

PHYSICAL FITNESS TRAINING

MEMORANDUM OF UNDERSTANDING

B&W Pantex (Company) and the Pantex Guards Union (PGU) mutually agree that the current PT relief structure outlined in their Collective Bargaining Agreement (CBA), effective on May 30, 2007, constitutes the most effective way to ensure excellent physical fitness for the Protective Force. The Company and the PGU also agree that current budget shortfalls necessitate some less-than-desirable actions will be taken to achieve lower cost operations. The proposed actions are outlined below for the PGU membership to vote on.

The Company and the PGU hereby agree to revise their CBA referenced above. The revision is a result of the budget shortfall and is based on Appendix B to Subpart B of the 1046 Section B.1 and Section 4.a.3 which outlines the requirements of the Contractor to provide a means to a viable ongoing physical fitness training program. The Physical Fitness Training Memorandum of Understanding (MOU) is based upon the requirements of 10 CFR 1046. Appendix G of the Collective Bargaining Agreement as amended/modified for one year (after the January vote to December 31, 2010) on a trial basis as follows:

Appendix G—Physical Training Relief Guidelines

MOU LANGUAGE ADDITION:

Section 3. Voluntary Off-Duty Physical Training Program

- A. Any Security Police Officer (SPO I, SPO II, SPO III, SRT, or CAS) employee(s) in the Protective Force can sign up to participate in a voluntary off-duty physical training program on a continuing basis. This physical training is for the purpose of ensuring that employees maintain requisite physical fitness for effective job performance, and to enable the employee to pass the applicable required annual physical fitness re-qualification test. Participation in the program will be continuous, except for temporary exclusions necessary for medical reasons as determined by the Company.
- B. Employees will be paid the equivalent of one and one-half times their hourly base wage at premium pay for each of three (3) 60-minute physical training sessions actually performed by the employee during the payroll week. Payments are based on the employee's written certification that he or she completed each of the three physical training sessions during the payroll week. It is understood these physical training sessions are not counted as time worked for purposes of computing overtime.

- C. Employees may perform their physical training at the Security Fitness Facility before or after their shift, or on their day of rest. They may also perform their physical training at a location of their choosing. Physical Fitness Assessments (PFAs) shall not count as physical training opportunities.
- D. Employees in the remedial physical training program will be required to attend their physical training sessions under supervision of a Physical Fitness Specialist.
- E. SPOs who participate in a voluntary off-duty physical training program on a continuing basis will be awarded a \$150 bonus if they pass their annual physical fitness re-qualification test on the first attempt.
- F. There will be an open enrollment for a two (2) week period to sign the certification letter for voluntary off-duty PT commencing after the January vote. Enrollment is binding until January 1, 2011.

The budgetary situation will be jointly reviewed by the Company and the Union no later than October 31, 2010 to assess the opportunity to reinstate the MOU relief process. This Memorandum of Understanding shall effectively terminate entirely on January 1, 2011 and the Appendix G: Physical Training Relief Guidelines shall revert back to the original language in the CBA, unless terminated earlier by either party with thirty (30) days written notice to the other party or a one year extension is modified and mutually agreed upon by the Company and the Union.

AGREED TO THIS _____ DAY OF _____, 2009

B&W PANTEX TECHNICAL SERVICES LLC

PANTEX GUARDS UNION

John E. Killeen

Jeremiah F. White

Lewis E. Monroe, III

Leo T. Salazar

Catherine A. Prosser

Physical Training (PT) Pay

- SPO I \$106.15 per week \$5519.80 per year
- SPO II \$109.67 per week \$5702.84 per year
- SPO III \$114.39 per week \$5948.28 per year
- CAS \$112.20 per week \$5834.40 per year

NOTE 1: \$150 bonus for passing annual re-qualification test is in addition to amounts specified above.

NOTE 2: Pay rates change on May 3, 2010 in accordance with the Collective Bargaining Agreement

Physical Fitness Voluntary Certification Letter

I _____ badge # _____, agree to:

Volunteer to participate in the Off-Duty Physical Fitness regimen as outlined in the PT MOU three (3) times per week on a continuing basis for a period of one year (January 15, 2010 to January 1, 2011).

Signed _____ Date _____