UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD

Lamons Gasket Company,
A Division of Trimas Corporation,

Employer,

And

Michael E. Lopez, Case No. 16-RD-1597

Petitioner,

And

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union,

Union.

BRIEF OF UNITED STEELWORKERS IN OPPOSITION TO THE REGIONAL DIRECTOR'S DECISION & DIRECTION OF ELECTION AND IN SUPPORT OF OVERTURNING *DANA*

Brad Manzolillo
Organizing Counsel
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO/CLC
Five Gateway Center
Pittsburgh, PA 15222
Tel. 412/562-2529
Fax: 412/562-2555
E-Mail: bmanzolillo@usw.org

Daniel M. Kovalik
Senior Associate General Counsel
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO/CLC
Five Gateway Center
Pittsburgh, PA 15222
Tel. 412/562-2518
Fax: 412/562-2574
E-Mail: dkovalik@usw.org

Richard J. Brean
General Counsel
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO/CLC
Five Gateway Center
Pittsburgh, PA 15222
Tel. 412/562-2530
Fax: 412/562-2574
E-Mail: rbrean@usw.org

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Page(s)

Federal Cases

Board Cases

Statutes

Other Authorities

Brief of United Steelworkers In Opposition To The Regional Director's Decision & Direction of Election and In Support of Overturning *Dana*

The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("Union" or "USW"), a party to this action, submits the following in opposition to the Regional Director's Decision & Direction of Election ("Decision") dated July 21, 2010. The USW premises its opposition to this Decision upon the position that the NLRB should overturn its decision in *Dana Corp.*, ("*Dana*") 351 NLRB 434 (2007). By "Notice and Invitation to File Briefs," dated August 31, 2010, the NLRB expressly invited parties such as the USW, as well as *amici*, to submit briefs on the issue of whether the NLRB should overturn this ruling.

For the reasons set forth below, the Union urges the NLRB to overturn this decision and to retroactively apply the rule it had in place for the over 40 years preceding *Dana* – that is the rule that a voluntarily recognized union has presumed majority status for a "reasonable period" (up to a year) and therefore cannot be the subject of a decertification or other representation petition for the duration of this period. Such a rule, applied retroactively, would nullify the decertification petition filed in the instant case and thereby require reversal of the Decision.

I. Introduction & Facts

In 2007, the majority of the NLRB in *Dana* summarily overturned the decades-long policy of favoring voluntary recognition as a means of advancing the core goals of the Act – namely, industrial peace through collective bargaining. Thus, in the case of *Dana*, the NLRB, rejecting decades of precedent which held, quite simply, that unions voluntarily recognized should be presumed to have majority support for a "reasonable" period, invented an entirely new rule which (1) requires employers and unions for the first time to register voluntary recognitions

with the Regional Office of the NLRB; (2) requires employers to post a notice from the Regional Office informing employees of their right to file a petition for an election within 45 days; and (3) subjects the union to an election petition for those 45 days.

The promulgation of this new rule was premised upon the assumption of the *Dana* majority that card check recognition somehow constitutes an inferior method of registering and honoring employee sentiment. This assumption is at variance with the assumption of the Board and the courts since the inception of the Act. In addition, this assumption has not been borne out by the experience of unions since the *Dana* ruling.

Thus, NLRB statistics demonstrate that, generally, only a small percentage of post–*Dana* voluntary recognitions (less than 8%) have actually been challenged by election petitions within the 45-day period.[1] This shows that, as a general matter, the card checks supporting voluntary recognitions have indeed been a reliable measure of employee sentiment, and that the new *Dana* rules have simply been unnecessary to protect employee free choice.

In the case of the USW in particular, the statistics show that the *Dana* rules have actually been pernicious in terms of undermining the majority will and the collective bargaining process. Thus, out of 11 total voluntary recognitions since the 2007 *Dana* decision, the USW has faced 4 election petitions within the 45-day period announced in that decision.[2] In other words, in over 36% of the cases where the employer voluntarily recognized the USW after a card check showed

---

[1] *See*, http://www.nlrb.gov/nlrb/about/foia/DanaMetaldyne/Dana.xls

[2] Those 11 cases are as follows, with those 4 which were challenged by an election petition listed first and with the petition number in bold: Lamons Gasket, 16-VR-035, (**16-RD-1597**); Herr-Voss RCI, 25-VR-23 (4/9/2010), **25-RD-1542** (4/28/10); Kaiser Aluminum 28-VR-16 (11-18-2008), **28-RD-984** (1/7/2009); Kaiser Aluminum Grand Rapids (**GR-7-RD-**3676); Dana Corp. (26-VR-001); Fritz Enterprises, Inc. (05-VR-001); ATI Titanium LLC (27-VR-017); United States Steel Corporation (16-VR-024); US Steel Tubular Products (16-VR-015); Dana Corporation (11-VR-02); United States Steel Corporation (16-VR-018).

majority support for the Union – and in one case after the USW actually won a privately-conducted, secret ballot election (Kaiser Aluminum Grand Rapids, GR-7-RD-3676) – both the employer and the USW have been forced to go through the time and expense of confronting an election petition.

Demonstrating the wastefulness of this process is the fact that the USW has only lost one of these petitions, and, in that instance, **in a tie vote**. Herr-Voss RCI, 25-VR-23 (4/9/2010), 25-RD-1542 (4/28/10). In that respect, the USW experience mirrors the overall experience of nation-wide in which less than 2% of unions voluntarily recognized have lost in an election following a *Dana* petition.[3] We note that, in the Herr-Voss RCI case, the election petition was filed after the employer, in the face of the Region's intent to issue a Complaint, settled Board charges over numerous unfair labor practices designed to weaken the employees' support for the Union. *See*, Exhibit G.

Similarly, in the instant case of Lamons Gasket, the employer, though voluntarily recognizing the USW, utilized the window opened to it by *Dana* to actively instigate employee support for a decertification petition shortly after the recognition. The employer's conduct was, in some instances, unlawful and resulted in the employer settling charges, lest a complaint be issued by the Region, for, *inter alia*, disciplining an employee in retaliation for his support of the Union, threatening employees with discharge for supporting the union and promising benefits to those who opposed it. *See*, Exhibit C. And, while the USW and the company ultimately signed a labor contract (*see*, August 8, 2010 labor agreement (Ex. B)), the employer continued to support the decertification of the Union. And, to this day, the parties' contract, and the parties' relationship, remain in limbo indefinitely while this case is heard and processed. The result is

[3]*See*, http://www.nlrb.gov/nlrb/about/foia/DanaMetaldyne/Dana.xls and the Board's August 31, 2010 "Notice And Invitation To File Briefs" at p. 2, fn. 4.

that, nearly one year after the USW obtained demonstrated majority support and thereby received voluntary recognition from Lamons Gasket on November 5, 2009 (*See*, Notice at Ex. A), the representation of the employees is still unsettled and is likely to remain unsettled for many more months to come.

As we demonstrate further below, in the other two cases where petitions were filed in voluntary recognition cases, and even in some cases where no petition was filed at all, the collective bargaining process was greatly hindered by the new *Dana* rules. In the USW's experience, therefore, these rules have done nothing to protect employee sentiment, but rather, have undermined the majority will and the ability of the USW to reach agreements on behalf of the employees it represents. This is not what the Act was intended for.

As a result, it is the USW, facing representation petitions in more than one-third of these cases, and in some cases facing unlawful conduct by employers in support of these petitions, which is giving up on the ability to effectively unionize through voluntary recognition. Therefore, even when we have a majority of cards signed at a facility, and even where the employer is willing to recognize us voluntarily based on these cards, the USW is, with greater frequency, simply opting to go to a Board election to face the inevitable on our terms rather than wait for a petition to be filed. For example, at Dana Corporation's facility in Fredericktown, Ohio, we opted for this path. And, we won the election, though at the cost of a delay in the bargaining process. *See*, Dana Off-Highway Products LLC, Dana Heavy Vehicle Systems Group, LLC Dana Limited (8-RC-16943). We did the very same at Good Year Social Circle in South Carolina (10-RC-15680), and in three cases involving US Steel subsidiaries.

In short, the USW has been so frustrated by the new *Dana* rules that it is largely forsaking the voluntary-recognition process. As we demonstrate below, and as the dissent *Dana*

recognized at the time, the *Dana* majority was wrong precisely because it undermined the ability of unions to organize workers through what should be a non-contentious procedure of voluntary recognition – a procedure long-recognized by Congress as well as the NLRB as one promoting industrial peace through collective bargaining while also protecting employee free choice. The Board must go back to the pre-*Dana* rules in order to salvage this long-hallowed form of union recognition.

II. Argument

A. Well-Settled Labor Law Favors Voluntary Recognition As A Means Of Promoting Industrial Peace Through Collective Bargaining

As the dissent correctly noted in *Dana*, 351 NLRB at 444,

> **The ultimate object of the National Labor Relations Act, as the Supreme Court has repeatedly stated, is 'industrial peace . . . .'** *Auciello Iron Works, Inc. v. NLRB*, 517 U.S. 781, 785 (1996). Accord *Fall River Dyeing & Finishing Corp. v. NLRB*, 482 U.S. 27, 38 (1987)('The overriding policy of the NLRA is "industrial peace"').

(emphasis added). The dissent notes that this objective is set forth in Section 1 of the Act itself. *Id.*

And indeed, Section 1 of the Act, 29 U.S.C. § 151, states at the very outset that "[t]he denial by some employers of the right of employees to organize and the refusal by some employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife and unrest," and that "protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest . . . ." The Act presciently points out that "[t]he inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers organized in the corporate or other forms of ownership association substantially

burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions . . . ." (emphasis added). Of course, this language was written shortly after the Great Depression but applies equally today when, not by mere coincidence, we find a recession/depression alongside unionization rates which, in the private sector, are at their lowest since 1900. *See*, http://www.nytimes.com/2010/01/23/business/23labor.html

And so, to avoid the "industrial strife and unrest" which can affect the flow of commerce adversely, even to the point of aggravating economic depressions, Congress stated, in Section 1 of the Act, that "[i]t is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce . . . by encouraging the practices and procedures of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing for purpose of negotiating the terms and conditions of their employment or other mutual aid or protection." 29 U.S.C. § 151.

In sum, with the goal of preserving industrial peace, the Act encourages union organizing and collective bargaining. And, the Act is clear that it encourages these processes whether by voluntary recognition or by ballot election. Indeed, the majority in *Dana* itself recognizes this fact when it cites the Supreme Court in *NLRB v. Gissel Packing Co.*, 395 U.S. 575, 595, 600 (1969), stating that "[v]oluntary recognition itself predates the National Relations Act and is undisputedly lawful under it." *Dana*, 351 NLRB at 436. The Supreme Court in *Gissel* further elaborates:

> The first issue facing us is whether a union can establish a bargaining obligation by means other than a Board election and whether the validity of alternate routes to majority status, such as cards, was affected by the 1947 Taft-Hartley amendments. The most commonly traveled route for a union to obtain recognition as the exclusive bargaining representative of an unorganized group of employees is through the Board's election and certification procedure under § 9(c) of the Act (29 U.S.C. § 159(c)); it is also, from the Board's point of view, the

> preferred route. A union is not limited to a Board election, however, for, in addition to § 9, the present Act provides in § 8(a)(5) (29 U.S.C. § 158 (a) (5)), as did the Wagner Act in § 8(5), that 'it shall be an unfair labor practice for an employer . . . to refuse to bargain collectively with the representatives of his employees, subject to the provisions of Section 9(a).' Since § 9(a), in both the Wagner Act and the present Act, refers to the representative as the one 'designated or selected' by a majority of the employees without specifying precisely how that representative is to be chosen, it was early recognized that an employer had a duty to bargain whenever the union representative presented 'convincing evidence of majority support.' Almost from the inception of the Act, then, it was recognized that a union did not have to be certified as the winner of a Board election to invoke a bargaining obligation; it could establish majority status . . . by showing convincing support, for instance . . . by possession of cards signed by a majority of the employees authorizing the union to represent them for collective bargaining purposes.
>
> We have consistently accepted this interpretation of the Wagner Act and the present Act, particularly as to the use of authorization cards. . . . Thus, in *United Mine Workers, supra,* we noted that a 'Board election is not the only method by which an employer may satisfy itself as to the union's majority status,' 351 U.S. at 72, n. 8, 76 S.Ct. at 565, since § 9(a), 'which deals expressly with employee representation, says nothing as to how the employees' representative shall be chosen,' 351 U.S. at 71, 76 S.Ct. at 565. We therefore pointed out in that case, where the union had obtained signed authorization cards from a majority of the employees, that '[i]n the absence of any bona fide dispute as to the existence of the required majority of eligible employees, the employer's denial of recognition of the union would have violated § 8(a)(5) of the Act.' 351 U.S. at 69, 76 S.Ct. at 563. We see no reason to reject this now . . . .

Gissel, 395 U.S. at 595-598. In short, in the words of the *Dana* majority itself, "voluntary recognition has been embedded in Section 9(a) from the Act's inception." 351 NLRB at 438 (emphasis added).

In *Gissel*, the Supreme Court further emphasized that the 1947 Amendments to the Act actually "weaken rather than strengthen the position" of those arguing against such voluntary recognition based on cards, where an early version of the Wagner Act "which would have eliminated the use of cards" was rejected. 395 U.S. at 598. The Supreme Court expressly recognized that, where Congress had rejected such a proposed change, "we cannot make a similar change in the Act . . . ." *Id.* (emphasis added).

The Board itself, even before *Gissel*, welcomed voluntary recognition as a means of advancing the core purposes of the Act. The Board therefore decided to allow parties a "reasonable time" in which to bargain after a union has been voluntarily recognized by an employer. *Keller Plastics Eastern, Inc.*, 157 NLRB 583, 587 (1966). As the Board held,

> With respect to the present dispute which involves a bargaining status established as the result of voluntary recognition of a majority representative, we conclude that, like situations involving certifications, Board orders, and settlement agreements, the parties must be afforded a reasonable time to bargain and to execute the contracts resulting from such bargaining. Such negotiations can succeed, however, and the policies of the Act can thereby be effectuated, only if the parties can normally rely on the continuing representative status of the lawfully recognized union for a reasonable period of time.

Id. The Board emphasized that the union and employer must have a reasonable time to bargain "'*without regard to whether or not there are fluctuations in the majority status of the union* during that period . . . .'" *Id.* (Board's emphasis) (*citing*, *Foundry and Machine Company*, 95 NLRB 34, 36 (1951). *Keller Plastics* is significant in that, in granting the parties to a voluntary recognition the reasonable time to bargain without the threat of an election petition, the Board made it clear that this was important to advance the purpose of the Act to encourage collective bargaining and the execution of agreements. Moreover, the Board recognized that a union's support may very well rise and decline during this period – a fact which actually necessitates giving the parties sufficient time to try to work out an agreement.

In the decades following the *Keller Plastics* decision, the Board and the courts only strengthened the support for voluntary recognition shown in *Keller Plastics*. For example, the U.S. Court of Appeals for the Ninth Circuit asserted only three years after *Keller Plastics* that "[t]o hold that only a Board-conducted election is binding for a reasonable time would place a premium on the Board-conducted election and would hinder the use of less formal procedures that, in certain situations, may be more practical and convenient and more conducive to amicable

industrial relations." *NLRB v. San Clemente Publishing Corp.*, 408 F.2d 367, 368. (9th Cir. 1969) (emphasis added).

Additionally, in *NLRB v. Frick*, 423 F.2d 1327, 1332 (3d Cir. 1970), the U.S. Court of Appeals for the Third Circuit held in explicit terms that a bargaining relationship established by voluntary recognition is irrebuttably presumed to continue for a reasonable period of time, and that the effect of the voluntary recognition with regard to an employer's duty to bargain is no different from that of a Board-certified election. In other words, just as with unions certified by the Board after an election, unions voluntarily recognized also have an irrebutable presumption of majority support for a "reasonable period" up to one year. *Id.* (*citing, NLRB v. Rish Equipment Co.*, 407 F.2d 1098, 1100 (4th Cir. 1969)); *accord, NLRB v. Physicians & Surgeons Community Hospital*, 577 F.2d 305, 306(5th Cir. 1978) (unions voluntarily recognized and board certified are on an equal footing in terms of an employer's duty to bargain and ability to withdraw recognition, and unions in both instances enjoy a presumption of a continuing representation status); *accord, NLRB v. Montgomery Ward Co.*, 399 F.2d 409 (7th Cir. 1968) (court defers to Board decision to balance employee free choice of bargaining representative and the encouragement of the collective bargaining process through rule that once a union has legally established majority status, an employer must bargain with it for a reasonable period even if the employees themselves said that the union no longer has majority status); *NLRB v. Universal Gear Service Corporation*, 394 F.2d 396 (6th Cir. 968); *NLRB v. San Clemente Publishing Corp.*, 408 F.2d 367 (9th Cir. 1969).

Significantly, in *Frick, supra.*, the court opined that the Supreme Court's statements in *Gissel, supra.*, about the long-time recognized advantage enjoyed by certified unions (e.g., protection for a reasonable period, usually one year) do not "preclude the Board from extending

to voluntarily recognized unions the benefits of either or both of the rebuttable or irrebuttable presumptions of continued majority status." 423 F.2d at 1332 (citing, *Gissel*, 395 U.S. at 599 & n. 14).

Just one year later after *Frick, supra.*, the Third Circuit went even further and held that the *Frick* presumption should be applied even where the voluntary recognition was never reduced to writing. *NLRB v. Broad Street Hospital and Medical Center*, 452 F.2d 302 (3d Cir. 1971). As the court explained, a recognition bar is important in the cases of voluntary recognition because "the inability of all parties to the collective bargaining process to rely on such recognition would produce an uncertainty potential of generative strife and discord in industrial relations. Furthermore, the very real possibility of employer interference with established majority status would exist." *Id.* at 305; *accord, Toltec Metals Inc., v. NLRB*, 490 F.2d 1122, 1126 (3d Cir. 1974) (allowing an employer to withdraw recognition within the "reasonable period" "would discourage unions from accepting voluntary recognition even if the employer freely conceded the union's majority status and began bargaining, since only a Board conducted election could bind the employer. The Board rightly concluded that such a consequence would disrupt the industrial peace that the Act was intended to foster.") (emphasis added); *accord, NLRB v. Cayuga Crushed Stone Inc.*, 474 F.2d 1380, 1384 & fn. 5 (2d Cir. 1973) (the Board may properly determine that the representative status created by voluntary recognition "is entitled to some reasonable period of gestation before the abortion proposed"; this is in keeping with the Board policy of "protecting validly established relationships during their embryonic stages.") (emphasis added); *Dollar Rent-A-Car*, 236 NLRB 206, 213 (1979) (once an employer recognizes a union and has bargained, it is against national labor policy to

permit an employer to withdraw recognition and allege the existence of a question concerning representation).

Relying upon *Keller Plastics* and its progeny, the Board in *MGM Grand Hotel*, 329 NLRB 464, 465-466 (1999), held that a union voluntarily recognized may be insulated from a representation petition for the same period as a Board-certified union representative – i.e., up to one year. The Board's decision in this regard was well-grounded in the purposes of the Act as expressed by Congress, the Supreme Court and by the Board itself for the preceding decades. As the Board in *MGM Grand* Hotel, 329 NLRB at 466, explained:

> As a means of achieving industrial peace, the Board seeks to balance the competing goals of effectuating employee free choice while promoting voluntary recognition and protecting the stability of collective-bargaining relationships. *Ford Center for the Performing Arts*, 328 NLRB 1, slip op. at 1 (1999), citing, *Smith's Food & Drug Centers*, 320 NLRB 844, 846 (1996). It is a long-established policy to promote voluntary recognition and bargaining between employers and labor organizations, as a means of promoting harmony and stability in labor-management relations. *See, e.g., Smith's Food & Drug Centers*, supra. at 846; *NLRB v. Broadmoor Lumber Co.*, 578 F.2d 238, 241 (9th Cir. 1978) (noting that 'voluntary recognition is a favored element of national labor policy.'). The Board encourages voluntary recognition and bargaining by permitting the parties 'a reasonable time to bargain and to execute the contracts resulting from such bargaining.' *Keller Plastics Eastern, Inc.*, 157 NLRB 583, 587 (1966). Thus, when an employer voluntarily recognizes a union, based on a demonstration of majority support, the parties are entitled to rely on '"the continuing representative status of the lawfully recognized union for a reasonable period of time" even though, in fact, the union may have lost its majority in the unit.' *Blue Valley Machine & Mfg. Co.*, 180 NLRB 298, 304 (1969), quoting *Keller Plastics*, supra. at 587.
>
> This presumption of continuing majority status is not based on an absolute certainty that the union's majority status will not erode. Rather, it is a policy judgment which seeks to ensure that the bargaining representative chosen by a majority of employees has the opportunity to engage in bargaining to obtain a contract on the employees' behalf without interruption. The ability to select a bargaining representative would otherwise be meaningless. At a minimum, then, this presumption allows a labor organization freely chosen by employees to concentrate on obtaining and fairly administering a collective-bargaining agreement without worrying that, unless it produces immediate results, it will lose majority support and be decertified. See *Ray Brooks v. NLRB*, 348 U.S. 96, 101

> (1954). This presumption also removes from the employer the temptation to delay the bargaining process in the hope that such a delay will undermine the majority support of the union. See *Keller Plastics*, supra at 587.

(emphasis added).

As the above passage demonstrates, by 1999, the Board and the courts were clear: voluntary recognition was not only lawful and tolerated, but indeed, "'a favored element of national labor policy.'" And, in keeping with the overall purposes of the Act to encourage collective bargaining and collective agreements, unions voluntarily recognized upon a showing of majority support were treated the same as unions certified through a Board election in that they were to be given, regardless of possible diminutions in employee support which unions might face in either case, sufficient time to bargain and to try reach a labor contract on behalf of these employees. This, in turn, was viewed as advancing the national policy of industrial peace.

In the case of *In re Baseball Club of Seattle*, 335 NLRB 563 (2001), the Board further set forth its rationale – a rationale deeply rooted in the Act and its purposes -- for favoring and protecting voluntary recognition relationships even in the face of expressed minority opposition:

> Since a majority of employees in the instant case have indicated their desire for representation by union, it would be anomalous to deprive that majority of their expressed desire for representation based merely on the contrary opinion of a minority group of employees. Indeed, the Act is premised on the concept of majority rule. As the Supreme Court has stated in *International Ladies' Garment Union (Bernhard-Altman) v. NLRB*, 366 U.S. 731 (1961), quoting from *Brooks v. NLRB*, 348 U.S. 96, 103 (1954), "the Act placed 'a nonconsenting minority under the bargaining responsibility of an agency selected by a majority of the workers.'"

335 NLRB 563, 567 (2001) (emphasis added). The Board continued, "[i]ndeed, requiring an election any time there is considerable minority of employees that opposes union representation would abrogate the 'long-standing Board policy to promote voluntary recognition and bargaining between employers and labor organizations, as a means of promoting harmony and stability of labor organizations.'" *Id.* at 565 (*quoting, MGM Grand Hotel, supra.*, 329 NLRB at 466.

B. The Decision Of The *Dana* Majority Undermined The Well-Settled Labor Law Policy Favoring Voluntary Recognition

In *Dana*, the majority stated that "'voluntary recognition is a favored element of national labor policy,'" and denied the dissent's accusation that they "have lost sight of that proposition." 351 NLRB at 438. However, the truth is that the *Dana* majority did in fact lose sight of this proposition in creating the new procedure from whole cloth. In promulgating this new procedure, the *Dana* majority turned its back on the Act's foundation of majority rule by opening up a newly-recognized union to the chance of swift decertification upon a showing of minority support (30%) for a representation election. Indeed, the majority went so far as to invite a minority of employees to initiate the procedures for such an election, thereby undermining the Act's goal of preserving industrial peace through collective bargaining and the making of labor agreements.

To wit, the *Dana* majority – failing to exercise the discretion of the Supreme Court in *Gissel* which held that it had no authority to undermine voluntary recognition in light of Congressional intent, 395 U.S. at 598 -- went so far as to rule that there will be no voluntary recognition unless employees are given the opportunity, and indeed the invitation, to decertify the newly-recognized union. As the *Dana* majority held:

> There will be no bar to an election following a grant of voluntary recognition unless: (a) affected unit employees receive adequate notice of the recognition and of their opportunity to file a Board election petition within 45 days, and (b) 45 days pass from the date of notice without the filing of a validly-supported petition.

351 NLRB at 441. And, of great moment in the instant case of Lamons Gasket where the parties have a signed labor agreement, the majority even held that "[t]hese rules apply notwithstanding the execution of a collective-bargaining agreement following voluntary recognition." *Id.*. Lest there be any doubt as to the majority's intent (and disdain for the collective bargaining process,

the majority continued: "In other words, if the notice and window-period requirements have not been met, any postrecognition contract will not bar an election." *Id.* Further, making clear the fact that they were overturning decades of Board precedent, the majority held: "*Keller Plastics, Inc.*, supra., *Smith's Food & Drug Centers*, supra., *Seattle Mariner's*, supra, and their progeny are herby overruled to the extent they are inconsistent with the modified recognition-bar doctrine we announce in this decision." 351 NLRB at 441 fn. 33.

As we demonstrate below, the *Dana* majority decision overturned decades of precedent without a sound basis and thereby undermined the national labor law policy which has favored voluntary recognition as a means of promoting industrial peace through collective bargaining while at the same time protecting employee free choice.

Focusing on *Dana*'s new recognition bar requirements in turn, we first look at the notice prescription. Here, the *Dana* notice, which the employer is required to post prominently in the plant, reads as follows:

> - On November 5, 2009, your Employer, Lamons Gasket Company . . . recognized the United Steelworkers as the unit employees' exclusive bargaining representative based on evidence indicating that a majority of employees in the following unit desire its representation:
>
> * * *
>
> - All employees, including those who previously signed cards in support of the Union, have the right to a secret ballot election conducted by the National Labor Relations Board to determine whether a majority of the voting employees wish to be represented by the Union, another union or by no union at all, as provided below.
>
> - Within **45** days from the date of the posting of this notice, a decertification petition supported by 30 percent or more of the unit employees may be filed with the National Labor Relations Board for a secret-ballot election to determine whether or not unit employees wish to be represented by the Union. Within the same 45-day period, a representation petition supported by 30 percent or more of the unit employees may be filed with the National Labor Relations Board to determine whether or not unit employees wish to be represented by another union.
>
> * * *

> **Contacting the NLRB** – If you are interested in filing a petition for a secret-ballot election or receiving more information about the matters covered by this notice, you should contact the NLRB office at: **National Labor Relations Board -- Region 16 Taylor Street, Room 8A24, Forth Worth, TX 76102, (817) 978-2921**. . . .

(*See*, Exhibit A).

Far from acknowledging the fact that "voluntary recognition is a favored element of national labor policy," a notice of this type, as required by *Dana*, strongly suggests that voluntary recognition is tainted, if not outright wrong. First, the fact that this NLRB **NOTICE TO EMPLOYEES** resembles a notice posting required to remedy unfair labor practices sends a message to employees that the act triggering the notice – the voluntary recognition – was suspect, if not illegal. The remaining language in the notice telling employees "**including those who previously signed cards in support of the Union**" of their "right" to file a decertification petition, and then specifying how and where they can file such a petition can be read as a solicitation of such a petition by the government itself -- the decertification petition appearing to be a remedy for the wrong of voluntary recognition. Such a notice not only encourages a decertification petition, but it sends the message that the U.S. government looks with disfavor on the voluntary recognition triggering the notice. This hardly comports with the long-standing national labor policy favoring voluntary recognitions. Indeed, it undermines this policy almost fatally.

The dissent in *Dana*, 351 NLRB at 450, correctly states this problem:

> Voluntary recognition is 'a favored element of national labor policy.' *Lyon & Ryan Ford, supra at* 750. Yet, the majority decision relegates voluntary recognition to disfavored status by allowing a minority to hijack the bargaining process just as it is getting started. Ultimately, the majority decision effectively discourages voluntary recognition altogether.[4]

---

[4] The dissent is not alone in this opinion. As other commentators have written, the *Dana* majority's "new rule is founded squarely on the claim that card check is of a 'lesser, and in some

As the dissent rightly explains, by even singling out in the notice those employees who signed cards in support of the union, the new *Dana* regime "seems designed to encourage employees who have supported the union to revisit their decision and to promote opposition to the union where none may have existed." *Id.* at 448 fn. 17. Indeed, the *Dana* notice can be read no other way.

Equally true and compelling is the dissent's observation in *Dana*, based upon long-standing Board law, that the new 45-day window period announced by the *Dana* majority undermines the national labor policy of majority rule as well the policy encouraging collective bargaining. As the dissent explains,

> support for a union is rarely unanimous. In any successful organizing campaign, there will likely be a minority of employees who opposed the union. See, e.g., *Seattle Mariners supra at 565.* The majority's window period allows this minority to thwart, or at the very least work against, the majority, by creating a disincentive to meaningful bargaining at the same time it give the minority the opportunity to marshal support for ousting the union. That is contrary to the principle of majority rule on which the Act is premised. See *Emporium Capwell Co. v. Western Addition Community Organization, 420 U.S. 50, 61 (1975); Bernard-Altman, 366 U.S. at 738.* Indeed, '[b]y attempting to eliminate all ambiguity regarding employee desires . . . ,' the majority decision may defeat the very objective that it seeks to achieve – giving effect to the employees' freely expressed designation of a union as their representative.' *Smith Food, supra at 846.*

351 NLRB at 447. The core of the dissent's opinion here was indeed well-expressed in 1966 in the *Keller Plastics* decision when the Board made it clear that a union and employer must have a reasonable period to bargain "'*without regard to whether or not there are fluctuations in the*

---

cases unquestionable reliability.' The reasoning of the Board is deeply rooted in electoral formalism and, as admitted by the Board majority, is not based on any factual probability that cards are actually inferior indicators of the employee's true choice." Joel Dillard & Jennifer Dillard, Fetishing The Electoral Process: The National Labor Relations Board's Problematic Embrace Of Electoral Formalism, 6 SEAJSJ 819, 843. (Spring/Summer, 2008) (emphasis added).

majority status of the union during that period . . . .'" *Id.* (Board's emphasis) (*citing*, *Foundry and Machine Company*, 95 NLRB 34, 36). Yet, the majority decision in *Dana* disregards this admonition by instead ceasing upon the inevitable fluctuations in union support to encourage employees to attempt to rid themselves of the union just after it has been lawfully recognized.

The sagacity of the dissent's opinion regarding both the *Dana* notice as well as the new 45-day window period for decertification can be seen in the experience of the USW since *Dana.* As indicated out the outset of this brief, the USW has had 11 voluntary recognitions since *Dana* and 4 of these have been subject to decertification petitions by employees within the *Dana* 45-day window period -- a period which is invariably longer than 45 days given the fact that it does not run until after the parties give notice to the region of the recognition, the Region then gets the notice to the employer and the employer posts the notice.

The USW's experience in this regard demonstrates that the *Dana* notice is having the effect predicted by the dissent – it is successfully encouraging employees to file decertification petitions after voluntary recognition. At the same time, the USW's experience with the outcome of the decertification petitions – **in which only one resulted in a loss for the union, and in that case by a tie** – demonstrates the point made by the dissent that, as recognized by the Board and courts for decades, voluntary recognitions by card check are indeed legitimate reflections of employee sentiment (*see*, 351 NLRB at 448-449)[5] and that the imposition of the new notice and

[5] As the dissent notes, in many cases, it is "cards, not the election results, that truly reflect[s] the employees' free choice. Indeed, the majority ignores the much more recent literature highlighting how employer antiunion conduct, and attendant delays, can undermine union support during lengthy election campaigns." 351 NLRB at 448 (*citing*, Brudney, Neutrality Agreements and Card Check Recognition, 90 Iowa L. Rev. 819, 832-834 & fn. 58-63 (2005). Other commentators have also explained in great detail how "authorization cards are a reliable indication of employee preference and a union's support." Alexia M. Kulwiec, On The Road Again: Dana Corp., Metaldyne, and the Board's Attack on Voluntary Recognition, 21 Labor Law 37, 50 (Summer, 2005) (citing Julius G Getman et al, Union Representation

window period by the majority in *Dana* actually tends to disserve the interest of protecting employee free choice. The overall national statistics for all unions after *Dana*, in which few are even subject to decertification petitions, and in which less than 2% end in decertification, further support this assertion. In short, as the dissent in *Dana* explained in detail, the majority's proffered fears about the alleged shortcomings of card check recognition to protect employee free choice are not borne out by reality. *Id.* Given this fact alone, the Board should return to the pre-*Dana* law governing voluntary recognitions as set forth in *Keller Plastics* and its progeny.

Equally prescient was the dissent's discussion of how the new *Dana* regime would adversely affect the collective bargaining relationship of an employer and a voluntarily-recognized union. As the dissent explained, while first contracts are notoriously difficult to bargain in the first place, 351 NLRB at 446, the new rules by *Dana* only make this process more difficult by unduly delaying the process:

Elections: Law and Reality 137 (Russell Sage Foundation 1976). Indeed, there is good cause to believe that this method is at least as reliable as the Board secret ballot procedure which has, on an increasing basis, been tainted by employer misconduct, including unlawful discharges of union adherents and threats of plant closure. Thus, Paul C. Weiler, in Promises To Keep: Securing Workers' Rights To Self-Organization, 96 HVLR1769, 1770 (1983), demonstrates that, since 1957, as the number of secret elections have increased, unfair labor practices against employers have increased at a rate that is four times that of elections. As he explains, "[f]rom 1957 to 1965, unfair labor practices against employers increased 200%, while the number of elections increased 50%. By 1980, the annual number of certification elections had declined slightly, but unfair labor practice charges against employers were up another 200% from 1965, and fully 750% from 1957. Worse, employees entitled to reinstatement in 1980 numbered 10,033, a 1000% increase from the low point of 1957." *Id.* at 1171. Furthermore, a 2009 study of NLRB certification elections found that employers discharge as many as 34% of union activists involved in campaigns, and that 54% of employers made threats to close all or part of the firm if the employees decided to unionize. Benjamin I. Sachs, Enabling Employee Free Choice: A Structural Approach To The Rules Of Union Organizing, 13 Harv.L.Rev. 655, 684 (citing Kate Bronfenbrenner, No Holds Barred: The Intensification of Employer Opposition To Organizing, Economic Policy Institute, EPI Briefing Paper No. 235, 2009); *see also*, John Schmitt & Ben Zipper, Dropping the Ax: Illegal Firings During Union Election Campaigns 1(2007), available at http://www.cepr.net/documents/publications/unions_2007_01.pdf.

> even if any employer does choose to recognize a union voluntarily, the majority's new window period leaves the parties' bargaining relationship open to attack by a minority of employees at the very outset of the relationship, when it is at its most vulnerable. At the very least, the relationship will be in limbo for 45 days, even if a petition is not filed. If a petition is filed and the union ultimately prevails in the election, the election campaign and any postelection proceedings 'nevertheless would have the deleterious consequence of "disrupting the nascent relationship" between the employer and union pending the outcome of the election and any subsequent proceedings.' *Seattle Mariners, supra at 565* (citing *Smith's Food, supra at 845-846).* In that event, the disruption will not be limited to the 45-day window period, but will extend until the election is actually held, and even longer if objections are filed.

351 NLRB at 447. As the dissent continued:

> The window period is also a 'Catch 22' for the union. Although the parties will technically have an obligation to bargain upon recognition, the knowledge that an election may be filed gives the employer little incentive to devote time and attention to bargaining during the first 45 days following recognition. Yet, if unit employees perceive that nothing has been accomplished in that initial bargaining, it stands to reason that they may be more likely to sign an election petition and even, ultimately, to vote against the union – even if they previously had supported it. That is precisely what the recognition bar is designed to avoid: putting the union in a position where it is 'under exigent pressure to produce hot-house results or be turned out.' *Brooks, 348 U.S. at 100 n. 16.*

351 NLRB at 447.

Again, the USW's own experience since *Dana* bears out the dissent's concerns in a number of ways. Indeed, the instant case of Lamons Gasket is quite illustrative of these concerns. Here, the USW was recognized back in November of 2009 (*see*, Exhibit A). And, while it was voluntarily recognized, the relationship with the employer has been quite rocky from the start, with the employer supporting employee efforts to decertify, and indeed, a petition was filed within the 45-day period set by *Dana*. The USW filed unfair labor practice charges against the employer alleging that its efforts to solicit employee support for the petition -- including disciplining an employee in retaliation for his support of the Union, threatening employees with discharge for supporting the union and promising benefits to those who opposed

it -- were unlawful. *See*, Exhibit C. While one of these charges was ultimately dismissed because key employee witnesses did not come forward for fear of their jobs, the employer, facing the issuance of a complaint by the Region, settled the most serious charge relating to its threats of discharge and promise of benefits. *See*, Exhibit D. As part of this settlement, the employer was required to post a notice stating, *inter alia*,

> **WE WILL NOT** threaten to discipline or discharge employees, or otherwise discriminate against any of you for supporting the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, or any other labor organization.
>
> **WE WILL NOT** prohibit you from engaging in workplace conversations relating to the Union while permitting workplace conversations about other subjects or threaten to discipline you for engaging in such conversations about the Union.

See, Exhibit E.

Because these unfair labor practice charges took months to process, the election was held off for months. In the meantime, however, the damage had been done by the employer's unfair labor practices in terms of employee support for the USW. In light of the employer's aggressively resisting the Union and dragging its feet in negotiations, and in light of the USW's bargaining strength being weakened by the employer's unlawful conduct, negotiations proceeded at a snail's pace. Finally, just over 9 months from the date of recognition, the parties reached an agreement on August 8, 2010, and the decertification election was held very shortly thereafter. *See*, Exhibit B. Still, the employer campaigned in favor of the decertification largely upon its claim that the contract negotiated by the USW was an inferior one, and that the USW should have held out for a better contract. Of course, as the dissent had predicted, the USW found itself in a position where it had to try to complete an agreement as soon as possible (though 9 months of course could not be characterized as "soon") in order to put the best foot forward going into

the election which followed shortly thereafter on August 26, 2010 (*see*, e-mail from NLRB Region 16 at Exhibit D). The USW -- caught in the very "Catch 22" the dissent predicted it would find itself in as a result of *Dana* -- now waits to see the results of the election (the ballots being impounded pending these very proceedings) and whether the contract it negotiated will end up having vitality or whether it will end up being a dead letter.

In other cases, the USW has also been impeded in its ability to bargain a labor agreement as a result of the *Dana* procedure. Thus, in Kaiser Aluminum (28-VR-16, 28-RD-984), the USW also faced a decertification petition after being voluntarily recognized, and, as a result, it took around seven months to finally reach a labor agreement. In another Kaiser Aluminum case (GR-7-RD-3676), the USW is also facing a decertification petition after being recognized on June 1, 2010, as the result of a private, secret ballot election. This decertification petition followed a ratification vote in which the members voted down the parties' original tentative agreement. And, when the petition was filed, Kaiser initially took the position that the petition legally prevented it from continuing to bargain with the USW. While Kaiser has since relented in this position, the USW has yet to reach an agreement there and is continuing to be bogged down in the litigation over that petition. Similarly, at ATI Titanium LLC (27-VR-017), where we were recognized on March 2, 2010, the mere prospect of a possible petition forestalled bargaining for almost two months, and it ultimately took over 5 months (until August 28, 2010) from the date of recognition to reach an agreement. In the case of Dana Corp. (26-VR-2001), while no petition was filed, the parties nonetheless waited for the duration of the 45-day window period to see if such a petition was going to be filed, and it ultimately took a total five months (from the date of recognition on October 5, 2007 until mid-March of 2008) to reach an agreement.

And, of course, as noted above, in the one voluntary recognition case (Herr-Voss-RCI) where the USW lost a decertification petition, and there in a tie vote, the USW lost after the employer settled numerous Board charges over its unlawful conduct. *See*, Exhibit G. As the notice posting in that case demonstrates, the employer engaged in a veritable laundry list of unlawful practices to try to rid itself of the Union, including the following:

> *implementing new rules to discourage employees from supporting the USW;
>
> *revising employees' hours of work to discourage employees' union activities;
>
> *modifying the policy relating to the amount of time a written discipline remains on an employee's permanent record to discourage employees' union activities;
>
> *implementing overly broad work rules to discourage employees from supporting the USW;
>
> *establishing a work rule prohibiting employees from using their cell phones to discourage employees from supporting the USW;
>
> *threatening employees with a reduction in work hours because they have engaged in union activities;
>
> *threatening employees by telling them they will no longer be able to make adjustments to their schedule if they select a union to represent them;
>
> *threatening employees by telling them that the reduction in their work hours was to pay them union wage rates;
>
> *disciplining employees because they engage in protected concerted and union activities.

(Exhibit G). In addition to posting a notice and revoking numerous policies and rules implemented to undermine the Union, the employer was also required to give back pay to 16 employees adversely affected by its conduct (*Id.*). Still, the damage was done, and the employer, through its unlawful actions, was successful in getting rid of the USW.

The USW's post-*Dana* experiences, particularly in the instant case of Lamons Gasket and in the case of Herr-Voss RCI, demonstrate that the majority's new rules in *Dana* have created a

situation in which the voluntary recognition process, which once worked well for unions are increasingly looking more and more like certification election campaigns which see "'employers' use of their power to affect outcomes unlawfully but with relative impunity.'" 351 NLRB at 434 (dissent quoting Brudney, *Neutrality Agreements*, *supra.*, 90 Iowa L. Review at 824) (emphasis added). In the end, the USW has become demoralized by the post-*Dana* voluntary recognition process, and has all but given up on voluntary recognitions. Thus, the dissent was absolutely correct when it wrote that the *Dana* decision

> undercuts the process of voluntary recognition as a legitimate mechanism for implementing employee free choice and promoting the practice of collective bargaining. It does so at a critical time in the history of our Act, when labor unions have increasingly turned away from the Board's election process – frustrated its delays and the opportunities it provides for employer coercion – and have instead sought alternative mechanisms for establishing the right to represent employees. . . . If disillusionment with the Board's election process continues, while new obstacles to voluntary recognition are created, the prospects for industrial peace seem cloudy, at best. . . . [T]oday's decision will surely do nothing to dissuade those who are convinced that the Act's representation process is broken – just the opposite.

351 NLRB at 444. In other words, as the dissent predicted, it is the experience of the USW that *Dana* has cut off the one avenue of organizing that we have found to be viable, leaving us little option to organize at all.

III. Conclusion

As demonstrated above, the majority's decision in *Dana* undermined the decades-long policy of favoring voluntary recognition as a means of advancing the core goals of the Act – namely, industrial peace through collective bargaining. Moreover, the new rules announced by the majority in *Dana* have shown themselves to be unnecessary to protect employee free choice. Thus, the national statistics since *Dana*, as well as the USW's own experience in particular, demonstrate that a *de minimis* number of voluntary recognitions have ended in decertification

through the *Dana* process. This shows that the voluntary recognition, based as it was upon a showing of majority support for the union through cards, was reflective of employee sentiment to begin with. The USW's own experience has been, as predicted by the dissent in *Dana*, that some employers, including Lamons Gasket, have utilized the NLRB's notice of invitation to decertify the union as well as the *Dana* window period, to try, sometimes unlawfully, to whittle away at the employees' support of the union. It is this employer conduct, made possible by *Dana*, which truly undermines employee free choice while undermining the collective bargaining process. And, even when employers more amenable to the union act in good faith, the new rules of *Dana* nonetheless slow down the collective bargaining process needlessly.

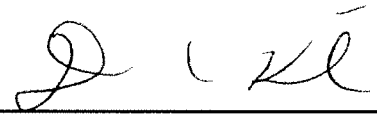
For all of these reasons, the Board should overrule *Dana*, and do so retroactively in order to return to the prevailing state of the law which existed for decades before *Dana* and which more adequately reflects the goals and policies of the National Labor Relations Act.[6] Such retroactive application of what is really a return to the *status quo ante* in the law and a return to the original rules which advanced the true goals of the NLRB is appropriate under the holding of the Supreme Court in *Chevron Oil Company v. Huson*, 404 U.S. 97, 106-107 (1971); *accord*, *Pattern Makers (Michigan Model Mfgs.)*, 310 NLRB 929, 931 (1993). And, the Board should

[6] While the USW focused on voluntary recognitions in this brief, the same policy considerations necessitating the overturning of *Dana* in the realm of voluntary recognitions also necessitate the Board's refusal to apply *Dana* in cases involving after-acquired clauses in *Kroger Co.*, 219 NLRB 388 (1975) as well as mergers such as the one presented in *Green-Wood Cemetery*, 280 NLRB 1359 (1986).

apply the pre-*Dana* law in this case to reverse the Decision and Direction of the Regional Director, thereby invalidating the decertification petition filed in this case.

Dated: November 1, 2010

Respectfully submitted,



Daniel M. Kovalik
Senior Associate General Counsel
United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied Industrial
and Service Workers Union, AFL-CIO/CLC
Five Gateway Center
Pittsburgh, PA 15222
(412) 562-2518

Richard J. Brean
General Counsel
United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied Industrial
and Service Workers Union, AFL-CIO/CLC
Five Gateway Center
Pittsburgh, PA 15222
(412) 562-2530

FORM NLRB 5517
(10-07)

NOTICE TO EMPLOYEES

FROM THE NATIONAL LABOR RELATIONS BOARD

16-VR-035

AN AGENCY OF THE UNITED STATES GOVERNMENT

PLEASE BE ADVISED OF THE FOLLOWING:

- On November 5, 2009, your Employer, Lamons Gasket Company, a Division of TriMas Corporation, recognized the United Steelworkers as the unit employees' exclusive bargaining representative based on evidence indicating that a majority of employees in the following bargaining unit desire its representation:

  INCLUDED: All production, warehouse and maintenance employees at the Lamons Gasket Company, Houston, Texas facility.

  EXCLUDED: All professional, managerial, sales, confidential, office clerical employees, security guards and supervisors as defined in the National Labor Relations Act, as amended.

- All employees, including those who previously signed cards in support of the Union, have the right to a secret ballot election conducted by the National Labor Relations Board to determine whether a majority of the voting employees wish to be represented by the Union, another union or by no union at all, as provided below.

- Within 45 days from the date of the posting of this notice, a decertification petition supported by 30 percent or more of the unit employees may be filed with the National Labor Relations Board for a secret-ballot election to determine whether or not unit employees wish to be represented by the Union. Within the same 45-day period, a representation petition supported by 30 percent or more of the unit employees may be filed with the National Labor Relations Board to determine whether or not unit employees wish to be represented by another union.

- Any properly supported petition filed within the 45-day period will be processed according to the Board's normal procedures.

- If no petition is filed within 45 days from the date of the posting of this notice, then the Union's status as the unit employees' exclusive bargaining representative will not be subject to challenge for a reasonable period of time to permit the Union and your Employer an opportunity to negotiate a collective-bargaining agreement.

Contacting the NLRB – If you are interested in filing a petition for a secret-ballot election or receiving more information about the matters covered by this notice, you should contact the NLRB office at: **National Labor Relations Board - Region 16, 819 Taylor Street, Room 8A24, Fort Worth, TX 76102, (817) 978-2921.** Additional information about the NLRB and the National Labor Relations Act is available at the Agency's website: www.nlrb.gov, or by calling the NLRB toll-free at 1-866-667-6572.

_____
(Date of Posting)

NATIONAL LABOR RELATIONS BOARD

an agency of the

UNITED STATES GOVERNMENT

THIS IS AN OFFICIAL GOVERNMENT NOTICE AND MUST NOT BE DEFACED

Provided to the employer on (November 19, 2009)

Exhibit A

Collective Bargaining Agreement

Between

Lamons Gasket Company

And

The United Steel, Paper, and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, Local ___

August 8, 2010

Preamble

This Agreement, executed August 23, 2010, by and between, Lamons Gasket Company, Houston, TX ("Company") located at 7300 Airport Blvd., Houston, Texas, and the United Steel, Paper, and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union on behalf of Local ____ (collectively referred to as the "Union"), shall become effective August 8, 2010 and shall remain in full force and effect through 11:59 pm August 3, 2014.

Purpose

It is the intent and purpose of the parties hereto that this Agreement shall promote and improve industrial and economic relationships between the Company and the employees of the Company covered by this Agreement, and to set forth therein the basic agreement covering rates of pay, hours of work and conditions of employment to be observed between the parties hereto.

The Company and the Union encourage the highest possible degree of professional, cooperative relationships between their respective representatives at all levels and with and between all employees. The Company and the Union realize that this goal depends on more than words in a Labor Agreement; rather, it depends primarily on the attitudes between people in their respective organizations and at all levels of responsibility.

The parties believe that proper attitudes must be based on full understanding and with regard for the respective rights and responsibilities of both the Company and the Union. Therefore, the parties agree that the administration of this Agreement will be handled in a fair and equitable manner, and in accordance with the best interests and well-being of the business and all employees.

The parties recognize that in order to provide opportunities for continuing employment, favorable pay and benefits, and good working conditions, the Company must be in a competitive position and operate as efficiently as possible. The Union agrees that it will cooperate in supporting full work time utilization, quality of workmanship, and work place safety.

Article 1
Scope and Recognition

Section 1.1: The Company, its successors and assigns recognize the Union as the exclusive bargaining agent of all employees as defined in Section 1.2 of this Agreement at the Lamons Metal Gasket Co. in Houston, TX, except professional engineering technical support, managerial, sales, confidential office clerical employees, and supervisors, and group leaders as defined under the National Labor Relations Act, as amended. Accordingly, the Union makes this Agreement as the exclusive bargaining agent of such employees. The provisions of this Agreement constitute the sole procedure for processing and settlement of any claim by an employee or the Union of a violation of this Agreement by the Company. As a representative of the employees, the Union may process

grievances through the grievance procedure, including arbitration, in accordance with this Agreement, or adjust, modify, or settle the same.

Section 1.2: The term "employee(s)" as used in this Agreement shall refer to bargaining unit employees occupying jobs in Section 1 above and no other employee(s) of the Company. The terms "he," "his," or "they," as used in this Agreement, will apply to male or female employees alike.

Article 2
Management Rights

Section 2.1: Retention of Managerial Prerogatives. Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Company, including, but not limited to, the rights, in accordance with its sole and exclusive judgment and discretion: to reprimand, suspend, discharge for just cause, or otherwise discipline employees; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign and direct their work; to promote, demote, transfer, lay off, recall to work, and retire employees; to set the standards of productivity, the products to be produced, and/or the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors to perform work or services; to subcontract, contract out, close down or relocate the Company's operations or any part thereof; to expand, reduce, alter, combine, transfer, assign, or cease any job, department, operation, or service; to control and regulate the use of machinery, facilities, equipment, and other property of the Company; to introduce new or improved research, production, service, distribution, and maintenance methods, materials, machinery, and equipment; to determine the number, location and operation of departments, divisions, and all other units of the company; to issue, amend and revise policies, rules, regulation, and practices; and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission of the Company and to direct the Company's employees. The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the Company's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Company's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

Article 3
No Strikes or Lockouts

Section 3.1: No Strikes. All grievances, disputes or complaints arising under and during the term of this Agreement shall be settled in accordance with the procedure herein provided. There shall be no strikes, tie-ups of equipment, slow downs, walkouts, boycotts, secondary boycotts, sit-down strikes, sympathy strikes, or any other cessation of work or interference with any of the operations of the Company. The Company shall not institute a lockout during the term of this Agreement. Every effort shall be made to adjust controversies and disagreements in an amicable manner between the Company and the Union.

Section 3.2: Discipline for Violation of Section 3.1. The failure or refusal on the part of any employee to comply with the provisions of section 3.1 of this Agreement shall be cause for immediate discipline, including discharge, and such discipline shall not be subject to the arbitration provisions set forth in either Article 20 or Section 3.4 of this Agreement. The Union agrees that it and its officers shall make affirmative efforts to cease any violation of Section 3.1 of this Article and the Company agrees that where the Union has made such affirmative efforts it will not hold the Union liable for any damages resulting from a violation of Section 3.1 of this Article.

Section 3.3: No Lockouts. In consideration of the Union's commitment as set forth in Section 3.1 of this Agreement, the Company shall not lock out employees.

Section 3.4: Expedited Arbitration. In the event of an alleged violation of Section 3.1 of this Agreement arising out of a matter not subject to resolution pursuant to the grievance and arbitration procedures set forth in Articles 19 and 20 of this Agreement, the Company may institute expedited arbitration proceedings regarding such alleged violation by delivering written or telegraphic notice thereof to the Union and to the Federal Mediation and Conciliation service. Immediately upon receipt of such written or telegraphic notice, the Federal Mediation and Conciliation Service shall appoint an arbitrator to hear the matter. The arbitrator shall determine the time and place of the hearing, give telegraphic notice thereof, and hold the hearing within twenty-four (24) hours after his appointment. The fee and other expenses of the arbitrator in connection with this expedited arbitration proceeding shall be shared equally by the Company and the Union. The failure of either party or any witness to attend the hearing, as scheduled and noticed by the arbitrator, shall not delay the hearing, and the arbitrator shall proceed to take evidence and issue an award and order as though such party or witness were present. The sole issue at the hearing shall be whether a violation of Section 3.1 of this Agreement has occurred or is occurring, and the arbitrator shall not consider any matter justifying, explaining or mitigating such violation. If the arbitrator finds that a violation of Section 3.1 of this Agreement is occurring or has occurred, he shall issue a cease and desist order with respect to such violation. The arbitrator's written opinion, award and order shall be issued within twenty-four (24) hours after the close of the hearing. Such award and order shall be final and binding on the Company and the Union.

Article 4
Union Membership and Check-off

Section 4.1: Dues Checkoff

a. The Company will check off monthly dues, including, where applicable, initiation fees and assessments, each in amounts as designated by the Union's International Secretary-Treasurer, effective upon receipt of individually signed voluntary checkoff authorization cards. The Company shall within 30 days remit any and all amounts so deducted to the Union's International Secretary-Treasurer with a completed summary of USW Form R-115 or its equivalent.

b. At the time of employment, the Company will suggest that each new employee voluntarily execute an authorization for the checkoff of amounts due or to be due. A copy of the card will be forwarded at the time of signing to the Financial Secretary of the Local Union.

c. The Union will be notified of the amount transmitted for each Employee (including the hours and earnings used in the calculation of such amount) and the reason for non-transmission such as in the case of interplant transfer, layoff, discharge, resignation, leave of absence, sick leave, retirement, or insufficient earnings.

d. The Union shall indemnify the Company and hold it harmless against any and all claims, demands, suits, and liabilities that shall arise out of or by reason of any action taken by the Company for the purpose of complying with the foregoing provisions.

Article 5
Checkoff Authorization

Section 5.1: Checkoff. Upon receipt by the Company of a checkoff authorization in the form set forth in Section 5.2 of this Agreement, dated and executed by an employee, the Company shall deduct, from the wages owed such employee for the first payroll period ending in each calendar month following receipt of such checkoff authorization, until such checkoff authorization is revoked by the employee in accordance with the terms thereof, the Union's membership dues for the month in which such deduction is made. The Company will forward the monies so deducted to the Treasurer of the

Union not later than the thirtieth (30th) day of the calendar month in which the deduction is made. The Company shall deduct from an employee's wages only that amount of money which the Treasurer of the Union has certified to the Company, in writing, is the amount of dues, properly established by the Union in accordance with tax applicable law and the Union's constitution and bylaws, required of all employees as a condition of acquiring or retaining membership in the Union. If, for any payroll period in which the Company is obligated to make deductions pursuant to this Section 5.1, the wages owed an employee (after deductions mandated by any governmental body) are less than the amount of money which the employee has authorized the Company to deduct pursuant to this Section 5.1, the Company shall make no deductions from wages owed the employee for that payroll period and shall make no deductions, which would have been made from wages owed the employee for that payroll period, from wages owed the employee for any future payroll period.

Section 5.2: Checkoff Authorization Form. The Company shall not deduct any monies from an employee's wages pursuant to Section 5.1 of this Agreement, unless the checkoff authorization executed by the employee conforms exactly to the following form:

> Pursuant to this authorization and assignment, please deduct from my pay each month, while I am in employment with the collective bargaining unit in the Employer, and irrespective of my membership status in the Union, monthly dues, assessments and (if owing by me) an initiation fee each as designated by the International Secretary/Treasurer of the Union.
>
> The aforesaid payment shall be remitted promptly by you to Stan Johnson, or his successor, International Secretary/ Treasurer of the United Steel, Paper and Forestry, Rubber, Manufacturing, _energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC, also known in short as the "Union", "United Steelworkers" or "USW") or its successor, Five Gateway Center, Pittsburgh, Pa. 15222.
>
> This assignment and authorization shall be effective and cannot be cancelled for a period of one (1) year from the date appearing above or until the termination of the date of the current collective bargaining agreement between the Employer and the Union, whichever occurs sooner.
>
> I hereby voluntarily authorize you to continue the above authorization and assignment in effect after the expiration of the shorter of the periods above specified, for further successive periods of one (1) year from such date. I agree that this authorization and assignment shall become effective and cannot be cancelled by me during any of such years, but that I may cancel and revoke by giving to the appropriate management representative of the facility in which I am then employed, an individual written notice signed by me and which shall be postmarked or received by the Employer within fifteen (15) days following the expiration of any such year or within the fifteen (15) days following the termination date of any collective bargaining agreement between the Employer and the Union covering my employment if such date shall occur within one of such annual periods, Such notice of revocation shall become effective respecting the dues for the month following the month in which such written notice is given; a copy of any such notice will be given by me to the Financial Secretary of the Local Union.
>
> While contributions or gifts to the USW are not tax deductible as charitable contributions for Federal income tax purposes, they may be tax deductible under other provisions of the Internal Revenue Code.

Article 6
Harassment and Workplace Violence

Section 6.1: The Company and Union agree to abide by all existing Federal and State regulations, or such legislation as may be established regarding equal employment opportunity. Neither the Company nor the Union shall discriminate against any employee on the basis of race, color, religion, creed, national origin, disability, Veteran status (including Vietnam Era, and disabled), sex, or age in any matter pertaining to wages, hours of work and other conditions of employment.

Section 6.2: The Company and the Union agree to comply with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Americans with Disabilities Act (ADA). Any employee on the seniority list inducted into military, naval, marine or air service of the United States, or any National Guard Unit, shall upon termination of such service, be re-employed with accumulated seniority, in accordance with the provisions thereof. Any employee in the armed services or the National Guard called to training or actual duty shall receive leave and such other benefits as required by law.

Section 6.3: In the case of requests for accommodation under the Americans with Disabilities Act, the Union and Company agree to work together and attempt to furnish accommodation to disabilities where such can be done without undue hardship to the Company or other employees, without creating unsafe conditions for employees, and without violating the seniority or other provisions of this Agreement.

Section 6.4: The Company prohibits all forms of harassment, including, but not limited to, sexual, racial, religious, ethnic and other forms. An employee who believes he or she is being harassed should report such harassment immediately to the Human Resources Manager of the Company and the Union and should also refer to and utilize the Company's harassment policy in order to allow the Company to investigate and address the situation.

Article 7
Hours of Work

Section 7.1: Purpose of Article. The sole purpose of this Article is to provide a basis for the computation of straight time, overtime, and other premium wages, and nothing contained in this Agreement shall be construed as a guarantee or commitment by the Company to any employee of a minimum or maximum number of hours of work per day, per week, or per year.

Section 7.2: Workweek. The workweek shall consist of seven (7) days beginning immediately after 12:01 midnight on Sunday of the payroll period and ending at 12:00 midnight the following Saturday of the payroll period.

Section 7.3: Regular Workweek. The regular workweek shall consist of forty (40) hours of work within the work week.

Section 7.4: Workdav. A workday is a period of twenty-four (24) consecutive hours beginning immediately after midnight of one day and ending at midnight on the following day.

Section 7.5: Regular Workday. A regular workday shall consist of eight (8) hours of actual work in a workday.

Section 7.6: Identification of Shifts. The first shift will commence between 6:00 a.m. and 11:00 a.m. The second shift will commence between 1:00 p.m. and 6:00.p.m. The third shift will commence between 10:00 p.m. and 3:00 a.m. The Company retains the right to change the time periods within which shifts will commence provided that the Company gives the Union one week advance notice of any such change. Nothing in section 7.6 prohibits the Company from instituting variable start and stop times in order to meet customer orders. Nothing in this section prohibits the Company from calling employees in prior to or after their assigned shift provided they are paid accordingly.

Section 7.7: Rest and Meal Periods. There shall be one thirty minute (30) unpaid meal period and two (2) ten (10) minute paid rest periods during the course of a regular workday.

Article 8
Seniority

Section 8.1: Definitions.

a. Seniority. Seniority is defined as an employee who has successfully completed the probationary period with his length of continuous service beginning with his most recent hire date with the Company. Where two or more employees have the same date of hire, the employee whose name appears earlier on the Company's alphabetical listing of employees shall be deemed more senior, if the dispute is not resolved it will be resolved in a contest of chance.

b. Probationary Period. Any employee hired by the company shall be considered a probationary employee and shall not be added to the seniority list until he has completed ninety (90) working days of employment at which time his name shall be placed on the seniority list and his seniority shall start from the date of hire. Retention of a probationary employee shall be entirely within the discretion of the company. Probationary employees are not covered under the terms of this agreement until such time that they successfully complete their probationary period.

c. Seniority Pool. All employees on the same shift holding the same job classification in the same department shall constitute a seniority pool.

Section 8.2: Layoff.

a. Determination of Layoffs. The Company will determine the timing of layoffs, the number of employees to be laid off, and in which seniority pool(s) layoffs will be effected. A uniform reduction in the number of hours scheduled in a workweek for all employees in a seniority pool shall not constitute a layoff.

b. Temporary Layoffs. If the Company determines that one (1) or more employees in a seniority pool shall be laid off for fifteen (15) or fewer consecutive regular workdays on which such employees would normally be scheduled to work, the Company shall not be restricted in selecting the employees who will be laid off, provided however, that seniority is used where such layoff does require displacement or bumping of any other employees.

Section 8.3: Recall.

a. Order of Recall. If the Company determines to fill a vacancy in a seniority pool from which employees are laid off, such employees shall be recalled in the reverse order of layoff.

b. Notice of Recall. The Company will forward notice of recall by certified mail to the last known address of the employee reflected on Company records. The employee must, within two (2) calendar days of delivery or attempted delivery of the notice of recall, notify the Company of his intent to return to work on the date specified for recall and, thereafter, return to work on such date.

Section 8.4: Filling of vacancies

a. If the Company determines to fill a job within the bargaining unit, employees may indicate to the Company on a form provided by the Company their preferences for one or more jobs classifications to which they wish to be promoted in the event of a job vacancy, provided such job classifications maximum rate is equal to or higher than the job classification from which the employee is bidding. Employees may change their preference at anytime prior to the filling of a job vacancy for which they wish to be considered.

b. Selection. From among employees qualified for a job vacancy, who submit a preference form prior to the job vacancy:

1. The Company will award the job classification to the most senior employee who possesses or can possess the skill, knowledge and ability to perform the job within a trial period not less than two (2) weeks but not more than eight (8) weeks upon assignment. The company can also choose to extend the trial period upon the request of the employee or at its own discretion. If no employees possess the skill, knowledge and ability to perform the job, then the Company may fill the job classification from any source. Nothing in this section requires the Company to fill the vacancy.

2. The Company may require prior skill, knowledge, and ability to perform certain job classifications. The company will award the bid to the senior employee who possesses the skill, knowledge, and ability at the time of the assignment. The employee will have a trial period of not less than two (2) weeks but not more than eight (8) weeks upon assignment to demonstrate the skill, knowledge, and ability. The company can also choose to extend the trial period upon the request of the employee or at its own discretion. If no employees possess the skill, knowledge and ability to perform the job, then the Company may fill the job from any source.

3. The employee who is awarded the bid will receive the entry level wage rate of the job classification to which he bid.

c. Restrictions on Bidding. An employee who is awarded a job classification for which he indicated a preference in section 8.5(a) he must accept it and will not be considered for another job vacancy for a period of six (6) months.

d. Disqualification of Bidder. An employee, who is disqualified from the job classification, shall be returned to the job classification and department in which he worked at the time of assignment, if such job is filled by a temporary, probationary or less senior employee. If such job classification is filled by a more senior employee, then the disqualified employee can displace any other temporary or probationary employee in a position that does not require prior skill, knowledge, and ability in an equivalent or lesser job classification from which the employee was promoted.

Section 8.5: Termination of seniority. An employee's seniority shall be terminated and his rights under this Agreement forfeited for the following reasons:

a. Discharge, quit, retirement, or resignation;

b. Failure to give notice of intent to return to work after recall within the time period specified in Section 8.4 (b) of this Agreement, or failure to return to work on the date specified for recall, as set forth in the written notice of recall;

c. Except for layoff, time lapse of twelve (12) months, or for a period equal to the employee's seniority (whichever is less), since the last day of actual work for the Company, regardless of reason;

d. Failure to return to work upon expiration of a leave of absence;

e. Layoff for a period of twelve (12) months or for a period equal to the employee's seniority, whichever is less.

Section 8.6: Seniority List. The Company shall provide the Union President with a current seniority list every January 1 and July 1.

Section 8.7: Return of Employees to the Bargaining Unit. A person, who, after transfer or promotion out of the bargaining unit, remains in the continuous employ of the Company, may be transferred, at the sole option of the Company and notwithstanding any other provision of this Agreement, to any designated job classification in the bargaining unit previously held by the person. If the transfer of such a person to the bargaining unit requires the layoff of an employee, the employee with the least seniority in the seniority pool to which the transfer occurs will be laid off; provided that, if the transferee does not have more seniority than the employee with the least seniority in that seniority pool, the Company may not effect the transfer.

Section 8.8: The parties agree that prior to the conversion of any temporary employee to a job as a regular employee of the company; such job shall be considered a vacancy to which a seniority employee may bid pursuant to Article 8.

Article 9
Temporary Employees

Section 9.1: The Company retains the right to use temporary employees to meet demands for surges in customer orders. The Company will not employ temporary employees if permanent employees are on layoff or working reduced hours, provided such permanent employees possess the skill, knowledge and ability to perform the job at the time of recalled. Temporary employees retained continuously and without any break in service for a period of one year will be hired by the Company.

Article 10
Temporary Transfer

Section 10.1: A temporary transfer is defined as moving an employee from one (1) department/classification to another. The Company shall have the right to temporarily transfer an employee. When an employee is temporarily transferred to a lower rated paying job for the convenience of the Company, he shall retain his old rate of pay. When an employee is temporarily transferred to a higher rated job for a period greater than one week, he shall receive the entry level pay of the job he is transferred to above his present rate of pay. Temporary assignments shall not exceed ninety (90) consecutive calendar days per assignment unless mutually agreed upon by the parties.

Article 11
Wages

Section 11.1: Definition of "Designated Job Classification". The job classification to which an employee is assigned at the time of initial employment shall be the employee's "designated job classification" and shall remain the employee's designated job classification unless the employee moves to another job classification in accordance with the procedures set forth in Article 8 of this Agreement, in which case, the job classification to which the employee moves shall become the employee's designated job classification.

Section 11.2: Straight-time Rate of Pay. Except as otherwise specified in this Agreement, an employee shall be paid for the straight-time rate of pay for his designated job classification for all time for which the employee is entitled to compensation pursuant to a provision of this Agreement. The straight-time rate of pay for each job classification set forth in Appendix I hereto shall be the hourly rate specified for that job classification in Appendix I.

Section 11.3: Reporting Pay. An employee who reports for work at the time scheduled by the Company shall be entitled to a minimum of 4 hours of work, unless the Company is unable to provide work for reasons beyond its control. If, because of adverse weather conditions, the Company decides to close for the day, it shall have no obligation under this Section 11.3 if, prior to 6:00 a.m., it has posted instructions regarding call into a toll free (1-800 number) to announce that the Company will be closed that day.

Section 11.4: No Duplication or Pyramiding of Overtime and Other Premium Pay. For each period of time for which an employee is entitled to compensation pursuant to a provision of this Agreement, he shall be paid in accordance with the pay formula set forth in this Agreement which entitles him to the greatest amount of compensation, but he shall not be entitled to compensation pursuant to any other pay formula set forth in this Agreement. Time for which an employee is compensated pursuant to the preceding sentence at a premium rate shall not be counted to enable the employee to receive compensation pursuant to another provision of this Agreement.

Article 12
Overtime

Section 12.1: Conditions Under Which Over Time Rates Shall Be Paid.

a. Overtime at the rate of one and one-half times the regular rate of pay shall be paid for hours worked in excess of forty (40) hours in a workweek as defined in Article 7, section 7..2.

b. All overtime hours worked during a holiday will be paid at double the regular rate of pay of the employee in addition to their holiday pay.

Section 12.2: Daily Overtime. If daily overtime is necessary, the employee performing the operation during the regular shift will be scheduled the overtime and will be expected to work the overtime unless excused by the Supervisor.

Section 12.3: Weekend Overtime: If weekend overtime is necessary, the company will determine the number of employees needed for the overtime work. The Company will offer overtime to volunteers first provided the employees have signed an overtime volunteer list. In the event there are not enough volunteers to cover the necessary overtime, then the least senior qualified employees will be required to work the overtime. The company will give second shift employees the opportunity to volunteer for overtime, and work will commence no sooner than 8:00 AM. Second shift employees who volunteer or are required to work weekend overtime will not be required to work past 12:00 AM Midnight on Friday. If the company determines that the entire department will be required to work weekends, then the company will notify the first shift employees not later than 1:00 PM on Friday of such overtime assignment and the second shift not later than the first hour of the shift. Employees will be expected to work the overtime, unless excused by the supervisor. If the company does not notify employees by 1:00 PM on Friday, then the weekend overtime will be worked by volunteers.

Article 13
Shift Preference

Section 13.1: Starting in 2011, seniority employees shall be allowed shift preference within their department and classification once (1) per calendar year. Shift changes shall only be allowed in July of each year. Request for shift transfer must be made in writing and must be received in the Human Resources office by May 15. No more than five (5) requests per year will be honored, with preference given by seniority. Employees requesting a shift transfer may displace a temporary employee who is about to obtain permanent status at other times of the year.

Article 14
Call Out Assignment and Pay

Section 14.1: Call Out Assignment and Pay. An employee who reports to work while at a location other than the Company's premises, not during the employee's regular schedule, pursuant to a Call Out list, and not covered by section 11.3 regarding reporting pay, shall receive a minimum of 6 hours pay at time and one half, for each distinct and separate trip to the factory, regardless of the actual hours worked. In the event an employee works more than 6 actual hours during a call out, the Company will pay the employee for actual hours worked in excess of 6 hours at time and one half.

Employees whom the Company determines possess the skill, knowledge and ability to perform Call Out work, may sign up for Call Out work not less than two (2) weeks prior to any Call Out assignment. The Company may assign employees to perform Call Out work in the event an insufficient number of employees sign up. The Company has sole discretion to determine if and when such work will be Call Out work. The Company may use bargaining unit and non bargaining unit employees to perform Call Out work.

Section 14.2: It shall be the employee's sole responsibility to report to the factory within one hour of such Call Out notification, or find an employee who possesses the skill, knowledge and ability to perform such work in the employee's place. Any non compliance or faulty performance by the substitute employee will be considered the non compliance or faulty performance of the employee originally assigned for such Call Out, and will be subject to progressive discipline that may include a one-day suspension, three-day suspension or termination, depending on the severity of the non compliance or faulty performance.

Article 15
Leaves of Absence

Section 15.1: Court Leave. An employee who has completed his probationary period and who is required to report for jury duty shall be entitled to leave with pay for scheduled work hours lost as the result of such service. For each hour of such leave taken, the employee will be compensated by the Company in an amount equal to his straight-time rate of pay, less the amount received by the employee from the government. An employee who reports for such service and is excused therefrom shall immediately contact his immediate supervisor and report for work, if requested. In order to be paid by the Company for such leave, the employee must submit to the Human Resource Manager written proof, executed by the administrator of the court, of having served, the duration of such service, and the amount of compensation received for such service.

Section 15.2: Military Leave. The Company will comply with the provisions of the USSERA or any law applicable at the time such leave is requested.

Section 15.3: Bereavement Pay. Employees are entitled to bereavement leave immediately following the death of a family member. Five paid days for immediate family, including spouse, children and stepchildren. Three paid days for family members including mother, father, stepmother, stepfather, brother, sister, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, grandchild, and relatives living in your home and supported by you. One paid day to attend the funeral of a half sister, half brother, and grandparents-in-law. The employee shall be paid his straight-time hourly earnings for each excused scheduled day. Time thus paid will not be counted as hours worked for purposes of determining overtime liability.

Section 15.4: Personal Leave. A personal leave of absence of up to thirty (30) calendar days may be granted by the Company in certain appropriate circumstances to preserve an employee's continuous service when they need time to tend to urgent personal matters. If such circumstances arise, arrangements must be made in advance, on an individual basis with the employee's supervisor and with the Human Resources Department. All leaves must have prior written approval. A copy of this written approval will be maintained in the employee's personnel file. All personal leaves of absence are without pay and at the complete discretion of the Company. An employee will be required to use any available vacation time before any personal leave time is granted. Where an employee demonstrates compelling personal reasons, the Company will work with the employee in good faith to simultaneously schedule vacation time and personal leave, where possible. A copy of the written approval of leave will be maintained in the employee's file with a copy to the employee. An employee may request an additional thirty (30) calendar days of a personal leave of absence that the company will not unreasonably deny.

Section 15.5: Family and Medical Leave. The Company will maintain a family and medical leave policy for its employees, which will comply with the requirements of federal law.

Section 15.6: Job Protection during Leaves. After any leave of absence, including a union leave of absence, an employee shall have the right to return to the position he held at the time of commencement of his or her leave of absence or an equivalent position with equal pay and benefits (unless that employee would have been laid off even if present under the provisions of the Agreement) provided he is capable of performing the work.

Section 15.7: An employee who takes other employment (not including union business) while on a leave of absence will be deemed a voluntary quit.

Article 16
Union Leaves Of Absence

Section 16.1: The Union may request in writing that an employee or employees be granted an unpaid leave of absence for Union business, to attend Union conventions or other Union business. The Union must submit the request for leave five (5) days in advance if possible prior to the date that the leave will take effect.

Section 16.2: The Company will not unreasonably deny such leaves requested by the Union and in no case will the Company deny leaves under this Article if the number of employees being requested for the leave is three employees or less.

Section 16.3: This section will not include long term leaves during which an individual works as a casual employee for the USW or an affiliate of the USW, these types of long-term leaves will be subject to negotiations between the parties.

Article 17
Health and Safety

Section 17.1: The Company and the Union will cooperate in the continuing objective of eliminating incidents and health hazards. The Company shall make reasonable provisions for the safety and health of its employees during the hours of their employment and shall institute reasonable rules and regulations regarding such matters.

Section 17.2: The Company, the Union and the employees recognize their obligations and/or rights under existing federal and state laws with respect to safety and health matters.

Section 17.3: The Company will compensate an employee for time lost on the employee's scheduled shift on the day on which the employee is injured, if the examining physician orders the employee not to return to work that day.

Section 17.4: Protective equipment, safety clothing and other devices necessary to properly protect employees shall be provided by the Company according to practices now prevailing, or as such practices may be improved from time to time by the Company. Such protective equipment shall be provided by the Company without cost.

Section 17.5: The Company also agrees to provide the following additional safety equipment, if required by the Company, under the following terms:

a. $80.00 year (every 12 months) toward the purchase of work shoes (with presentation of a receipt reasonably acceptable to the Company).

b. Every 24 months, the company will pay up to $75.00 for the standard prescription safety glasses through the company-approved provider. Employees will be responsible for the payment of the eye exam and issuance of the physician prescription.

c. The Company will bear the entire cost of the employee's of 11 uniforms every 18 months.

d. The Company will supply at the Company's cost the initial welding helmet and lenses. Subject equipment will be returned promptly to the company upon termination of employment in good working condition.

e. All personal protective equipment with exception of those in (a), (b) and (c) above, will not be permitted to leave the plant. Personal lockers are provided to store personal protective equipment.

Section 17.6: Safety and Health Committee. A Safety and Health committee, consisting of a minimum of three (3) members designated by the Union from among the employees and three (3) members designated by the Company, shall be established. More members may be appointed, provided each party has the same number of members. The Committee shall meet at mutually agreeable times but not less frequently than four (4) times per year. Unless extended by the mutual agreement of all members of the Committee, each meeting of the Committee shall be limited to a duration of one (1) hour. The Committee will conduct safety observation tours of the facility, will discuss safety concerns, and will make recommendations to the Company regarding such matters. The local president and HR manager or their designee will attend at least once per quarter. Scheduled work hours lost by the employee members of the Committee in attending the meetings of the Committee shall be with pay, and such time shall be considered hours worked for the purpose of computing overtime pay.

Article 18
Suspension and Discharge

Section 18.1: In the exercise of its rights, the Company agrees that no non-probationary employee shall be peremptorily discharged. In all instances, except those involving theft, endangerment of another person's life, sabotage, or similar severe action, in which the Company may believe that an employee's conduct may justify discharge, he shall first be suspended. Such suspension shall be for not more than five (5) working days.

Section 18.2: During the period of initial suspension, the employees may request a hearing, and a statement of the offense, between the Human Resources Manager or his designee and the chairperson of the Bargaining Unit. In such a hearing, the facts concerning the case shall be made available to both parties.

Section 18.3: The decision on all suspension or discharge cases shall be made by the Company within five (5) working days of the date of the hearing, or, if no hearing is requested, within five (5) working days of the expiration of the five (5) working days suspension period.

Section 18.4: After such hearing, the Company may conclude whether the suspension shall be converted into discharge, or depending upon the facts of such case, that such suspension shall be extended or revoked. If the disposition shall result in either the affirmation or extension of the suspension, or in discharge, the employee may file a grievance, which shall be handled in accordance with procedure of Step 3 of the grievance procedure, as otherwise provided.

Article 19
Grievance Procedure

Section 19.1: Definition of Grievance. A grievance is an allegation by an employee or the Union that the Company has violated an express provision of this Agreement.

Section 19.2: Grievance Procedure.

a. Step 1 Oral Notice to Immediate Supervisor. Not later than three (3) workdays Monday through Friday inclusive after the event giving rise to the grievance, or three (3) workdays Monday through Friday inclusive after the employee should reasonably have learned of the

event giving rise to the grievance, whichever is later, the employee must discuss the grievance with his immediate supervisor. The immediate supervisor shall orally respond to the employee not later than three (3) workdays Monday through Friday inclusive thereafter.

b. Step 2 - Written Grievance to Immediate Supervisor. if the grievance is not settled at Step 1, the employee, not later than seven (7) workdays Monday through Friday inclusive after the event giving rise to the grievance, or seven (7) workdays Monday through Friday inclusive after the employee should reasonably have learned of the event giving rise to the grievance, whichever is later, must submit a written grievance to his immediate supervisor who shall give his written answer to the grievance within seven (7) workdays Monday through Friday inclusive after receipt of the grievance.

c. Step 3 - Written Appeal to the Human Resource Manager. If the grievance is not settled at Step 2, the employee, not later than five (5) workdays Monday through Friday inclusive after receipt of the immediate supervisor's written answer at Step 2, may file a written appeal of that answer to the Human Resource Manager. Not later than ten (10) workdays Monday through Friday inclusive after receipt of the written appeal, the Human Resource Manager, or his designee, shall meet with the employee, the employee's shop steward, and the Union Staff Representative.

Section 19.3: Written Presentation. All grievances presented at Step 2 of the procedure set forth in Section 19.2 of this Agreement shall set forth: the facts giving rise to the grievance; the provision(s) of the Agreement alleged to have been violated; the names of the aggrieved employee(s); and the remedy sought. All grievances at Step 2 and appeals at Step 3 of the procedure set forth in Section 19.2 of this Agreement shall be signed and dated by the aggrieved employee and/or his shop steward. All written answers submitted by the Company shall be signed and dated by the appropriate Company representative.

Section 19.4: Grievances – Time Limitations.

a. Grievances must be taken up promptly and no grievance will be considered or discussed when it is presented later than ten (10) workdays Monday through Friday inclusive and excluding Holidays, after the grievant (or if a group or class action grievance, the Union) knew or should have known of the occurrence that is the subject of the grievance. Any grievance not filed within this time limit will be considered waived, and released. The time limit may be extended by mutual agreement provided the party requesting the extension furnishes such request in writing, and such request is approved in writing by the other party. Any discipline involving Suspension and Discharge will commence at the third step (e.g., a meeting will be held within five (5) working days Monday through Friday inclusive of the filing of the grievance).

b. No discipline or discharge shall be issued more than ten (10) workdays Monday through Friday inclusive after the date of the incident giving rise to the discipline or when the company knew or should have known, except in cases of theft, fraud, or in a case where there is evidence that the employee attempted to conceal their actions.

c. In the event that a grievance is not filed within the time limits specified in this Article or a grievance is not appealed in any of the steps of the grievance procedure set forth in this Article within the time limits therein specified, it shall not be given any further consideration by the Company. In the event the Company fails to respond within the time limits specified the grievance shall be granted and the remedy requested awarded without prejudice or precedent to either parties position.

Section 19.5: Grievances – Retroactivity. No claims including claims for back wages, made by or on behalf of any employee covered by this Agreement shall be valid for any period prior to the date on which a grievance concerning same is filed in writing with the Company, unless the circumstances of the case made it impossible for the employee, or the Union as the case may be, to know that he, or

the Union had grounds for such a claim prior to that date, in which case the claim shall be limited retroactively to a period of ten (10) workdays including work on Saturday, Sunday, vacations and holidays prior to the date the claim was filed in writing. It is understood and agreed that the Company's right to collect from employees for inadvertent overpayment of any monies called for in this contract shall also have a period of retroactivity not to exceed (10) days from the date such items first became known to the Company and that employees will be notified by the Company of any recapturing of overpayment prior to collecting through payroll deduction.

Section 19.6: Recognition of Union Stewards. The Company and the Union have agreed that five (5) shop stewards on the first shift and two (2) shop stewards on the second shift will represent employees in the presentation and settlement of grievances. A shop steward must be employed in the same shift as the employees he represents. The Company shall not be required to recognize any employee as a shop steward, unless the Union has informed the Company, in writing, of the employee's appointment as a shop steward. Stewards will investigate and adjust grievances during non-work times.

Article 20
Arbitration

Section 20.1: Appeal Procedure. Any grievance, as defined in Section 19.1 of this Agreement, that has been properly and timely processed through the grievance procedure set forth in Article 19 of this Agreement and that has not been settled at the conclusion thereof, may be appealed to arbitration by the Union serving the Company with written notice of its intent to appeal. The failure to appeal a grievance to arbitration in accordance with this Section 20.1 within ten (10) work days after receipt of the written answer of the Company at Step 3 of the grievance procedure set forth in Article 19 of this Agreement shall constitute a waiver of the Union's right to appeal to arbitration, and the written answer of the Company at Step 3 of the grievance procedure shall be final and binding on the aggrieved employee, the Company, and the Union.

Section 20.2: Selection of Arbitration. Not later than ten (10) work days Monday through Friday, inclusive, after the Union serves the Company with written notice of intent to appeal a grievance to arbitration, the Company and the Union shall jointly request the Federal Mediation and conciliation service or the American Arbitration Association to furnish, to the Company and the Union, a list of seven (7) qualified and impartial arbitrators. Within five (5) work days Monday through Friday, inclusive, after receipt of that list by the Company, the Company and the Union shall alternately strike names from the list, until only one (1) name remains. The arbitrator whose name remains shall hear the grievance.

Section 20.3: Arbitrator's Jurisdiction. The jurisdiction and authority of the arbitrator and his opinion and award shall be confined exclusively to the interpretation and/or application of the express provisions of this Agreement at issue between the Union and the Company. He shall have no authority to add to, detract from, alter, amend, or modify any provision of this Agreement; to impose on either party a limitation or obligation not explicitly provided for in this Agreement; or to establish or alter any wage rate or wage structure. The arbitrator shall not hear or decide more than one (1) grievance without the mutual consent of the Company and the Union. The written award of the arbitrator on the merits of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee, the Union and the Company.

Section 20.4: Fees and Expenses of Arbitration. The fee of the Federal Mediation and Conciliation Service or the American Arbitration Association and the fees and expenses of the arbitrator shall be shared equally by the Company and the Union; otherwise each party shall bear its own arbitration expense.

Article 21
Access By International Representative

Section 21.1: The Company shall allow the Union's International Representative (or his designee) reasonable access to the business location (including all buildings and parking areas) during normal work hours, but may not allow access during any period for which the Union or the employees are engaged in any strike, sympathy strike, slowdown, work stoppage or any other interference with or interruption of work. Such representative shall give prior notice to such visitation to the Company's Human Resources Manager. Upon approval of the Union's International Representative's request for reasonable access, while present in the location, he/she shall not interfere with, or delay the work of the employees.

Article 22
Union Representation

Section 22.1: The Company and the Union have agreed that five (5) shop stewards on the first shift and two (2) shop stewards on the second shift will serve in the Plant. The Company shall not be required to recognize any employee as a shop steward, unless the Union has informed the Company in writing of the employee's appointment as a shop steward. Stewards will investigate and adjust grievances during non-work times.

Section 22.2: In the event the Company questions an employee for the purpose of an investigatory interview that may lead to the discipline of the employee or other employees, the employee will have the right to request Union representation during such interview.

Article 23
Bulletin Boards

Section 23.1: The Company agrees to share one Bulletin Board with the Union that is relatively centrally located where one side is reserved for the Union to post information. Postings on the Bulletin Boards will not be vulgar or obscene nor be defamatory to the Company, its suppliers, customers, employees, or agents. The Union will provide a copy of all postings to the Company's Manager of Human Resources or his designee prior to being posted.

Article 24
Supervisors Working

Section 24.1: Supervisors working. Supervisory employees and non bargaining unit employees shall not perform any work included in any classification in the bargaining unit, except for the following reasons for which supervisors and non bargaining unit employees may work:

1. to instruct, train, or perform experimental or trial work;
2. for safety concerns, or emergencies, or de minimus work not part of the core duties of a bargaining unit classification;
3. to fill customer needs or order that may not be otherwise addressed;
4. when there are not enough bargaining unit employees to perform the work in a timely manner.

Article 25
Establishment of New Jobs

Section 25.1: As new jobs are established the Company will assign the work and duties and content of such jobs and assign the rate for those jobs. The Union will be advised, in writing, as to the job title, job description and wage rate assigned to the new job. The Company will meet and confer on the establishment of the new wage rate.

Article 26
Maintenance of Employment Records

Section 26.1: Employment records, as to each employee's length of service and work performance shall be maintained in the administrative office of the company at the plant. Each employee, upon written request, shall have access to his personnel record at a mutually agreed to time, which shall be outside the working hours of the employee.

Article 27
Health and Welfare Benefits

Section 27.1: During the term of this Agreement, the Company agrees to provide Eligible Employees with certain health and other welfare benefits as described in this labor agreement. The Company retains the right to change or eliminate insurance carriers, third party administrators, network providers, specific eligibility provisions and/or any other terms of the health and other welfare benefits described in this labor agreement, provided that the change results in substantially equivalent benefits.

Section 27.2: Type of Benefits. The following health and other welfare benefit plans are available: Medical Benefits through the TriMas Health Plan (see Benefits Summary).

a. Medical Premiums. The employee will pay via payroll deduction in accordance with their selection, the percent of the health benefit cost according to the income bands in Appendix II. If during the term of this Agreement, the cost for such health benefit is increased, the Company and participating employees shall continue their same pro rata share of the cost. Premiums are subject to change annually.

b. Dental Benefits. Through the TriMas Health Plan (see Benefits Summary). Employees shall have a choice between Basic Dental, or Dental Plus at the standard TriMas premium, which is subject to change each year.

c. Vision Benefits. Through the TriMas Health Plan (see Benefits Summary). This is a supplemental, voluntary plan that the Employee pays 100% of the cost of coverage (TriMas will not pay any portion of the cost of such supplemental coverage).

d. Section 125 - Cafeteria Plan. The Employee may pay for his or her share of premium costs for medical, dental and vision benefits on a pre-tax basis.

e. Health Care and Dependent Day Care Spending Account Plans. Employee pays all contributions to these accounts on a pre-tax basis.

f. Basic Life and AD&D Insurance: Through the Insurance Contracts selected by the Company providing a benefit amount of $25,000. The Company pays 100% of the cost of such Basic Life and AD&D Insurance benefits.

g. Optional Employee, Spouse and Child Supplement Life Insurance: Through the Insurance Contracts selected by the Company. These are supplemental, voluntary plans that the Employee pays 100% of the cost of coverage (TriMas will not pay any portion of the cost of such supplemental coverage).

h. Short -Term Disability: Through the Insurance Contracts selected by the Company providing a benefit of 60% base weekly wage up to $250 per week for up to 26 weeks.

i. Optional Long-Term Disability: Through the Insurance Contracts selected by the company providing 60% base monthly wage up to $850 per month. This is a

supplemental, voluntary plan that the Employee pays 100% of the cost of coverage (TriMas will not pay any portion of the cost of such supplemental coverage).

j. Employee Assistance Program Benefits: Through the TriMas Health Plan (Summary Plan Description and Plan document). The Company pays 100% of the cost of providing Employee Assistance Program benefits to Eligible Employees.

Section 27.3: Disputes. Any claim under a Benefit Plan will be adjudicated under and subject to the claim procedures specified in the applicable Benefit Plan documents and will not be subject to the Grievance Procedure of this Agreement. Disputes other than payment of claims shall be filed at Step 3 of the Grievance Procedure and the deadline to appeal in each step will be reduced to ten (10) working days.

Section 27.4: Eligibility Requirements. An Employee covered by this Agreement is eligible for the health and welfare benefits described above only upon satisfaction of the eligibility requirements specified in the applicable Benefit Plan, including the requirement that such Employee be regularly scheduled to work at least 40 hours a week. An eligible Employee will commence participation in the Benefit Plans on the first day of the month following their completion of the probationary period described in this Agreement.

Section 27.5: Dependent Eligibility Verification. The Company has full and final discretion to determine if a Dependent satisfies the eligibility requirements for coverage under a Benefit Plan, and to determine whether a Dependent has timely enrolled in the manner which satisfies Plan requirements. The Company also has the right to retroactively terminate coverage of a Dependent as of the date that he or she no longer satisfies each of the Benefit Plan's eligibility requirements and receive reimbursement from an Employee for any benefits that the Benefit Plan pays for a Dependent who does not satisfy the Plan's eligibility requirements.

Section 27.6: Coverage Termination. An Employee's (and Dependents') coverage under a Benefit Plan will terminate on the dates set forth in the Benefit Plan documents. In summary, health and welfare benefits are discontinued as follows:

a. For terminations, last day worked

b. For layoffs, 30 days following the date of layoff

c. For FMLA or STD, 30 days following the last day worked at no cost, then at the active employee premium cost share for the balance of the FMLA or STD leave.

Section 27.7: Retirement Benefits. During the term of this Agreement, Bargaining Unit Employees covered under this Agreement may be eligible for retirement benefits pursuant and subject to the terms of the following Retirement Plans.

a. TriMas Corporation Hourly Retirement Program (which is a defined contribution plan): The terms of such Plan document and applicable appendix will govern all rights, terms and conditions regarding the Employee's retirement benefits under such Plan, subject to the following conditions:

   1. Employees shall be eligible to contribute Elective Deferrals between 1% and 75% of eligible Compensation on a pretax basis, up to the annual IRS dollar limits.

   2. If the Employee is at least age 50 or will be 50 by December 31, and he or she is making the maximum IRS pretax contributions, the Employee may be eligible to make "catch-up" contributions. In 2010, the maximum annual catch-up contribution is $5,500.

3. TriMas will match 25 cents for each pretax Elective Deferral dollar that the Employee contributes up to the first 5% of the Employee's eligible Compensation, subject to applicable IRS limitations and nondiscrimination testing requirements.
4. TriMas also may make an additional annual "Performance 401(k) Matching Contribution" in an amount from zero up to 25 cents for each pretax Elective Deferral dollar that the Employee contributes up to the first 5% of the Employee's eligible Compensation, based on TriMas' performance.

5. Following the end of each calendar quarter, TriMas will make a Quarterly Pension Contribution ("QPC") to each employee's account. Full-time Employees are eligible for a QPC the first of the month following one year of continuous employment. The QPC will be based on eligible Compensation and based on the Employee's age as of the end of each quarter as follows:

Age at the end of the Quarter	Percentage of Eligible Compensation
Under Age 30	0.25%
Age 30-39	0.50%
Age 40-49	1.00%
Age 50 or older	1.50%

b. Vesting of QPC follows a 3-year Cliff Vesting Schedule, based on years of Vesting Service:

Number of Years of Vesting Service	Vested Percentage
Less than 3 Years	0
3 or more Years	100%

c. All earned Vesting Service shall be counted under the QPC.

d. The Company retains the right to defer contributions to the Plans provided the funding be made no later than March 15th of the following year.

Article 28
Federal or Social Security Legislation

Section 28.1: Should any federal or Social Security legislation be enacted and put into effect during the term of this Agreement providing benefits like any other contained herein and proposing all or any part of the cost hereof upon the company and the employee then to that extent only shall such benefits provided herein become inoperative and any policy or policies of insurance providing the same cancelled and the company shall be relieved of the cost thereof in order to avoid duplication of costs.

Section 28.2: Whereas the Federal government has enacted a health care reform law that contains financial penalties or creates non compliant employer-sponsored health care plans at future dates, and whereas the triggering events have not been completely developed by the regulators, the company has the right to modify its health care plans so as to avoid any financial penalties and to establish compliance.

Article 29
General Contractual Provisions

Section 29.1: In the event any of the provisions of this Agreement shall be or become invalid by reason of conflict with any Federal or State Law now existing or hereafter enacted, the remaining

provisions of the Agreement shall not be affected thereby. This Agreement, along with any side letters affixed hereto, is the entire agreement between the parties.

Article 30
Holidays

Section 30.1: The Company will provide ten (10) paid holidays to all full-time regular employees on the active payroll. These holidays are as follows:

New Year's Day	January 1st
Good Friday	Friday Before Easter
Memorial Day	Last Monday in May
Independence Day	July 4th
Labor Day	First Monday in September
Thanksgiving Day	4th Thursday in November
Day following Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24th
Christmas Day	December 25th
New Year's Eve	December 31st

Section 30.2: If a specified holiday falls on a workday, it is observed on that day. If it falls on a Saturday, it will normally be observed on the proceeding Friday. If it falls on a Sunday, it normally will be observed on the following Monday.

Section 30.3: If a holiday falls within a vacation period, an extra day away from work will be observed either immediately before or immediately after the vacation period. The specific day to be taken because of the holiday will be indicated in advance, and will constitute a day of vacation since the actual holiday is observed when it occurs.

Section 30.4: In order to be paid for a holiday, an employee must:

a) Have been employed at least thirty (30) consecutive calendar days prior to the holiday observed.

b) Work a full scheduled shift on the scheduled workday before the holiday, and a full scheduled shift on the scheduled workday after the holiday, unless otherwise scheduled.

Section 30.5: All active full-time hourly employees not on leave of absence are entitled to Holiday Pay if they are on the active payroll 30 consecutive days prior to the holiday and the first workday following the holiday unless otherwise scheduled. Full-time, regular hourly employees required to work on the holiday will be paid 8 hours Holiday Pay plus double time their regular rate of pay for any hours worked. Part time employees will receive Holiday Pay pro-rated on the number of hours they work per week.

Section 30.6: The purpose of the vacation provision is to provide eligible employees with time off from work with pay for rest and relaxation.

Section 30.7: Employees are eligible for vacation benefits if they are a regular full-time employee on the active payroll.

Section 30.8: Employees will earn vacation on an accrual basis throughout the year, beginning on January 1 of each year. Vacation entitlement is based on length of service with the Company. Vacation will be accrued based on the eligibility chart below.

<u>Vacation Eligibility Chart Full-time employees</u>

New Hire < 5 years	Accrue 3.07 Hours per pay period to a maximum of 80 Hours
5 years <15 years	Accrue 4.61 Hours per pay period to a maximum of 120 Hours
15 years +	Accrue 6.15 Hours per pay period to a maximum of 160 Hours

Section 30.9: Employees may use your vacation benefit anytime between January 1st and December 31st of the year it is accrued. Employees are encouraged to use their vacation benefit for its intended purpose: rest and relaxation. Unused vacation time earned in the current year may not be carried over into the next calendar year; and there is no pay in lieu of unused vacation time.

Section 30.10: All vacation will be requested and approved in advance and should be scheduled in accordance with departmental work schedules and secondarily individual preference. Each supervisor is responsible for seeing that their direct reports have an opportunity to schedule vacations.

Section 30.11: Each employee is responsible for entering their vacation hours in E-Time prior to taking the vacation to ensure the proper record keeping is maintained. This form will have the proper authorization and be maintained in the payroll office.

Section 30.12: Employees that terminate for any reason will be paid for the prorated share of the current year's vacation. Any employee that has taken more than the prorated share will receive a deduction from their final paycheck for the amount of un-accrued but taken vacation time.

Article 31
Duration and Termination

Section 31.1: This Agreement shall be in full force and effect as of August 8, 2010 and shall remain in effect until midnight of August 3, 2014, and shall continue, thereafter in full force and effect from year to year thereafter unless written notice of desire to terminate, amend or modify this Agreement is given by either party to the other in writing by registered mail on or before sixty (60) days prior to the aforesaid termination date.

FOR THE UNION

UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION (USW)

LEO W. GERARD
INTERNATIONAL PRESIDENT

STAN JOHNSON
INTERNATIONAL SECRETARY-TREASURER

THOMAS CONWAY
INTERNATIONAL VP ADMINISTRATION

FREDRICK D. REDMOND
INTERNATIONAL VP HUMAN AFFAIRS

FOR THE COMPANY

COMPANY NAME
CITY AND STATE
USW LOCAL UNION

J.M. BREAUX, DIRECTOR, DISTRICT 13

STAFF REPRESENTATIVE

NEGOTIATING COMMITTEE

APPENDIX 1

FOR CURRENT EMPLOYEES THAT ARE IN A JOB CLASSIFICATION FOR WHICH THEY ARE NOT AT THE MAXIMUM HOURLY WAGE RATE, THEY WILL RECEIVE $.50 INCREASES TO THE JOB CLASSIFICATION ONCE PER YEAR UNTIL THEY REACH THE MAXIMUM HOURLY WAGE RATE. FOR EMPLOY THAT ACQUIRE A NEW JOB CLASSIFICATION, THEY WILL START AT THE ENTRY LEVEL AND ADVANCE STEPS IN THE STATED WAGE PROGRESSION EVERY SIX MONTHS. FOR EMPLOYEES THAT RECEIVE A WAGE RATE THAT IS GREATER THAN THE MAXIMUM FOR THEIR JOB CLASSIFICATION (RI CIRCLED), THEY WILL REMAIN AT THEIR CURRENT WAGE RATE UNTIL THE MAXIMUM WAGE RATE FOR THE JOB CLASSIFICATION EXCEEDS THEIR

CURRENT WAGE RATE.

Classification	Entry	Step 1	Step 2	Step 3	Step 4	Max Upon Ratification "8/8/10"	Yr 2 Max 8/7/11	Yr 3 Max 8/5/12	Yr M 8/4
API Saw operator	10.60			10.75		11.00	11.11	11.44	11.
Auto grinder	11.75	12.00	12.25	12.50	12.75	13.00	13.13	13.52	13.
Bender	9.10			9.20		9.75	9.85	10.14	10.
Bolt Assembler Level I	9.00			9.25		9.50	9.60	9.88	10.
Bolt Assembler Level II	10.00	10.25	10.50	10.75	11.00	11.25	11.36	11.70	12.
Bolt Coating Operator	10.50			10.75		11.00	11.11	11.44	11.
Bolt material puller Level I	9.00			9.25		9.50	9.60	9.88	10.
Bolt material puller Level II	11.50			11.75		12.00	12.12	12.48	12.
Bolt saw operator	10.15			10.40		10.65	10.76	11.08	11.
CNC Operator	9.40			9.65		9.90	10.00	10.30	10.
CNC Programmer	15.55	15.80	16.05	16.30	16.55	16.80	16.97	17.48	18.
Coker Machine Operator	9.50	9.75	10.00	10.25	10.50	10.75	10.86	11.18	11.
Coker Machine Specialist	13.10	13.35	13.60	13.85	14.10	14.35	14.49	14.93	15.
Crater and Packer	12.00			12.25		12.50	12.63	13.00	13.
Gasket Painter	10.50			10.75		11.00	11.11	11.44	11.
Grafoil facer	8.75			9.00		9.25	9.34	9.62	9.9
Grafoil Facer Specialist	11.75	12.00	12.25	12.50	12.75	13.00	13.13	13.52	13.
Grinder	9.50			9.75		10.00	10.10	10.40	10.
Groover-Beveler	10.50			10.75		11.00	11.11	11.44	11.
HE Layout Person	15.80	16.05	16.30	16.55	16.80	17.05	17.22	17.74	18.
HE machine operator Level I	9.75			10.00		10.25	10.35	10.66	10.
HE machine operator Level II	13.35	13.60	13.85	14.10	14.35	14.60	14.75	15.19	15.
HE machine operator specialist	14.25	14.50	14.75	15.00	15.25	15.50	15.66	16.12	16.
Janitor	11.75			12.00		12.25	12.37	12.74	13.
Kampro operator	12.50			12.75		13.00	13.13	13.52	13.
Knife/Water Jet Operator I	11.00	11.50	12.00	13.00	14.00	14.50	14.65	15.08	15.
Knife/Water Jet Operator II	15.85	16.10	16.35	16.60	16.85	17.10	17.27	17.79	18.
Large CNC Operator	12.40	12.65	12.90	13.15	13.40	13.65	13.79	14.20	14.
Large Gasket Assembler	11.50			11.75		12.00	12.12	12.48	12.
Laser Machine Operator I	11.00	11.50	12.00	13.00	14.00	14.50	14.65	15.08	15.
Laser Machine Operator II	16.25	16.50	16.75	17.00	17.25	17.50	17.68	18.21	18.
Machine Builder Level I	19.75	20.00	20.25	20.50	20.75	21.00	21.21	21.85	22.
Machine builder Level II	25.50	25.75	26.00	26.25	26.50	26.75	27.02	27.83	28.
Machinist Level I	20.75	21.00	21.25	21.50	21.75	22.00	22.22	22.89	23.
Machinist Level II	24.00	24.25	24.50	24.75	25.00	25.25	25.50	26.27	27.
Maintenance Helper	14.75	15.00	15.25	15.50	15.75	16.00	16.16	16.64	17.

Maintenance Mechanic Level I	18.25	18.50	18.75	19.00	19.25	19.50	19.70	20.29	20.
Maintenance Mechanic Level II	21.75	22.00	22.25	22.50	22.75	23.00	23.23	23.93	24.
Material puller	11.00			11.25		11.50	11.62	11.96	12.
Material puller - Die Setup	16.19	16.44	16.69	16.94	17.19	17.44	17.61	18.14	18.
Material puller Level II	11.75	12.00	12.25	12.50	12.75	13.00	13.13	13.52	13.
Packer	9.80			10.05		10.30	10.40	10.72	11.
QA Inspector	12.75	13.00	13.25	13.50	13.75	14.00	14.14	14.56	15.
Receiving	12.50	12.75	13.00	13.25	13.50	13.75	13.89	14.30	14.
Ring Joint Quality Assurance Inspector	18.32	18.57	18.82	19.07	19.32	19.57	19.77	20.36	20.
Shipping System Operator	10.09	10.34	10.59	10.84	11.09	11.34	11.45	11.80	12.
Small Punch Press Operator	10.50			10.75		11.00	11.11	11.44	11.
SW Operator Level I	9.50			9.75		10.00	10.10	10.40	10.
SW Operator Level II	10.00			10.25		10.50	10.61	10.92	11.
SW Operator Level III	10.75	11.00	11.25	11.50	11.75	12.00	12.12	12.48	12.
SW Operator Level IV	11.25	11.50	11.75	12.00	12.25	12.50	12.63	13.00	13.
Tool Room Attendant	10.75	11.00	11.25	11.50	11.75	12.00	12.12	12.48	12.
Welder I	10.40			10.60	10.80	11.00	11.11	11.44	11.
Welder II	15.75	16.00	16.25	16.50	16.75	17.00	17.17	17.69	18.
Welder III	19.75	20.00	20.25	20.50	20.75	21.00	21.21	21.85	22.

APPENDIX II

MEDICAL & PRESCRIPTION DRUG PLAN CORE PPO CONTRIBUTIONS			
COVERED PERSONS	EMPLOYEE PERCENT CONTRIBUTION FOR CORE PPO PAY BAND (<$25,000)	EMPLOYEE PERCENT CONTRIBUTION FOR CORE PPO PAY BAND ($25,000 - $49,999)	EMPLOYEE PERCENT CONTRIBUTION FOR CORE PPO PAY BAND ($50,000 – $74,999)
EMPLOYEE ONLY	15%	20%	25%
EMPLOYEE & SPOUSE	17%	22%	27%
EMPLOYEE & CHILDREN	17%	22%	27%
FAMILY	19%	24%	29%
MEDICAL & PRESCRIPTION DRUG PLAN CONSUMER CHOICE PPO CONTRIBUTIONS			
EMPLOYEE ONLY	6%	11.5%	
EMPLOYEE & SPOUSE	8.2%	13.7%	
EMPLOYEE & CHILDREN	8.2%	13.7%	
FAMILY	10.4%	15.9%	

Memorandum of Understanding
Labor-Management Committee

The union and company agree to create a labor-management committee to study issues of mutual concern to the union and the company, including but not limited to workforce education quality, and productivity. The labor-management committee shall exist as a pilot program for a period to end on August 1, 2011, thereafter, upon the mutual consent of the union and company the parties may extend the labor-management committee for periods of one year increments. The labor-management committee shall not study issues of collective bargaining, grievance adjustment and/or safety because it is recognized that such subjects have already established forums for consideration. The committee will consist of no more than four people on each side. People can rotate on and off based on the topics and expertise needed. The committee will meet no less than four times per year.

Memorandum of Understanding
Bonus

The union and company agree to increase the maximum bonus payable under the "On Time Delivery Bonus" from 10% maximum to 12% maximum payout.

FORM NLRB-501

FORM EXEMPT UNDER 44 U.S.C. 3512

UNITED STATES OF AMERICA

NATIONAL LABOR RELATIONS BOARD

CHARGE AGAINST EMPLOYER

DO NOT WRITE IN THIS SPACE	
Case 16-CA-27368	Date Filed 3-31-2010

INSTRUCTIONS:

File an original and 4 copies of this charge with NLRB Regional Director for the region in which the alleged unfair labor practice occurred or is occurring.

1. EMPLOYER AGAINST WHOM CHARGE IS BROUGHT

a. Name of Employer Lamons Gasket		b. Number of workers employed 168
c. Address *(street, city, state, ZIP code)* 7300 Airport Blvd., Houston, TX 77061	d. Employer Representative Bill Alsup, Plant Manager	e. Telephone and Fax Nos. Tel. (713) 222-0284 Fax: (713) 547-9502
f. Type of Establishment *(factory, mine, wholesaler, etc.)* Manufacturing	g. Identify principal product or service Gaskets and Bolts	

h. The above-named employer has engaged in and is engaging in unfair labor practices within the meaning of Section 8(a), subsections (1) of the National Labor Relations Act, and these unfair labor practices are unfair practices affecting commerce within the meaning of the Act.

2. Basis of the Charge *(set forth a clear and concise statement of the facts constituting the alleged unfair labor practices)*

On or about December 11, 2009, the above-named employer by and through its officers, representatives and agents disciplined Guillermo Zozoya due to his exercise of Section 7 rights.

On or about November 15, 2009 until on or about December 12, 2009, the above-named employer by and through its officers, representatives and agents interfered with, or coerced its employees in exercising their Section 7 rights by disparately enforcing its solicitation policies against union supporters. More specifically, the employer allowed an anti-union petition to be distributed during work time in work areas in front of supervisors despite having a written and verbal policy against solicitation during work time and in work areas.

By the above and other acts, the above-named employer has interfered with, restrained, and coerced employees in the exercise of the rights guaranteed in Section 7 of the Act.

3. Full name of party filing charge *(if labor organization, give full name, including local name and number)*
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union, AFL-CIO/CLC

4a. Address *(street and number, city, state and ZIP code)*	4b. Telephone and Fax Nos.
Five Gateway Center, Room 913 Pittsburgh, PA 15222	Tel. (412) 562-2529 Fax: (412) 562-2555

5. Full name of national or international labor organization of which it is an affiliate or constituent unit *(to be filled in when charge is filed by a labor organization)*.
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union, AFL-CIO/CLC

6. DECLARATION

I declare that I have read the above charge and that the statements are true to the best of my knowledge and belief.

By Brad Manzolillo
(Signature of representative or person making charge) Brad Manzolillo Title: Organizing Counsel

Date: March 30, 2010

Address
Five Gateway Center, Room 913, Pittsburgh, PA 15222

Fax: (412) 562-2555
Tel: (412) 562-2529

WILLFUL FALSE STATEMENTS ON THIS CHARGE CAN BE PUNISHED BY FINE AND IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001)

Exhibit C

FORM NLRB-501 (2-08)

UNITED STATES OF AMERICA
NATIONAL LABOR RELATIONS BOARD
FIRST AMENDED **CHARGE AGAINST EMPLOYER**

DO NOT WRITE IN THIS SPACE	
Case	Date Filed
16-CA-27204	2/23/2010

INSTRUCTIONS:
File an original with NLRB Regional Director for the region in which the alleged unfair labor practice occurred or is occurring.

1. EMPLOYER AGAINST WHOM CHARGE IS BROUGHT

a. Name of Employer
LAMONS GASKET

b. Tel. No.
(713)222-0284

c. Cell No.
( ) -

f. Fax No.
(713)547-9502

g. e-Mail

d. Address *(Street, city, state, and ZIP code)*
7300 Airport Blvd
Houston TX 77061-

e. Employer Representative
Bill
Alsup
Plant Manager

h. Number of workers employed
168

i. Type of Establishment *(factory, mine, wholesaler, etc.)*
Manufacturing

j. Identify principal product or service
Gaskets and Bolts

k. The above-named employer has engaged in and is engaging in unfair labor practices within the meaning of section 8(a), subsections (1) and *(list subsections)* _____ of the National Labor Relations Act, and these unfair labor practices are practices affecting commerce within the meaning of the Act, or these unfair labor practices are unfair practices affecting commerce within the meaning of the Act and the Postal Reorganization Act.

2. Basis of the Charge *(set forth a clear and concise statement of the facts constituting the alleged unfair labor practices)*
The above-named Employer, by and through its officers, representatives and agents interfered with, or coerced its employees in exercising their Section 7 rights by the following conduct: (1) on or about October 2009 and on about January 6-7, 2010, discriminatorily prohibiting employees from talking about the Union when no such restrictions exist for other non-work related topics; (2)on or about November 2009, making promises to employeees for improved benefits and working conditions if they would support the union decertification efforts; and (3) on or about December 4 and December 10, 2009, and on about January 7, 2010, making unlawful threats of discipline against employees supporting the union.

3. Full name of party filing charge *(if labor organization, give full name, including local name and number)*
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union, AFL-CIO/CLC

4a. Address *(Street and number, city, state, and ZIP code)*
Five Gateway Center Room 913
Pittsburgh PA 15222-

4a. Tel. No.
(412)562-2529

4b. Cell No.
( ) -

4d. Fax No.
(412)562-2555

4e. e-Mail

5. Full name of national or international labor organization of which it is an affiliate or constituent unit *(to be filled in when charge is filed by a labor organization)*

6. DECLARATION

I declare that I have read the above charge and that the statements are true to the best of my knowledge and belief.

By _____ Director of Organizing
(signature of representative or person making charge) *(Print/type name and title or office, if any)*

Address Mike Yoffee
Five Gateway Center Room 913
Pittsburgh PA 15222-

02/23/2010
(date)

Tel. No.
(412)562-2529

Office, if any, Cell No.
( ) -

Fax No.
(412)562-2555

e-Mail

WILLFUL FALSE STATEMENTS ON THIS CHARGE CAN BE PUNISHED BY FINE AND IMPRISONMENT (U.S. CODE, TITLE 18, SECTION 1001)

PRIVACY ACT STATEMENT 16-2010-0666

Solicitation of the information on this form is authorized by the National Labor Relations Act (NLRA), 29 U.S.C. § 151 *et seq.* The principal use of the information is to assist the National Labor Relations Board (NLRB) in processing unfair labor practice and related proceedings or litigation. The routine uses for the information are fully set forth in the Federal Register, 71 Fed. Reg. 74942-43 (Dec. 13, 2006). The NLRB will further explain these uses upon request. Disclosure of this information to the NLRB is

Form NLRB 4775
(2-02)

UNITED STATES GOVERNMENT
NATIONAL LABOR RELATIONS BOARD
SETTLEMENT AGREEMENT

IN THE MATTER OF

LAMONS GASKET, Case No. 16-CA-27204

The undersigned Charged Party and the undersigned Charging Party, in settlement of the above matter, and subject to the approval of the Regional Director for the National Labor Relations Board, HEREBY AGREE AS FOLLOWS:

POSTING OF NOTICE - Upon approval of this Agreement and receipt of the Notices from the Region, **which may include Notices in more than one language as deemed appropriate by the Regional Director**, the Charged Party will post immediately in conspicuous places in and about its facility located at 111 Red Bluff Road, Pasadena, Texas, 77506 including all places where notices to employees/members are customarily posted. and maintain for 60 consecutive days from the date of posting, copies of the attached Notice **(and versions in other languages as deemed appropriate by the Regional Director)** made a part hereof, said Notices to be signed by a responsible official of the Charged Party and the date of actual posting to be shown thereon. In the event this Agreement is in settlement of a charge against a union, the union will submit forthwith signed copies of said Notices to the Regional Director who will forward them to the employer whose employees are involved herein, for posting, the employer willing, in conspicuous places in and about the employer's plant where they shall be maintained for 60 consecutive days from the date of posting.

COMPLIANCE WITH NOTICE - The Charged Party will comply with all the terms and provisions of said Notice.

By entering into this settlement agreement, the Employer does not admit that it has violated the National Labor Relations Act.

SCOPE OF THE AGREEMENT - This Agreement settles only the allegations in the above-captioned case(s), and does not constitute a settlement of any other case(s) or matters. It does not preclude persons from filing charges, the General Counsel from prosecuting complaints, or the Board and the courts from finding violations with respect to matters which precede the date of the approval of this Agreement regardless of whether such matters are known to the General Counselor or are readily discoverable. The General Counsel reserves the right to use the evidence obtained in the investigation and prosecution of the above-captioned case(s) for any relevant purpose in the litigation of this or any other case(s), and a judge, the Board and the courts may make findings of fact and/or conclusions of law with respect to said evidence.

REFUSAL TO ISSUE COMPLAINT - In the event the Charging Party fails or refuses to become a party to this Agreement, and if in the Regional Director's discretion it will effectuate the policies of the National Labor Relations Act, the Regional Director shall decline to issue a Complaint herein *(or a new Complaint if one has been withdrawn pursuant to the terms of this Agreement)*, and this Agreement shall be between the Charged Party and the undersigned Regional Director. A review of such action may be obtained pursuant to Section 102.19 of the Rules and Regulations of the Board if a request for same is filed within 14 days thereof. This Agreement shall be null and void if the General Counsel does not sustain the Regional Director's action in the event of a review. Approval of this Agreement by the Regional Director shall constitute withdrawal of any Complaint(s) and Notice of Hearing heretofore issued in the above captioned case(s), as well as any answer(s) filed in response.

PERFORMANCE - Performance by the Charged Party with the terms and provisions of this Agreement shall commence immediately after the Agreement is approved by the Regional Director, or if the Charging Party does not enter into this Agreement, performance shall commence immediately upon receipt by the Charged Party of notice that no review has been requested or that the General Counsel has sustained the Regional Director.

Exhibit D

Form NLRB 4775
(2-02)

NOTIFICATION OF COMPLIANCE - The undersigned parties to this Agreement will each notify the Regional Director in writing what steps the Charged Party has taken to comply herewith. Such notification shall be given within 5 days, and again after 60 days, from the date of the approval of this Agreement. In the event the Charging Party does not enter into this Agreement, initial notice shall be given within 5 days after notification from the Regional Director that no review has been requested or that the General Counsel has sustained the Regional Director. Contingent upon compliance with the terms and provisions hereof, no further action shall be taken in the above captioned case(s).

Charged Party Lamons Gasket		Charging Party United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO	
By: Name and Title	Date	By: Name and Title Brad Manzolillo Organizing Counsel	Date 3-23-10
Recommended By: Jamal M. Allen, Board Agent	Date	Approved By: Martha Kinard, Regional Director	Date

Form NLRB-4722
(1-02)

NOTICE TO EMPLOYEES

POSTED PURSUANT TO A SETTLEMENT AGREEMENT APPROVED BY A REGIONAL DIRECTOR OF THE NATIONAL LABOR RELATIONS BOARD

AN AGENCY OF THE UNITED STATES GOVERNMENT

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join or assist a union;
Choose representatives to bargain with us on your behalf;
Act together with other employees for your benefit and protection;
Choose not to engage in any of these protected activities.

WE WILL NOT do anything to interfere with these rights.

WE WILL NOT threaten to discipline or discharge employees, or otherwise discriminate against any of you for supporting the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, or any other labor organization.

WE WILL NOT prohibit you from engaging in workplace conversations relating to the Union while permitting workplace conversations about other subjects or threaten to discipline you for engaging in such conversations about the Union.

WE WILL NOT in any like or related manner, restrain or coerce employees in the exercise of the rights guaranteed them by Section 7 of the Act.

ALL OUR EMPLOYEES are free to become or remain, or to refrain from becoming or remaining, members of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, or any other labor organization.

LAMONS GASKET

Date: 4-6-2010

By: _____

Title: HR Director

Cases 16-CA-27204

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlrb.gov.

819 Taylor Street, Federal Office Building, Room 8A24, Fort Worth, TX 76102
Telephone (817) 978-2921 – Hours of Operation: 8:15 a.m. to 4:45 p.m.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE.

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECT COMPLIANCE OFFICER,

Exhibit E

From: Littles, Nadine [mailto:Nadine.Littles@nlrb.gov]
Sent: Thursday, August 05, 2010 4:22 PM
To: 'White, Keith'; Glenn M. Taubman; Manzolillo, Brad
Cc: Gonzalez, Ofelia; Allen, Jamal
Subject: Lamons Gasket Election
Importance: High

Gentlemen:

The election arrangements are as follow:

Location: Large Training Room at the Employer's facility located at 7300 Airport Boulevard, Houston, TX 77061
Times: 6:30-7:30 a.m. and 2:00-4:30p.m.
Date: August 26, 2010

Exhibit F

United States Government
NATIONAL LABOR RELATIONS BOARD
Region 25
575 North Pennsylvania Street - Room 238
Indianapolis, IN 46204-1577

October 4, 2010
Response Requested by October 11, 2010

Mr. Jonathan Hyman, Esquire
Kohrman Jackson & Krantz P.L.L.
One Cleveland Center 20th Floor
1375 E. 9th Street
Cleveland, OH 44114

Re: RCI HV, Inc. d/b/a Herr-Voss Stamco (RCI)
Case Nos. 25-CA-31463 Amended, 25-CA-31499, and 25-CA-31505

Dear Mr. Hyman:

The Settlement Agreement in the above-entitled matter has been approved by the Regional Director. A copy is enclosed herein. Your attention is directed to the Performance paragraph of the Agreement, and steps should begin immediately to comply with all provisions.

Check Provision
The backpay checks should be made payable to the individuals named in the Backpay paragraph of the Settlement Agreement for the amounts specified, less the usual federal and state tax deductions. The interest checks should be made payable to the individuals named in the Backpay paragraph of the Settlement Agreement for the full amounts specified, no withholding should be made, and forwarded to this office by, October 14, 2010.

Expungement Provision
The Employer is required to expunge from its files any reference to the discipline issued to Chad Janik on March 12, 2010 and notify him in writing that this has been done and that evidence of the disciplinary warning will not be used against him in any way. A copy of this letter should be forwarded to the NLRB. The appropriate language for this letter is set forth below:

> We have expunged from our files any reference to your March 12, 2010 discipline. The disciplinary warning will not be used against you in any way.

Posting Provision
I am providing herewith 10 "Notice to Employees" forms for you to forward to your client for use in complying with the Posting of Notice provision of the Agreement. Attached are Notice Posting Instructions on the procedure to be followed with respect to the posting of the Notices and a Certification of Posting form to be completed and returned to this office along with 3 signed and dated originals of the posted Notices by October 11, 2010. The Notices are to be posted in the following locations:

Exhibit G

1. By the time clock
2. By the EDT machine

Restoration of Hours Provision

The Employer is required to restore the hours of work to the schedule in existence before the schedule implemented on April 1, 2010.

Rescission of Rules Provision

The Employer is required to rescind the portion of the rule regarding discipline remaining on an employee's permanent record which had formerly stated that written warnings over 12-month old would not be used in determining the severity of disciplinary action of the same nature.

The Employer is required to rescind rule number 3, which prohibits reading printed materials on company time. The Employer is also required to rescind rule number 4 which prohibits the use of cell phones.

Your attention is directed to the Notification of Compliance paragraph of the Agreement, and it is requested that all parties submit such timely notification to this office. If you have any questions or desire any information regarding this matter, please contact this office immediately. Your prompt attention and cooperation will be appreciated.

Very truly yours,

Lisabeth A. Luther

Lisabeth A. Luther
Compliance Officer
Telephone: 317/226-7413
Facsimile: 317/226-5103
E-mail address:lisabeth.luther@nlrb.gov

H/25 COM/Region 25 C Cases/25-CA-31463 Herr-Voss/LTR.25-CA-31463.Initial SA Ltr

Enclosures: Settlement Agreement
Notice Posting Instructions
Certification of Posting
Notices to Employees

cc:

Ms. Robin Rich, Staff Representative
United Steelworkers of America
1301 Texas Street, Room 200
Gary, IN 46402

Mr. Chad Janik
2715 Strong Street
Highland, IN 46332

FORM NLRB-4775
(2-02)

UNITED STATES GOVERNMENT
NATIONAL LABOR RELATIONS BOARD
SETTLEMENT AGREEMENT

IN THE MATTER OF

RCI HV, Inc., d/b/a Herr-Voss Stamco (RCI) Cases 25-CA-31463 Amended, 25-CA-31499 and 25-CA-31505

The undersigned Charged Party and the undersigned Charging Parties, in settlement of the above matter, and subject to the approval of the Regional Director for the National Labor Relations Board, HEREBY AGREE AS FOLLOWS:

POSTING OF NOTICE — Upon approval of this Agreement and receipt of the Notices from the Region, which may include Notices in more than one language as deemed appropriate by the Regional Director, the Charged Party will post immediately in conspicuous places in and about its plant/office, including all places where notices to employees/members are customarily posted and including the specific locations set forth in Attachment A, and maintain for 60 consecutive days from the date of posting, copies of the attached Notice (and versions in other languages as deemed appropriate by the Regional Director) made a part hereof, said Notices to be signed by a responsible official of the Charged Party and the date of actual posting to be shown thereon. In the event this Agreement is in settlement of a charge against a union, the union will submit forthwith signed copies of said Notices to the Regional Director who will forward them to the employer whose employees are involved herein, for posting, the employer willing, in conspicuous places in and about the employer's plant where they shall be maintained for 60 consecutive days from the date of posting. Further, in the event that the charged union maintains such bulletin boards at the facility of the employer where the alleged unfair labor practices occurred, the union shall also post Notices on each such bulletin board during the posting period.

COMPLIANCE WITH NOTICE — The Charged Party will comply with all the terms and provisions of said Notice.

BACKPAY — Within 14 days from approval of this agreement the Charged Party will make whole the employee(s) set forth in Attachment A by payment to each of them of the amount opposite each name. The Charged Party will make appropriate withholdings for each named employee only from their respective backpay amount. No withholding shall be made from any interest payment to such employee(s).

The Charged Party agrees that this Settlement Agreement does not constitute and shall not be used as evidence in any proceeding to support a claim that the Charged Party has prevailed herein; and the Charged Party further agrees to waive any and all entitlement to attorney fees, costs, and other expenses under or pursuant to the Equal Access to Justice Act.

SCOPE OF THE AGREEMENT — This Agreement settles only the allegations in the above-captioned case(s), and does not constitute a settlement of any other case(s) or matters. It does not preclude persons from filing charges, the General Counsel from prosecuting complaints, or the Board and the courts from finding violations with respect to matters which precede the date of the approval of this Agreement regardless of whether such matters are known to the General Counsel or are readily discoverable. The General Counsel reserves the right to use the evidence obtained in the investigation and prosecution of the above-captioned case(s) for any relevant purpose in the litigation of this or any other case(s), and a judge, the Board and the courts may make findings of fact and/or conclusions of law with respect to said evidence.

REFUSAL TO ISSUE COMPLAINT — In the event any of the Charging Parties fails or refuses to become a party to this Agreement, and if in the Regional Director's discretion it will effectuate the policies of the National Labor Relations Act, the Regional Director shall decline to issue a Complaint herein (*or a new Complaint if one has been withdrawn pursuant to the terms of this Agreement*), and this Agreement shall be between the Charged Party, any Charging Party which becomes a party to this Agreement, and the undersigned Regional Director. A review of such action may be obtained pursuant to Section 102.19 of the Rules and Regulations of the Board if a request for same is filed within 14 days thereof. This Agreement shall be null and void if the General Counsel does not sustain the Regional Director's action in the event of a review. Approval of this Agreement by the Regional Director shall constitute withdrawal of any Complaint(s) and Notice of Hearing heretofore issued in the above captioned case(s), as well as any answer(s) filed in response.

PERFORMANCE — Performance by the Charged Party with the terms and provisions of this Agreement shall commence immediately after the Agreement is approved by the Regional Director, or if any of the Charging Parties do not enter into this Agreement, performance shall commence immediately upon receipt by the Charged Party of notice that no review has been requested or that the General Counsel has sustained the Regional Director.

NOTIFICATION OF COMPLIANCE — The undersigned parties to this Agreement will each notify the Regional Director in writing what steps the Charged Party has taken to comply herewith. Such notification shall be given within 5 days, and again after 60 days, from the date of the approval of this Agreement. In the event any of the Charging Parties do not enter into this Agreement, initial notice shall be given within 5 days after notification from the Regional Director that no review has been requested or that the General Counsel has sustained the Regional Director. Contingent upon compliance with the terms and provisions hereof, no further action shall be taken in the above captioned case(s).

Charged Party RCI HV, Inc.		Charging Party UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL & SERVICE WORKERS INTERNATIONAL UNION, AFL-CIO, CLC	
By: Name and Title Jonathon T. Hymel, Attorney	Date 9/17/10	By: Name and Title Robin Rich, Organizer	Date
		Charging Party CHAD A. JANIK	
		By: Name and Title Chad A. Janik, An Individual	Date
Recommended By: Lori Ballantini Lori Ballantini, Board Agent	Date 9/23/10	Approved By: Regional Director	Date 9/30/10

ATTACHMENT A

1. The Charged Party will make whole the employee(s) named below by paying them the backpay amount and the interest amount set forth opposite their respective name:

Name	Backpay Amount	Interest Amount	Total
Peter Berndt	$90.36	$7.22	$97.58
Dale Depew	$94.44	$7.56	$102.00
Brandon Fazekas	$92.52	$7.40	$99.92
Andrew Gaboian	$114.00	$9.12	$123.12
Michael Gatch	$119.58	$9.56	$129.14
Mike Gregory	$78.00	$6.24	$84.24
Edward Hein	$91.14	$7.29	$98.43
Tyron Hunt	$108.60	$8.69	$117.29
Paul Jancosek	$108.90	$8.71	$117.61
Chad Janik	$78.00	$6.24	$84.24
Mike Kniola	$122.82	$9.83	$132.65
Jason Lessard	$87.00	$6.96	$93.96
Andrew Murphy	$84.00	$6.72	$90.72
Catarino Salazar	$78.00	$6.24	$84.24
John Wilson	$2,046.45	$163.64	$2,209.09
Javony Witherspoon	$105.84	$8.47	$114.31
GRAND TOTAL	3,498.65	279.88	$3,778.53

2. The Charged Party will post the Notice in the following locations:

By the time clock and by the EDT machine

9/22/10

FORM NLRB-4724
(11-02)

NOTICE TO

POSTED PURSUANT TO A
APPROVED BY A REGI
NATIONAL LABOR RELATIONS BOARD AN

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join or assist a union
Choose representatives to bargain with us on your behalf
Act together with other employees for your benefit and protection
Choose not to engage in any of these protected activities.

WE WILL NOT post, promulgate, or implement new rules, or revise existing employee rules, and thereby change employees' terms and conditions of employment to discourage employees from supporting United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial & Service Workers International Union, AFL-CIO, CLC, or any other labor organization.

WE WILL NOT revise employees' hours of work, including reducing overtime hours, to discourage employees' union activities.

WE WILL NOT modify the rule pertaining to the amount of time a written discipline remains on an employee's permanent work record to discourage employees' union activities.

WE WILL NOT establish, implement, announce or post overly broad work rules prohibiting employees from reading printed materials to discourage employees from supporting the union.

WE WILL NOT issue rules restricting an employee's right to read printed materials on non-work time in non-work areas without clearly telling employees when they may lawfully engage in such activities.

WE WILL NOT establish a work rule prohibiting employees from using their cell phones in order to discourage employees from supporting the union.

WE WILL NOT establish a rule which mandates that discipline will permanently remain on an employee's permanent record.

WE WILL NOT threaten employees with a new work schedule in response to employees' support of the Union.

WE WILL NOT threaten employees with a reduction in work hours because they have engaged in union activities.

WE WILL NOT threaten employees by telling them they will no longer be able to make adjustments to their schedule if they select a union to represent them.

WE WILL NOT threaten employees by telling them that the reduction in their work hours was to pay them union wage rates.

WE WILL NOT discipline employees, or otherwise discriminate against employees because they engage in protected concerted and union activities.

9/22/10

The National Labor Relations Board is an independent Federal agency created in 1935 to e
employees want union representation and it investigates and remedies unfair labor practic
charge or election petition, you may speak confidentially to any agent with the Board's Regio

Federal Building Room 238, 575 N. Pennsylvania Street
Indianapolis, Indiana 46204

THIS IS AN OFFICIAL NOT

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND I
[illegible] MAY BE DIRECTED TO THE ABOVE REGIONAL OF

EMPLOYEES

SETTLEMENT AGREEMENT
IAL DIRECTOR OF THE
ENCY OF THE UNITED STATES GOVERNMENT

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed you by Section 7 of the Act.

WE WILL, to the extent we have not already done so, restore the hours of work to the schedule in existence before the schedule implemented on April 1, 2010.

WE WILL rescind the portion of the rule regarding discipline remaining on an employee's permanent record which had formerly stated that written warnings over 12-months old would not be used in determining the severity of disciplinary action of the same nature.

WE WILL remove from our files any reference to the discipline issued to Chad Janik on March 12, 2010, and WE WILL notify him in writing that this has been done, and that evidence of his disciplinary warning will not be used against him in any way.

WE WILL make whole any employees affected by the April 1, 2010, schedule change for any loss of earnings or other benefits they may have suffered resulting from the changes in their work schedules.

WE WILL rescind rule number 3 which prohibits reading printed materials on company time.

WE WILL rescind rule number 4 which prohibits the use of cell phones.

Nothing in this Settlement Agreement restricts the Employer's right to lawfully implement and enforce lawful employee rules.

RCI HV, Inc
(Employer)

Date: _____ By: _____
(Name) *(Name)* *(Title)*

9/22/10

rce the National Labor Relations Act. It conducts secret-ballot elections to determine whether
y employers and unions. To find out more about your rights under the Act and how to file a
)ffice set forth below. You may also obtain information from the Board's website: www.nlrb.gov.
Telephone: (317) 226-7430
Hours of Operation: 8:30 a.m. to 5:00 p.m.

AND MUST NOT BE DEFACED BY ANYONE.

NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING

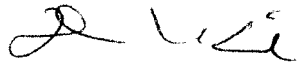
CERTIFICATE OF SERVICE

I, Daniel M. Kovalik, do hereby certify that on November 1, 2010, a copy of the foregoing document was filed electronically with the National Labor Relations Board in Washington, DC and copies were served via e-mail on the following:

Keith E. White
Barnes & Thornburg LLP
600 One Summit Square
Fort Wayne, IN 46802-3119
keith.white@btlaw.com

Glenn M. Taubman
National Right to Work Legal Defense Fund
8001 Braddock Road
Suite 600
Springfield, VA 22160
gmt@nrtw.org

National Labor Relations Board
Region 16
819 Taylor Street
Room 8A24
Ft. Worth, TX 76102-6178
NLRBRegion16@nlrb.gov



Daniel M. Kovalik