. Provided the Plant Manager does not respond within the specified time limit, the time limit for the subsequent step will commence five (5) calendar days from the date the grievance was submitted to the Plant Manager.

STEP FIVE: If there is no satisfactory settlement of the grievance in Step Four, then the Union or the Company may appeal the same to arbitration by making a written request for such action within not more than fifteen (15) calendar days following the Plant Manager's answer in Step Four.

No grievance will be considered under the grievance procedure unless it is presented in Step One within five (5) calendar days following the occurrence of the event on which the grievance is based.

Section 2. The parties understand and agree that the time limits set forth in the various steps of the grievance procedure are essential to the prompt resolution of the grievances. Accordingly, if such time limits are not abided by, except in those instances where the parties mutually agree in writing to extend such time limits, then in the event the grievant and/or Union does not act within the time limits provided, the grievance shall be deemed to be withdrawn without prejudice to either parties' position and not to be cited in the future by either party. In the event the Company fails to respond within the time limits provided, the grievance shall be automatically advanced to the next step of the grievance procedure provided, however, there must be a written request for arbitration as above set out. In cases involving suspension or discharge, Steps One and Two will be waived and the matter taken up with the Human Resources Manager within five (5) calendar days following such action by the Company. In such cases the Human Resources Manager may convene a disciplinary review board prior to reaching a final decision. If the grieving employee and the Union fail to cooperate in this review, they will lose the right to arbitrate the matter.

Section 3. The grievance form shall contain the following information:

1. Name(s) of the employee(s) involved;
2. Approximate date of alleged grievance;
3. Date of first discussion of grievance with the Supervisor, if any;
4. Date of Supervisor's response, if any;
5. Specific nature of grievance;
6. Date of presentation of written grievance;
7. Section or sections of the contract alleged to have been violated;
8. Proposed remedy, and
9. Signature of Grievant.

Section 4. The Company will provide a reasonable amount of time for the handling of grievances as outlined in Steps One and Two. This will be paid time up to ten (10) minutes. The handling of grievances as outlined in Steps Three and Four will be on paid time for a maximum of one quarter hour. Any arbitrations shall be handled on unpaid time unless otherwise specifically requested by the Company.

Section 5. The parties will attempt to select the mutually agreed to panel of three (3) Arbitrators. If they fail to do so, they shall jointly request the Federal Mediation and Conciliation Service ("FMCS") to furnish a list of eleven (11) arbitrators for the purpose of selecting the Arbitration Panel. The FMCS charge for providing the list shall be split equally. When the strike list is utilized, a coin toss will determine who strikes from the list first with the party winning the coin toss selecting who will strike first or second. Alternate striking will continue until three (3) arbitrators remain and they will make up the arbitration panel. Either party may reject one (1) list of arbitrators. Upon such rejection, an additional list shall be requested in writing from FMCS by the party rejecting such list with a copy of such request to

the other party. In such cases, the party requesting an additional list shall be responsible for the charge for providing the new list.

Upon receipt of the notice of desire to take a grievance to arbitration, the parties will attempt to appoint an arbitrator from a panel of three (3) arbitrators who have been designated by the parties to decide matters being arbitrated. If the parties cannot agree on an arbitrator, then the following procedure will apply: The panel member's names will be drawn from a hat and they will hear the first three (3) cases in the order that their names are drawn. Thereafter, the arbitrators shall rotate hearing cases, unless the parties agree that a particular arbitrator should hear a specific case.

Either party may dismiss a panel member by notification to the other party and to the panel member. When a panel member is dismissed, the parties will select a new member as outlined in the first paragraph of this section. The scheduling of disciplinary cases must occur within sixty (60) days of the date that arbitration is requested, and the scheduling of non-disciplinary cases must occur within ninety (90) days of the date that arbitration is requested. Panel members will attempt to schedule hearings and issue awards as soon as possible.

Section 6. Only the Union or the Company may request arbitration of the other.

Section 7. The arbitrator's authority shall be limited to disposition of the grievance arising under this Agreement, and he may only interpret and apply the contract provisions to the facts of the particular grievance unless the parties specifically agree otherwise in writing. The arbitrator shall have no power or authority to change, alter, modify, detract from or add to the terms of this Agreement. Any portion of an arbitrator's award that exceeds this limit on authority shall not be enforceable. No award shall have retroactive effect prior to the date of the occurrence which led to the filing of the grievance upon which the arbitrator's award is based. The arbitrator shall issue his award within thirty (30) days of the close of the arbitration hearing. **Back pay awards shall not exceed the equivalent of the grievant's base earnings for a nine (9) month period unless the time for rendering the decision exceeds the nine (9) month period because of mutually agreed to time limit extensions, or by a delayed decision from the neutral arbitrator.**

Section 8. The arbitrator's award shall be final and binding upon the Company, the Union, and the employee.

Section 9. The fees and costs of the arbitrator shall be borne equally by the Company and the Union. Each party shall otherwise pay its own cost and expenses. All arbitrations shall be held in or near Cheyenne, Wyoming, or at a mutually agreed upon location.

ARTICLE VI

NO STRIKE/NO LOCKOUT

Section 1. The Union, its officers, agents, representatives and members agree that for the duration of this Agreement there shall be no strikes, sit downs, slow-downs, stoppages of work or any acts of any nature which would slow down or interfere with production and no picketing of any kind directed at Nortrak or which in any way identifies Nortrak with the activity, whether predicated upon economic issues, grievances, contract violations whether real or alleged, alleged unfair labor practices, sympathy for other employees of the Company or of any other employer, or otherwise; nor shall any such acts be promoted, condoned or encouraged by the Union, its officers, agents, or representatives. Failure or refusal on the part of any employee of the Company to comply with any or all provisions of this Section shall be sufficient grounds for discipline or discharge. The Company agrees that for the duration of this Agreement there shall be no lockouts. A lockout as mentioned herein shall not be construed as the closing down or moving of the operation or any part thereof or curtailing any operations for business reasons.

Section 2. In the event of any violation of Section 1 of this Article, it shall be the duty and obligation of the Union, its officers, agents, or representatives (employee or non-employee) to immediately take all reasonable steps required to bring about an end to such conduct.

Section 3. Neither the violation of any provision of this Agreement nor the commission of any act constituting an alleged unfair labor practice or otherwise made unlawful, nor the fact that a particular grievance or dispute is not subject to arbitration under the provisions of this Agreement, shall excuse the Union, its officers, agents and representatives, or the employees of the Company, its officers, agents, and representatives from their obligations under this Article.

Section 4. In the event that the requirements of this Article are violated the aggrieved party shall have the right to avail itself of any appropriate legal remedy without prior resort to any step of the grievance procedure.

Section 5. The Union shall not be liable for monetary damages for wildcat strikes which it did not authorize, support, encourage, participate in or ratify through its officers or duly authorized agents, provided that it has fulfilled its obligations under Section 2 above.

ARTICLE VII

UNION MEMBERSHIP

The parties hereto agree that all bargaining unit employees of the Company shall have the right to join the Union and participate in Union activities and membership, or refrain from doing so, without interference, coercion, or intimidation on the part of the Company, the Union or its members. Membership or non-membership in the Union shall not be a condition of employment.

ARTICLE VIII

CHECKOFF

Section 1. Upon receipt of a signed authorization from the employee involved, the Company shall deduct from the employee's pay the initiation and/or reinstatement fees and dues payable by him to the Union during the period provided for in said authorization. The amount will be certified by the Financial Secretary of the Union.

Section 2. Deductions shall be made on account of initiation and/or reinstatement fees and dues payable from the first paycheck of the employee after receipt of the authorization. Deductions shall be made on account of Union dues from the first pay check of the employee after receipt of the authorization, and monthly thereafter from the first paycheck of the employee in each month, unless the employee has insufficient net earnings.

Section 3. Deductions provided in Section 2 shall be remitted to the National Division Secretary Treasurer of the Brotherhood of Maintenance of Way Employees Division of the IBT no later than the fifteenth (15) day of the month following the month in which the deduction was made, and shall include all deductions made in the previous month. The Company shall furnish the Financial Secretary of the Union, monthly, with a record of those for whom deductions have been made and the amounts of the deduction.

Section 4. The parties agree that checkoff authorization shall be in the following form:

WAGE DEDUCTION AUTHORIZATION

VAE NORTRAK NORTH AMERICA INC.

AND

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES DIVISION

Employee's Last Name

First Name

Middle Initial

(Please Print)

Employee's Social Security No.

Employee's Home Address:

I hereby assign to the Brotherhood of Maintenance of Way Employees Division (BMWED) that part of my wages necessary to pay initiation fees, dues and assessments (not including fines and penalties) as certified to the Company by the General Chairman of the BMWED as provided in the Collective Bargaining Agreement, entered into by the Company and BMWED, and I authorize the Company to deduct such sum from my wages and pay it over to the BMWED in accordance with the Deduction Agreement.

SIGNATURE

LODGE NO.

DATE

Section 5. The Union will indemnify and hold the Company harmless from and against any and all claims, demands, charges, complaints, administrative actions or suits instituted against the Company which are based on or arise out of any action taken by the Company in accordance with or arising out of the foregoing provisions of this Article, or in reliance on any list, notice or assessment furnished under any of such provisions.

ARTICLE IX

FILLING VACANT POSITIONS

Section 1. All full-time, non-entry level new positions or vacancies that the Company elects to fill, will be bulletined as much in advance of their establishment as possible. The Company may fill entry level positions¹ and positions for which there are no qualified bidders at its sole discretion. Vacancies due to vacations will not be bulletined. If the Company elects to fill a vacancy created by a vacation, it will be filled pursuant to Section 6 of this Article.

Section 2. Advertisement and assignment bulletins will be posted on a Company designated bulletin board within the workplace accessible to all employees. Bulletins will provide a detailed descriptive title, rate of pay and the current work hours and work days. However, it is understood that employees may be moved to different jobs, different shifts and/or different schedules when, as determined by the Company, such a change is important to the Company's operations. If the position is primarily assigned to a particular machine, that fact will be included on the bulletin. The Company will bulletin the advertisement of new positions or vacancies on a Monday, Tuesday or Wednesday. Bulletins will remain posted for three (3) calendar days. Absent a qualifying bid from an employee during that three-day period, the bulletin will remain posted until such a bid is received, until the Company fills it with a current

¹ Entry level positions are positions of Laborer or any other positions where there are no employees assigned to work in a lower pay grade or in a different classification at the same pay grade.

employee,² until the Company decides to hire a new employee for the position, or until the Company decides not to fill the position involved. When more than one vacancy or new position is bulletined at the same time, employees will have the right to bid on any or all of the positions bulletined, stating their order of preference. Once the advertisement period has closed, employees will not be allowed to withdraw their applications. Applicants selected for a posted position or who decline a position for which they are selected may not bid on another position for a period of twelve (12) months. The Company may waive this waiting period. In the event an advertised vacancy is canceled before an assignment is made, a cancellation bulletin will be issued.

Section 3. Employees, who are actively employed and desire bulletined positions, will submit their application in writing on a form provided by the Company to the Human Resources Department. All other employees not actively employed, including those on vacation, may telephone the Human Resources Department to obtain information on the current positions being advertised. Such other employees may submit their applications for positions they desire in writing if in town, or by phone if out of town, during the advertisement period. Employees may only bid on jobs in pay grades equal to or higher than their current positions. Assignments will be posted on the bulletin board after they have been determined, which will normally occur within five (5) business days after the bulletin is closed, unless a decision-maker is not available to make the determination. The assignment bulletin will remain posted for no less than three (3) consecutive business days.

Section 4. The Company will select from eligible employees who have bid on the position, who have demonstrated sufficient ability in the Company's judgement to perform the responsibilities of the position, and who have a satisfactory work record based on Company documents. As between employees whose ability and work record are relatively equal, the most senior employee will prevail. Assignees will be allowed to report to the new assignment as soon as arrangements can be made by the Company.

Employees who are disqualified within the first thirty (30) calendar days after reporting to the assignment, will vacate the position on which disqualified and return to their last position, if it has not been abolished. If the employee's last position has been abolished, the disqualified employee will be furloughed and subject to return to service pursuant to the applicable terms of this collective bargaining agreement.

Section 5. Upon request to the Company, the Union will be provided a copy of any advertisement, assignment or cancellation bulletin.

Section 6. If the Company elects to fill positions on a temporary basis, they may be filled solely at the Company's discretion. Upon completion of temporary service pursuant to this

² Employees who are involuntarily reassigned pursuant to this provision will not incur a pay rate or pay grade reduction as a result of such assignment.

provision, employees will normally revert to their former position/status. However, this will not occur if their position has been eliminated in accordance with Article IV, Seniority, or if they are needed to fill another position. Employees who refuse a temporary transfer will be considered to have resigned their employment relationship with the Company.

Section 7. Employees who are moved to different shifts and/or different schedules not involving a job bid ~~or rotating schedules~~ will receive at least three (3) calendar days' advance notice of the change, except in emergency or unpredictable situations. Before moving employees to a different shift, the company will give the senior employees in the affected classifications a twenty-four (24) hour period to decide if they wish to move to the new shift. Employees who volunteer to move to a different shift will be given that preference in seniority order. Senior employees who in the Company's judgment are not qualified to perform the work on the different shift will not be eligible for transfer. If an insufficient number of qualified senior employees volunteer to transfer to the different shift, the Company will assign the work to junior employees in the affected classification who in the Company's judgment are qualified to perform the work on the new shift. This procedure will be followed unless the Company determines that deviations are required to address operational or training needs.

Section 8. In an effort to maintain accurate employee records, the Company will, upon request, allow employees the opportunity to review their respective personnel record concerning their company work history, qualifications and training. These reviews will be scheduled by the Human Resources Department on an appointment basis. Employees who believe that their personnel files contain errors or are missing important information shall notify the Company of their concern in writing. If the Company determines that adjustments are in order, it will make the appropriate changes to the personnel file.

ARTICLE X

DISCHARGE AND DISCIPLINE

Section 1. The Union recognizes the right of the Company to make, enforce and modify work rules and to take appropriate disciplinary action.

Section 2. Grievances relative to the discharge or discipline of employees will be handled in accordance with Article V, Grievance Procedure.

Section 3. The failure of the Company to invoke the strictest discipline for an infraction of a rule on one occasion shall not alter the right of the Company to invoke a different or stricter discipline for a later or different infraction of the rule based on changed circumstances or aggravating and mitigating factors.

ARTICLE XI

SAFETY AND HEALTH

The parties agree that all employees are entitled to a safe and healthful place to work, and they jointly pledge their individual and joint efforts to maintain this objective. Recognizing that the health and safety of employees is one of the highest priorities of the parties, the Company and the Union will cooperate toward eliminating accidents and health hazards, and will encourage employees to follow and utilize the Company's policies and procedures on health and safety.

The Company and the Union will collectively establish a Safety and Health Committee which will review all work place injuries and reports of unsafe practices or conditions to determine if improved work methods can be implemented. The Committee will consist of one (1) employee and one (1) supervisor from each work area, the Production Manager, and the Human Resources Manager. The Union may appoint the employee representatives, although with the exception of the senior shop steward the Company may reject one (1) of the Union appointees. The Committee will meet at least monthly and employees will be paid for the time spent in Committee meetings.

Nothing contained in this Agreement shall be construed to eliminate or diminish an employee's legal right to refuse to perform work that would likely cause injury to the employee or to others in the immediate area. Employees shall not abuse this right or use it to avoid performing work that would not likely cause injury to the employee or to others in the immediate area.

ARTICLE XII

DRUG AND ALCOHOL FREE WORK PLACE

The Company will enforce and may from time-to-time modify its policy prohibiting the presence of drugs and alcohol in the work place. Any changes to the policy will be discussed with the Union prior to implementation. The Union recognizes the serious safety and health problems associated with the presence of drugs and alcohol in the work place and agrees to promote adherence to this policy.

ARTICLE XIII

ATTENDANCE

The Company will enforce and may from time-to-time modify its attendance control policy. Any changes to the policy will be discussed with the Union prior to implementation. The Union recognizes the importance of regular attendance and agrees to support the Company in its efforts to prevent unnecessary absenteeism.

ARTICLE XIV

LEAVES OF ABSENCE

Section 1. Employees who have worked twelve (12) or more months (continuous or non-continuous) and at least 1250 hours during the preceding twelve (12) months may be entitled to up to twelve (12) weeks of unpaid leave if they are absent for reasons covered by the Family and Medical Leave Act (FMLA), and up to twenty-six (26) weeks for reasons covered by the military caregiver portion of that law. FMLA regulations will control the application of this provision.

Section 2. Leaves of absence shall be granted employees for duty in the Armed Forces of the United States of America, in accordance with applicable law.

Section 3. After an employee has exhausted all accrued vacation he may be granted an unpaid leave of absence at the discretion of the Company. This type of leave is to be used for compelling personal reasons, authorized union activity and other needs not covered by FMLA. During the first thirty (30) days employees will continue to accrue benefits, except holidays, but will be responsible for the full cost of insurance. Except for insurance, benefits will be discontinued after thirty (30) days. The maximum leave period will be one (1) year. Seniority will continue to accrue during this leave of absence.

ARTICLE XV

UNION LEAVE

Upon proper notice, the Company will permit up to two (2) Union officials to be off from work without pay for authorized Union activity without incurring attendance violations. These absences will normally be limited to a maximum of five (5) consecutive days. The cumulative number of days allowed off shall not exceed fifteen (15) in a calendar year.

ARTICLE XVI

WAGES

Wages shall be set out in an appendix to this Agreement and shall become a part hereof as fully as if incorporated herein.

ARTICLE XVII

HOURS OF WORK

Section 1. The normal work week shall consist of forty (40) hours per week. Nothing in this Article shall be construed as a guarantee of any number of hours of work or pay or of any number of days of work per week, and the right to set starting and quitting times of various shifts is reserved to the Company.

Section 2. (a) The length of a normal work day will depend upon the shift that an employee works. Employees on first shift will work eight (8) hours plus a thirty (30) minute unpaid meal period, which will be scheduled to occur near the middle of the shift. Employees on second or third shift will work eight (8) hours plus a twenty (20) minute unpaid meal period which will be scheduled to occur near the middle of the shift and will be paid a shift differential of **\$.75** per hour for all hours worked on the second and third shifts.³ Employees will normally receive a ten (10) minute paid break which will be scheduled to occur near the middle of the first half of their shift and another ten (10) minute paid break which will be scheduled to occur near the middle of the second half of their shift.

(b) The normal work week will consist of five (5) eight hour shifts although from time-to-time it may be shorter or longer.

(c) Employees who work in areas that operate seven (7) days a week will normally work ten (10) hour days Monday-Thursday or twelve (12) hour days Friday-Sunday. The employees working ten (10) hour days Monday-Thursday will receive a thirty (30) minute unpaid meal period, which will be scheduled to occur near the middle of the shift and two ten (10) minute paid breaks, which will be scheduled to occur near the middle of the first half of the shift and near the middle of the second half of the shift, respectively. Employees who normally work the Monday-Thursday ten (10) hour shift in the evening will be eligible for a **\$.75** per hour shift differential.

(d) Whenever employees are expected to work two (2) or more hours beyond their normal shift schedule, they will receive one (1) ten (10) minute break at the end of their shift, another ten (10) minute break near the middle of their first four (4) hours, a thirty (30) minute unpaid meal period and, if applicable, another ten (10) minute break near the middle of the second four (4) hours worked over.

The employees working twelve (12) hour days Friday-Sunday will receive a twenty (20) minute paid meal period, and two ten (10) minute paid breaks which will be scheduled to occur near the middle of the first half and the middle of the second half of their shift. Employees on the Friday-Sunday twelve (12) hour shift schedule will be paid 13.33 hours for every twelve (12) hour shift that they work.

³ It is understood and agreed that if the Company decides to implement a third shift in addition to a first and second shift, this schedule will be modified to eight (8) hours including a paid meal period of twenty (20) minutes, with all breaks eliminated. Under these circumstances, the parties will discuss alternative arrangements.

The normal time for eight (8) hour shifts are as follows:

First Shift - 7:00 a.m.-3:30 p.m.

Second Shift - 3:30 p.m.-11:50 p.m.

Third Shift - 11:00 p.m.-7:00 a.m. (Refer to footnote 3.)

The normal time for ten (10) and twelve (12) hour shifts are as follows:

Ten (10) Hours - 6:00 a.m.-4:30 p.m.

- 4:30 p.m.-3:00 a.m.

Twelve (12) Hours - 5:00 a.m.-5:00 p.m.

- 5:00 p.m.-5:00 a.m.

Section 3. Except as provided elsewhere in this Article, an employee will be at his workstation ready for work at the beginning of his shift and will continue working until the end of said shift.

Section 4. Employees will normally be paid on alternate Fridays for the two (2) workweeks ending the preceding pay period.

ARTICLE XVIII

OVERTIME/PREMIUM PAY

Section 1. After an employee has earned pay for forty (40) hours in a work week all additional work during that work week will be paid at 150% of the employee's normal pay rate.

Section 2. Overtime may be mandated by the Company. Therefore, all employees must work overtime unless excused by their supervisor.

Section 3. For overtime calculation purposes, the normal work week will begin at the start of an employee's first shift on Monday and end one hundred and sixty-eight (168) hours later. The work week for the third shift employees will begin at the start of the employee's Sunday evening shift and end one hundred and sixty-eight (168) hours later. The work week for employees whose first scheduled work day is a day other than Sunday or Monday will be designated by management.

Section 4. With the exception of those employees who are normally scheduled to work on Sunday, work performed on Sunday will be paid at 200% of the employee's normal rate.

Section 5. Employees who work a seven (7) day schedule will be paid at 200% of their normal rate for all time worked on the seventh consecutive day in a work week.

Section 6. **The Company will provide as much advance notice as possible whenever overtime work is required. Employees who have signed the voluntary overtime list and who normally perform the jobs will be offered the overtime opportunity in order of seniority. If there are an insufficient number of volunteers, then the employees who normally perform the work will be required to work overtime.**

Section 7. There shall be no pyramiding or duplication of overtime or premium payments.

ARTICLE XIX

REPORTING PAY AND CALL-IN PAY

Section 1. Reporting Pay: An employee who reports to work on his regularly assigned shift and for whom no work is made available will be paid two (2) hours at his normal pay rate. The employee must accept work assigned by the Company, including work that may be outside of his regular assignment, for this two-hour period or forfeit the right to the two hours' pay. Such reporting pay will not be paid if the employee has been notified not to report, or if the Company attempts to give notice at the last phone number appearing on the personnel records. Reporting pay is not payable if work is not available because of fire, flood, explosions, storm, utility failure or breakdown, work stoppage, labor dispute, or any condition beyond the control of the Company.

Section 2. Call-in Pay: An employee called in to work after his regular work hours will be afforded at least two (2) hours of work or pay at his normal pay rate. An employee shall be deemed to have been called in only when he receives notice of work to be done after he leaves the Company premises. If he receives such notice of work to be done before leaving the Company premises, but after the close of his preceding shift, he shall be deemed to have worked continuously. An employee called in for work before his regular starting time is not entitled to call-in pay if he continues to work over into his regular shift.

ARTICLE XX

TEMPORARY ASSIGNMENTS

An employee who is temporarily assigned to a job with a higher pay grade will continue to be paid at his regular rate of pay for the remainder of the day on which the temporary assignment begins. When an employee starts work in the higher pay grade job at the beginning of the shift he will begin to receive the pay rate for that job on the first full day and on each

consecutive day that he continues to work in the higher paying job. When temporarily assigned to perform work of a lower rated position the employee's rate of pay shall not be reduced.

ARTICLE XXI

INSURANCE

Full-time, non-probationary employees will be eligible for the following insurance benefits on the first day of the first month after completing ninety (90) days of employment.

Section 1. LIFE INSURANCE – Term life insurance will be provided to all full-time non-probationary employees in the amount of twenty-five thousand dollars (\$25,000). As long as permitted by the carrier, employees may purchase additional life insurance at their own expense via payroll deduction.

Section 2. ACCIDENTAL DEATH and DISMEMBERMENT INSURANCE – Full-time non-probationary employees will be provided with a twenty-five thousand dollars (\$25,000) accidental death and dismemberment insurance policy. As long as permitted by the carrier, employees may purchase additional accidental death and dismemberment insurance at their own expense via payroll deduction.

Section 3. SHORT TERM DISABILITY INSURANCE – Full-time, non-probationary employees will be provided short term disability insurance. This coverage will be based on 70% of the disabled employee's standard weekly wage, not to exceed \$500 per week. Coverage will run from day 1 to day 180 in cases involving an accident, and from day 8 to day 180 in cases involving an illness. Payments may be reduced by deductible sources of income and disability earnings as governed by the terms of the policy.

Section 4. LONG TERM DISABILITY INSURANCE – Full-time, non-probationary employees will be provided with long term disability insurance. This coverage will be based on 60% of the disabled employee's standard monthly earnings, which will be calculated by multiplying the employee's hourly pay rate times 2,080, and dividing by 12. The maximum monthly payment is \$5,000. Coverage will begin on day 181 and will continue until the employee is no longer disabled under the terms of the policy or reaches Social Security retirement age, whichever occurs first. Payments may be reduced by deductible sources of income and disability earnings as governed by the terms of the policy.

Section 5. HEALTH, DENTAL AND VISION INSURANCE – Full-time, non-probationary employees will be provided with comprehensive health, dental and vision insurance on a premium sharing basis. Coverage will include hospitalization, prescription drugs, emergency room, out-patient procedures, and routine dental and vision care. Employees may select individual or individual/dependent coverage, and will pay 25% of the cost of the premium

through payroll deduction. As long as permitted by the carrier, employees may purchase vision hardware insurance at their own expense.

Section 6. The Company retains the right to change insurance carriers or administrators for any of the above described coverages, and to modify the coverage in order to reduce costs to itself and to participating employees. Coverage determinations on all forms of insurance will be made by the insurance carriers pursuant to policy provisions.

ARTICLE XXII

401(k) PLAN

Section 1. Full-time employees who are at least eighteen (18) years of age may participate in the Company's 401(k) Plan, pursuant to the terms and conditions therein, beginning on the first day of the month following employment (if hired Sept. 12, can participate starting with pay period that includes Oct. 1).

Section 2. Participation must be through payroll deduction. At the end of each pay period, the Company will contribute fifty cents (\$.50) to an employee's Plan account for every dollar that the employee has contributed to the Plan, up to a maximum contribution equivalent to 3% of the employee's earnings. Provided the maximum contribution equivalent is increased above 3% for any participants in the voestalpine Nortrak Inc. 401(k) Retirement Plan, the increase will apply to the BMWED-represented employees in the Cheyenne plant.

ARTICLE XXIII

VACATIONS

Section 1. The Company will grant annual paid vacations to all full-time, non-probationary employees in accordance with the following provisions:

Section 2. On January 1 of each year employees who have worked at least 1873 straight-time and holiday hours⁴ will be entitled to vacation based on the following schedule:

<u>YEARS OF SERVICE</u>	<u>VACATION ENTITLEMENT</u>
One through Four	Two Weeks (80 hours)
Five or more	Three Weeks (120 hours)

⁴ Employees who are paid 13.33 hours for each twelve (12) hour shift that they complete will be credited with 13.33 straight-time hours worked. Paid holiday hours will also be treated as hours worked.

Section 3. Employees who have been hired during the preceding year or who have worked less than 1873 straight-time and holiday hours during the preceding year will be eligible for vacation on a pro-rata basis. Their entitlement will be determined by the following formula:

<u>Straight-time Hours Worked and Holiday Hours In Previous Year</u>	<u>Vacation Days Eligible In Current Year</u>
0 – 50 Hrs.	0 Days
51 – 208 Hrs.	1 Days
209 – 416 Hrs.	2 Days
417 – 624 Hrs.	3 Days
625 – 832 Hrs.	4 Days
833 – 1024 Hrs.	5 Days
1025 – 1248 Hrs.	6 Days
1249 – 1456 Hrs.	7 Days
1457 – 1664 Hrs.	8 Days
1665 – 1872 Hrs.	9 Days
1873 – 2080 Hrs.	10 Days

Employees who are eligible for a third week of vacation will only have the first two weeks of vacation prorated.

Section 4. Vacations may not be accumulated from year to year.

Section 5. At least one week (40 hours) of available vacation must be taken as a block. The remaining vacation may be taken as a week or in whole days as approved by management. Except as provided for in Section 6, vacation may not be taken for less than a full day.

Section 6. Employees with vacation balances of less than one day may take a full day off if their vacation balance will cover at least 50% of the work day. In such cases the portion of the day not covered by vacation will be unpaid. Employees who choose not to take partial day vacations or whose vacation balances will not cover at least 50% of the work day will be paid for unused vacation on the last paycheck of the year.

Section 7. During the spring and fall seasons vacations may be scheduled so that at least one (1) employee, but no more than 5% of the employees in the same area are on vacation. During the summer season vacations may be scheduled so that at least one (1) employee, but no more than 10% of the employees in the same area are on vacation. If a supervisor is unable to grant all vacation requests for the same time period then priority will be given based on the length of service with Nortrak and, where applicable, the length of service in the job classification.

ARTICLE XXIV

MEDICAL EXAMINATIONS

The Company will pay for any medical examinations that it requires for new employees, as a part of the pre-employment process, and for all employees who are required to take physicals by the Department of Transportation.

ARTICLE XXV

TOOLS-SAFETY ITEMS

Section 1. The Company will continue to provide employees with the tools that are unique to this industry and necessary for those employees to perform their jobs. This does not include common tools or those normally used by maintenance personnel. Employees will be responsible for the care, maintenance and safe operation of Company provided tools.

Section 2. The Company will provide uniforms to employees.

Section 3. The Company will furnish all required safety items to the employees including, but not limited to, raincoats, personal protective equipment for employees who are welding or grinding, gloves, hard hats, non prescription safety glasses, hearing protection, and respirators when necessary for safety and proper performance of work. If required to do so by federal or state regulation or law, or by a presidential executive order, the Company will provide safety shoes to those employees who are covered by the applicable regulation, law or order. In all other cases, the Company will reimburse employees up to fifty dollars (\$50.00) per calendar year for the purchase of safety shoes, starting with calendar year 2011. Employees who require prescription safety glasses will receive an annual \$50.00 allowance to be used towards the purchase of those glasses from a Company-designated vendor.

ARTICLE XXVI

TRANSPORTATION MILEAGE/TRAVEL TIME

Section 1. On occasion, the Company may authorize employees to use their personal vehicles for company business. In such cases, the employee will be reimbursed for such use at the current IRS mileage rate.

Section 2. Employees will be compensated for travel and waiting time in accordance with Department of Labor regulations.

ARTICLE XXVII

HOLIDAYS

Section 1. The following days are recognized as paid holidays:

New Year's Day
Good Friday
Memorial Day
Fourth of July
Labor Day
Thanksgiving Day
Day after Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve

The Company reserves the right to determine the day on which any of the listed holidays will be observed. **Different shifts may observe a holiday on different days with the concurrence of the majority of the employees working that shift.**

Section 2. To be eligible for holiday pay, an employee must (1) have completed his probationary period, (2) be scheduled to work on a full-time basis, and (3) have worked his entire scheduled shift the scheduled workday immediately preceding and the scheduled workday immediately following the holiday. Exceptions will be made for days missed due to vacation, jury duty or funeral leave.

Section 3. Employees who are required to work on a scheduled paid holiday will receive holiday pay in addition to 150% of their normal rate for the time that they work. Employees scheduled to work on a paid holiday who fail to work will not be entitled to holiday pay unless their failure to work is approved by the Company.

Section 4. Holidays that fall on a weekend will be observed on the Friday preceding or the Monday following the holiday, as determined by the Company.

Section 5. Holiday pay for an unworked holiday shall be at the rate of eight (8) times the employee's normal hourly pay rate. For employees who are regularly scheduled to work Friday through Sunday, holiday pay will be based on 9 1/3 times the employee's normal hourly pay rate for holidays that are celebrated on Fridays, and eight (8) times the employee's normal hourly pay rate for holidays celebrated Monday through Thursday. Employees who work a schedule of ten (10) or twelve (12) hour days will be allowed to voluntarily make up the respective two (2) or four (4) hours of their forty (40) hour work week during their off duty hours, if appropriate work is available.

ARTICLE XXVIII

JURY DUTY

Section 1. Any employee who has completed his probationary period and who loses actual work time from a scheduled shift because of jury duty shall be compensated by the Company for the difference between the amount of pay he receives for such jury service and that which he would have normally earned on his regular job, exclusive of overtime, subject to the following conditions:

- A. That the Company was notified in advance of the employee's absence from work.
- B. That his jury service is certified in writing by the Clerk of Court.
- C. That the employee reports for work within one hour after he is released from jury service, if such release occurs at least four hours prior to the end of his scheduled shift.
- D. That no employee shall receive jury compensation for more than eight (8) hours in any day or more than ten (10) days in any twelve months, or for any days other than his regular work days.
- E. That the employee otherwise would have had work on his job.

Section 2. Employees selected for jury duty who are on other than the day shift shall be assigned to the day shift on the days they are required to serve as jurors.

ARTICLE XXIX

ATTENDING LEGAL PROCEEDINGS

Whenever the Company requires an employee to attend a legal proceeding it will compensate the employee for any wages lost because the employee missed work to attend the legal proceeding. If the Company requests that the employee provide his own transportation it will reimburse him for mileage and tolls.

ARTICLE XXX

FUNERAL LEAVE

The Company agrees to pay each non-probationary employee who has a death in his immediate family up to three (3) days pay for time lost from work for attendance at the funeral in accordance with the following qualifications:

Section 1. Immediate family is defined as a spouse, parent, child, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, brother-in-law or sister-in-law.

Section 2. A day's pay is to be based on the employee's base rate times eight (8) hours.

Section 3. Such days shall be any three (3) consecutive days with the last day normally being the day of the funeral unless it is held more than two hundred (200) miles from Cheyenne.

Section 4. Employees must complete a funeral leave form, including a copy of the death certificate, obituary, funeral program, or a letter from the funeral home.

Section 5. Upon demonstrating a compelling need for additional time an employee may request additional unpaid days of leave related to the death of an immediate family member. Leave will not be granted until the employee has exhausted all vacation hours available to him. If vacation is available the employee may request days of vacation. If no vacation is available, the additional days, if granted, will be unpaid, but will be excused for purposes of the no fault attendance policy and will result in no points being issued. Examples of situations in which a request for additional time would be considered "compelling" could be: if the funeral occurs in excess of 500 miles from Cheyenne or the employee demonstrates special circumstances such as being the sole heir or sole guardian of surviving children of a deceased family member.

Section 6. Non-probationary employees will be granted one (1) day of pay to attend the funeral of a spouse's child from a previous marriage who is living in common domicile with the employee, or to attend the funeral of a spouse's biological grandparent. These employees must satisfy the requirements of Section 4.

ARTICLE XXXI

GENERAL PROVISIONS

Section 1. An employee who sustains an on-the-job injury and is subsequently determined by competent medical authority to be unable to complete the remainder of his shift shall be paid for the time missed on the day of the injury (exclusive of overtime) at his normal pay rate.

Section 2. Pay will be by direct deposit into an account(s) designated by the employee. Currently the payroll administration contract allows for up to two (2) designated locations, including one or more credit unions.

Section 3. In the event of a plant closing or operational relocation the Company agrees to provide notice consistent with the requirements of the WARN Act.

Section 4. Time spent by employees in mandatory meetings scheduled by management will be paid at the employee's regular rate of pay.

Section 5. In the event of a permanent closing of the Cheyenne facility, the Company agrees to negotiate with the Union over the effects of the closing.

ARTICLE XXXII

COMPLETE AGREEMENT

Section 1. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining. They, therefore, each voluntarily and unqualifiedly waive the right for the life of this Agreement to bargain collectively with respect to any matter referred to or covered in this Agreement, or with respect to any other subject or matter relating to rates of pay or working conditions, except as provided for in other Articles of this Agreement.

Section 2. This Agreement represents the entire agreement between the parties, and no other agreement or practice concerning rates of pay, hours or other terms and conditions of employment are binding upon either party.

Section 3. The provisions of this Agreement may be amended, supplemented, rescinded or otherwise altered only by mutual agreement, in writing, between the Company and the Union with the same formality as the original agreement.

Section 4. No rights or obligations created by or arising from this Agreement shall survive the date of its termination except as provided for in Article XXXIII, Section 1 (Modification, Extension or Termination of Agreement). As such, only grievances whose underlying facts arise before the expiration of the Agreement will be subject to arbitration.

ARTICLE XXXIII

MODIFICATION, EXTENSION OR TERMINATION OF AGREEMENT

Section 1. Modification or Extension of Agreement. If either party wishes to change any provision of this Agreement, it shall give written notice of this intention to the other party at least sixty (60) days prior to the expiration date of this Agreement.

The giving of the above referenced notice shall constitute an obligation upon both parties to negotiate in good faith all questions at issue, with the intent of reaching a written agreement prior to the expiration date of this Agreement.

If the parties have not reached an agreement on or before the expiration date, all the provisions of the Agreement shall remain in effect unless specifically terminated in accordance with the provisions of Section 2 below.

If neither party gives the above referenced notice, then this Agreement shall automatically renew itself from year to year thereafter.

Section 2. Cancellation of Agreement. At any time after the expiration date of this Agreement, if the parties have given the above referenced notice but failed to reach agreement on the questions at issue, either party may give written notice to the other party of intent to terminate the Agreement in ten (10) days. All the provisions of the Agreement shall remain in full force and effect until the time set forth has elapsed. During this period, attempts to reach an agreement shall be continued.

If the parties have failed to resolve their differences before the expiration of the ten (10) day notice period, all obligations under this Agreement are automatically cancelled.

ARTICLE XXXIV

DURATION OF AGREEMENT

This Agreement shall be in full force and effect from the date of execution through **July 10, 2017**, and shall automatically be renewed from year to year thereafter unless either party serves notice in writing on the other party as provided for in Article XXXIII above.

IN WITNESS WHEREOF the said parties have caused duplicate copies hereof to be executed by their duly authorized officers this **11th** day of **July, 2012**.

VAE NORTRAK NORTH AMERICA INC.

BROTHERHOOD OF MAINTENANCE
OF WAY EMPLOYES DIVISION
OF THE IBT

Anthony Watson
Chief Executive Officer

Rick Kearney
Local Chairman

Wayne Morrow
General Chairman

David Tanner
Vice President

APPENDIX A

WAGE SCHEDULE AND RATES OF PAY

GRADE A

- Machinist Technician
(CNC Milling Machines: Line; Butler; 24' Gray; Mazak; Okuma)
- Track Technician
- Maintenance Technician
- Truck Driver
- HST Machinist Technician/Welder
 - First 90 Days: New Hire
 - Next 12 Months: Base Rate
 - Next 12 Months: Level 1
 - Top Rate: Level 2

GRADE B

- Assemblyman 1
(Point Fitter and Panel Assembler)
- Machinist
(CNC Peddinghaus; Robotic Welder; 12' Gray; Transition Rail)
- Frog Fitter
- Senior Welder
- Maintenance Mechanic
- Tool Room Attendant 1
- Shipping/Receiving
- Material Handler 1
(Front End Loader Operator)
- Plate Finisher
- HST Cell Operator
- Rail Bender
 - First 90 Days: New Hire
 - Next 12 Months: Base Rate
 - Next 12 Months: Level 1
 - Top Rate: Level 2

GRADE C

- Assemblyman 2
(Point Fitter; Panel Assembler)
- Machine Operator 1
(Saws; Presses; Punches; Benders; Plasma Cutter; Peddinghaus Punch)
- Welder
- Tool Room Attendant 2
- Material Handler 2
(Forklift)
 - First 90 Days: New Hire
 - Next 6 Months: Base Rate
 - Next 6 Months: Level 1
 - Top Rate: Level 2

GRADE D

- Machine Operator 2
- Assemblyman 3
 - First 90 Days: New Hire
 - Next 90 Days: Base Rate
 - Next 90 Days: Level 1
 - Top Rate: Level 2

GRADE E

- Laborer
 - First 90 Days: New Hire
 - Next 90 Days: Base Rate
 - Next 90 Days: Level 1
 - Top Rate: Level 2

- Employees will progress through the pay ranges based on the above time periods, provided that their work performance is satisfactory. Any time in excess of thirty (30) calendar days spent on a leave of absence will be added to the above time periods, with the exception of leaves of absence covered by the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA").

WAGE RATES

GRADE A

<u>LEVEL</u>	<u>07/12</u>	<u>07/13</u>	<u>07/14</u>	<u>07/15</u>	<u>07/16</u>
New Hire	\$17.31	\$17.66	\$18.05	\$18.41	\$18.83
Base Rate	\$18.48	\$18.85	\$19.27	\$19.66	\$20.10
Level 1	\$19.06	\$19.44	\$19.87	\$20.27	\$20.73
Level 2	\$19.64	\$20.03	\$20.49	\$20.90	\$21.37

GRADE B

<u>LEVEL</u>	<u>07/12</u>	<u>07/13</u>	<u>07/14</u>	<u>07/15</u>	<u>07/16</u>
New Hire	\$16.04	\$16.36	\$16.73	\$17.06	\$17.44
Base Rate	\$17.20	\$17.55	\$17.94	\$18.30	\$18.71
Level 1	\$17.76	\$18.11	\$18.52	\$18.89	\$19.32
Level 2	\$18.36	\$18.73	\$19.15	\$19.54	\$19.98

GRADE C

<u>LEVEL</u>	<u>07/12</u>	<u>07/13</u>	<u>07/14</u>	<u>07/15</u>	<u>07/16</u>
New Hire	\$14.63	\$14.92	\$15.25	\$15.56	\$15.91
Base Rate	\$15.80	\$16.12	\$16.48	\$16.81	\$17.19
Level 1	\$16.38	\$16.70	\$17.08	\$17.42	\$17.81
Level 2	\$16.96	\$17.30	\$17.69	\$18.05	\$18.45

GRADE D

<u>LEVEL</u>	<u>07/12</u>	<u>07/13</u>	<u>07/14</u>	<u>07/15</u>	<u>07/16</u>
New Hire	\$13.23	\$13.49	\$13.79	\$14.07	\$14.39
Base Rate	\$14.39	\$14.68	\$15.01	\$15.31	\$15.65
Level 1	\$14.99	\$15.29	\$15.63	\$15.94	\$16.30
Level 2	\$15.57	\$15.89	\$16.24	\$16.57	\$16.94

GRADE E

<u>LEVEL</u>	<u>07/12</u>	<u>07/13</u>	<u>07/14</u>	<u>07/15</u>	<u>07/16</u>
New Hire	\$11.83	\$12.07	\$12.34	\$12.59	\$12.87
Base Rate	\$13.00	\$13.26	\$13.56	\$13.83	\$14.14
Level 1	\$13.59	\$13.86	\$14.17	\$14.45	\$14.78
Level 2	\$14.16	\$14.45	\$14.77	\$15.07	\$15.40

GRADE F

<u>07/12</u>	<u>07/13</u>	<u>07/14</u>	<u>07/15</u>	<u>07/16</u>
\$10.91	\$11.13	\$11.38	\$11.61	\$11.87

- All increases take effect at the beginning of the first pay period in July.

MEMORANDUM OF UNDERSTANDING

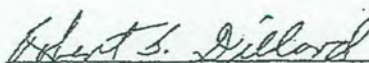
The parties understand and agree that the positions of Frog Fitter and Track Technician are interrelated and are intended to serve as a career advancement path. Normally inexperienced employees will either be hired into or promoted into a Grade B Frog Fitter position where they will learn the trade. In some circumstances, employees may remain in this classification, generally because they do not desire to advance to the higher level Track Technician position. However, for the most part, this is intended to be a career advancement path allowing employees to eventually achieve the higher classified position.

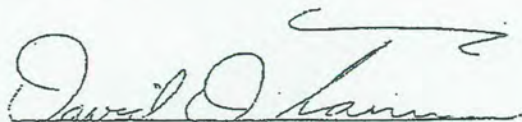
Depending upon the product mix in the plant, employees performing frog fitting duties may learn their trade and become eligible for advancement in one of two ways. If the plant is manufacturing RBMs and SGMs, then employees will learn to perform frog fitting duties by working on those products. Once they become proficient in manufacturing RBMs and SGMs, these employees will be eligible to bid on Track Technician positions as they become available. Once promoted, they will also be assigned to work on Spring Frogs, MPFs and Diamond Crossings. Until they are promoted to the Track Technician classification, these employees will continue to be classified as Grade B Frog Fitters.

The parties also recognize that periodically the only type of frogs available are Spring Frogs, MPFs and/or Diamond Crossings. Employees who learn frog fitting on these products will also be classified as Grade B Frog Fitters until they become proficient at producing these products, at which time they will be promoted to the Grade A Track Technician classification. Unless the employee has prior experience performing this type of work, it will normally take at least fifteen (15) months for him or her to become proficient in producing these products. It is also recognized that after they become Track Technicians, these employees may be assigned to RBMs and SGMs, either because of changes in product mix or in order to learn how to manufacture those products. In those situations, they would continue to be classified as Grade A Track Technicians.

It is understood that employees, who are promoted and advanced to Grade A Track Technicians from Frog Fitter positions in Grade B, will receive pay at the next higher pay level in the pay grade which results in a pay increase, and will not take a reduction in hourly wages as a result of the change in pay grades. An example of this progression would be a Grade B Frog Fitter working in Level 1 at \$13.65 per hour or Level 2 at \$14.19 per hour who is advanced to a Grade A Track Technician would start at the Base Rate of 14.50 per hour which would be an hourly pay increase.

VAE NORTRAK NORTH AMERICA INC. BROTHERHOOD OF MAINTENANCE OF WAY
EMPLOYEES DIVISION
OF THE IBT


Robert B. Dillard
Human Resources Manager


David D. Tanner
General Chairman

LETTER OF AGREEMENT

Because the Organization has received many complaints from employees about the Company's time clock reporting system, the Parties hereby agree that if improved technology becomes available, they will meet and discuss its possible implementation. The Parties recognize that cost factors may prevent changing systems, and that any changes must remain compatible with the time clock reporting systems in use at other Nortrak facilities.

Upon written request, the Company will provide the Organization with relevant documentation in connection with any disputes involving potential time clock deficiencies. Should the Parties reach a reasonable resolution of the dispute, it will be implemented without resorting to the grievance procedure contained in Article V of the collective bargaining agreement.

Agreed to this 28th day of June, 2010.

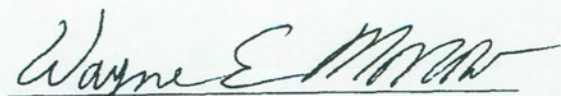
Wayne E. Morrow
For the BMWED

Robert L. Bell

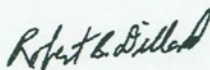
For VAE Nortrak North America, Inc.

MEMORANDUM OF UNDERSTANDING

The Company is committed to progressive and corrective discipline consistent with its Terms and Conditions of Employment. The Company and the Union agree that two (2) representatives from the bargaining unit will meet with current Human Resources Manager Bob Dillard and future Human Resources Manager Jeremy Olsen to discuss in good faith concerns over the enforcement of disciplinary rules and procedures. Future meetings will be scheduled as needed.



For the BMWED



For voestalpine Nortrak Inc.

Date

Subject: BMWED/IBT and Nortrak, 3-Member Arbitration Panel
From: Elmer White (eew@kullmanlaw.com)
To: hnmac@aol.com; ptbittel@gmail.com; jjwallin@usa.net;
Cc: REJ@kullmanlaw.com; jeremy.olsen@voestalpine.com; usdgclyof@yahoo.com;
Date: Monday, September 17, 2012 10:15 AM

Dear Ms. Bittel, Mr. MacLean and Mr. Wallin,

On behalf of the Union and voestalpine Nortrak Inc., I am happy to confirm your appointment to the permanent arbitration panel for the voestalpine Nortrak Inc. plant located in Cheyenne, Wyoming. As you may recall from my earlier correspondence, there is a selection procedure in our collective bargaining agreement that provides for one member of the panel to hear any given grievance. With your permission, we will contact you on those cases where you have been selected by the respective parties to ascertain your availability. We appreciate your willingness to serve on this panel, and look forward to working with you in the future.

Elmer E. White III
The Kullman Firm
A Professional Law Corporation
600 University Park Place, Suite 340
Birmingham, Alabama 35209
(205) 871-5858 Phone
(205) 871-5874 Fax
eew@kullmanlaw.com
www.kullmanlaw.com

ATTORNEY-CLIENT PRIVILEGED COMMUNICATION – CONFIDENTIALITY NOTICE

This Internet e-mail, and any attachments, contains confidential, privileged information intended only for the addressee. Do not read, copy or disseminate it unless you are the addressee. If you have received this e-mail in error, please call us immediately at (205) 871-5858 and ask to speak to the message sender. Also, please e-mail the message back by replying to it and then deleting it. We appreciate your assistance in correcting this error.