



September 23, 2021

PARTIES TO THE MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered into by and between Triad National Security, LLC (the Company) and SMART International Association of Sheet Metal, Air, Rail and Transportation Workers, Local 49 (the Union).

The parties agree to amend the current Collective Bargaining Agreement (effective through June 30, 2022) to reflect the following language in Article XVIII, Personal Time OFF (PTO):

Section 1. All employees covered by this Agreement shall accrue PTO on the basis of fifteen (15) hours for each four (4) week period as established by the Company provided each such employee has worked and was paid a minimum of one hundred and twenty (120) hour pay at the straight-time rate during such period. Employees paid less than one hundred and twenty (120) hours pay at the straight-time rate of pay shall accrue PTO on a prorate basis.

The Company and the Union agree that the aforementioned section includes Maintenance and Construction (Davis-Bacon) straight-time hours in the equation for calculating PTO accruals.

In order to accrue 15 hours of PTO per accrual period, for Davis-Bacon hours worked, with trading Columbus Day & Energy Day:

15 hours (in one accrual period) X 13 AP = **195** hours of PTO
195 hours of PTO in a year
-**56** hours of sick leave per Executive Order
-**21** hours, the average PTO hours accrued on Maintenance charging (an average of 220 per year)
-**18** hours for Columbus Day (9 hours [split difference between 5/8's and 4/10's schedules] X 2 (half of the SMART workforce works Maintenance; the other half primarily works Davis-Bacon).
-**18** hours for Energy Day (9 hours [split difference between 5/8's and 4/10's schedules] X 2 (half of the SMART workforce works Maintenance; the other half primarily works Davis-Bacon).
82 = the number of PTO hours that would need to be purchased for full accrual on DB.
82 / 13 AP = 6.30 X .215 = \$1.35/per hour

