

AGREEMENT

This AGREEMENT is made and entered into by and between TMSi, located at 1251 Port Road, Jeffersonville, Indiana 47130, hereinafter referred to as the “Employer” or “Company” and the I.U.E./CWA, AFL-CIO, hereinafter referred to as the “Union.”

WITNESSETH:

WHEREAS, it is the desire of both parties to this Agreement to avoid workplace disputes and to bargain collectively with regard to wages, benefits, hours and working conditions, and in further consideration of the covenants and agreements made by each of the parties as hereinafter set forth, the parties agree as follows:

Article 1
RECOGNITION

1. The Company recognizes the Union as the exclusive collective bargaining representative with respect to wages, hours and other conditions of employment of the bargaining unit described as follows: all operators, packers, battery attendants, maintenance employees and trailer spotters employed by the Employer at its warehouse facility, 1251 Port Road, Jeffersonville, Indiana, excluding all office clerical employees, all professional employees, guards and supervisors as defined in the Act.

2. The Company and the Union acknowledge that they have identical interests in increasing customer satisfaction, worker efficiency, improving skills, abilities, process and equipment, and in reducing waste, accordingly, both parties agree to work for and eliminate any interference with these objectives.

ARTICLE 2
RESPONSIBILITIES OF THE PARTIES

1. The Company will not interfere with, restrain or coerce employees because of membership or lawful activity in the Union and agrees that there will be no discrimination because of Union membership.

ARTICLE 3
MANAGEMENT RIGHTS

1. All management rights and authority possessed by the Company prior to the effective date of this Agreement, whether heretofore exercised and regardless of the frequency of their exercise, shall be retained and remain exclusively vested in the Company, except in so far as they are specifically surrendered or limited by some express provision of this Agreement.

2. Management's rights and authority include, but are not limited to, the full and exclusive control, management and operation of its business and its warehouse and distribution facility; the right to determine the scope of its activities, and the methods and procedures pertaining thereto, the location of this and other facilities, the machinery and equipment to be utilized, and the layout thereof; the right to establish or change shifts, schedules or work and production schedules and standards; the right to establish, change, combine or eliminate jobs, positions, job classifications and descriptions; the right to maintain order and efficiency; the right to contract or subcontract any work; the right to terminate, merge, consolidate, sell or otherwise transfer its business or any part thereof; the right to make and enforce reasonable safety and security rules, work rules and rules of conduct; the right to determine the number of its employees, the assignment of their duties, and the right to change, increase or reduce the same; the right to direct the working forces; the right to determine the qualifications for and to hire or select new employees; the right to establish training procedures and to train and cross-train employees; the right to evaluate the performance of employees; the right to discipline or discharge for cause, subject to other provisions of the collective bargaining agreement.

3. The Company also has the right to establish, change or modify incentive or bonus compensation plans. The Company agrees to discuss and bargain plan modifications, with the union, prior to implementing any changes.

4. Consistent with the Company's objective to provide a drug-free work environment, drug screening will be conducted in accordance with the Company's Controlled Substance Policy.

ARTICLE 4
CHECK OFF

1. The Company agrees to deduct Union dues, initiation and Voluntary COPE of employees who give voluntary written authorization to the Company for such deduction, and to transmit written authorization to the Company for such deduction, and to transmit dues collected to the Treasurer of the Union, so long as this authorization is not revoked by the employee.
2. Deductions will be made from the pay earned during each week of employment.
3. The Union agrees to hold the Company harmless from any action growing out of these authorized deductions and commenced by any employee against the Company, and assumes full responsibility for the disposition of the funds so deducted once they have been turned over to the Treasurer of the Union.

ARTICLE 5
UNION SECURITY

1. Union Shop: All employees in the bargaining unit shall, upon completing thirty-one (31) days of employment become members of the Union to the extent of tendering periodic dues as a condition of employment. Upon written notice from the Union of failure to continue payment of dues, the Company shall, after reasonable notice to the employee, discharge said employee. The Union shall hold the Company harmless against any and all suits, claims, demands and liabilities that may arise out of, or by complying with, the foregoing provisions of this Section.

2. After completion of thirty-one (31) days of employment, an initiation fee, (if any) will be deducted in one sum from the following paycheck.

ARTICLE 6
EMPLOYMENT

1. The term “employee” or “employees” as used in this Agreement shall refer only to an employee or employees in the bargaining unit defined in Section 1 of Article 1.
2. When a new employee is hired full-time, he/she shall be placed on a training and orientation status for ninety (90) calendar days and during that period he/she shall work under the provisions of this Agreement, but may be disciplined or discharged within the sole discretion of Management without recourse under the grievance and arbitration provisions of the Agreement. The training and orientation period can be extended an additional thirty (30) calendar days by mutual consent of the parties. Probationary employees, during the first thirty (30) days will not exceed 8 hours per day; however, this does not preclude working Saturday or Sunday.
3. If such employees are retained beyond the training and orientation period, they shall immediately thereafter be classified as regular full-time employees, and their seniority shall commence as of the date of their original hire. The Employer will, at the end of the training and orientation period, assign the new employee to a pay grade commensurate with his skills and abilities.
4. The Employer agrees to file with the Union within two (2) weeks after execution of the Agreement, a list containing the names and addresses of all employees covered by this Agreement with their length of service with Employer in seniority order. Such list shall be kept up-to-date by sending to the Union office a list of all employees who are hired, laid off, recalled, or whose employment is terminated within five (5) calendar days of such employment, lay off, termination or recall. A current seniority list with rate of pay shall be posted at least every thirty (30) days.
5. Any right acquired by the Union or by employees under this Agreement shall not survive the expiration of this Agreement and shall have no application in any other facility in which TMSi or any related company may be interested or in any location other than the Company’s Jeffersonville, Indiana warehouse facility.

6. During orientation of new employees, the Union has the right to send two (2) Union appointed officers, of the Executive Boards choice, to meet, greet and answer any Union related questions.
7. Temporary employees can be and will be used to meet production demands not to exceed 40 temporary employees.
8. Temporary employees can be used as a source for full-time employment once they meet production standards. If there are any bargaining unit employees on lay-off, there will be no temporary employees in the facility.
9. The Company will share with the Union Executive Board the projected manpower requirements for the current and succeeding years.

ARTICLE 7
STEWARD

1. The Union shall notify the Company of the identity of the steward. A steward shall be held to the same standard and requirements as other employees in the performance of employee duties, and shall not engage in any activities related to his position as steward during working time except by specific permission of his supervisor. Upon reasonable request, the Company will excuse the shop steward and/or union officers from work duties to conduct union activities, provided the employee signs out and engages in such conduct during unpaid time.
2. Upon prior arrangement and approval of the Facility Manager or his designee, a representative of the Union may come onto Company premises to meet with management and adjust grievances.
3. When required the employee may designate the union steward to represent him/her, provided they are readily available.

ARTICLE 8
SENIORITY

1. An employee's seniority shall commence after completion of his or her training and orientation period and shall be dated back to the date of his last hire.
2. An employee's seniority shall be terminated and status as an employee shall cease for the following reasons:
 - a. Discharge for cause, quit for any reason, or retirement;
 - b. Absence for three (3) consecutive scheduled workdays without notification to the Company;
 - c. Failure to return to work on the first working day following end of a leave of absence;
 - d. Unemployment due to layoff for a period up to thirty-six (36) months;
 - e. Personal illness and injuries following a twelve (12) month period from the initial date the leave commenced. An employee who has been off for more than 12 continuous months due to personal illness and injuries, may apply for rehire and, if hired, their seniority is recognized;
 - f. Work related injury for a period of eighteen (18) months.
3. Employees who, after September 17, 2003 are transferred to jobs outside the bargaining unit may be returned to their former classification in the bargaining unit in accordance with their total length of service during the period up to six (6) months following the first transfer to a job outside the unit.
4. The facility will be comprised of the following departments:
 - Picking
 - a. Operators
 - b. Team Leads

Turrets

- a. Operators
- b. Team Leads

Shipping

- a. Operators
- b. Packers
- c. Team Leads

Pre-Pack

- a. Operators
- b. Packers
- c. Team Leads

d. Receiving

- a. Operators
- b. Team Leads

Returns

- a. Operators
- b. Packers

Maintenance

- a. Battery Station Attendant
- b. Operators
- c. Maintenance
- d. Team Leads

Inventory Quality

- a. Operators
- b. Team Leads

Trailer Spotter

- a. Trailer Spotter

- 5 In the event a layoff is necessary, the Company shall lay-off employees in ascending order of seniority beginning with the least senior employee. Provided, however, that if the layoff of employees on a seniority basis creates a vacancy within the classification that no employee is qualified to fill, the Company shall have the right to retain the employee necessary to fill that job and layoff the next least senior employee (reference section 8-8). The Company shall recall employees from layoff in descending order of seniority, beginning with the most senior employee. Provided, however, that if an employee subject to recall on that basis is not qualified to perform the job into which he is to be recalled, the Company shall have the right to recall the next most senior employee on layoff. This pertains to maintenance and trailer spotter employees only.
- 6 Employees who have been laid off shall be given ten (10) working days notice of recall by registered mail to their last known address. The employee must actually report to work within ten (10) working days after date of recall, unless otherwise mutually agreed to. In the event the employee fails to comply with the above, the employee shall lose seniority rights under this agreement.
- 7 Where practical, daily temporary transfers, from department to department, will be done on the basis of classification, qualification and seniority. Qualified volunteers will be solicited first, by highest seniority in the classification, if positions not filled, the least senior qualified employee, by classification will be transferred.
- 8 In the event of a permanent reduction of a shift, department, or classification, volunteers in the affected classification will be given first opportunity to move into open positions by seniority.
 - a.) At each step of the reduction, the first consideration will be given to available openings in the appropriate pay grade and shift prior to making a displacement.
 - b.) If there are no volunteers within the affected Department, the least senior employee in that Department and classification shall be removed.

- c.) This employee so removed will displace the least senior employee in the same pay grade on the same shift.
- d.) This employee so removed will displace the least senior employee in the same pay grade regardless of shift.
- e.) This employee so removed will displace the least senior employee in the next highest pay grade regardless of shift and so on through each successive pay grade.
- f.) After completing the above procedure, if any least senior employees remain in any pay grade, this employee will be laid off in order to provide available work for the more senior employee who would be laid off under the language above.
- g.) The most senior employee affected by the reduction will then be placed in the highest pay grade position available.

**ARTICLE 9
WAGES**

The following shall be the job classifications and pay rates for all bargaining unit employees. All present employees shall be placed within the established classifications according to the jobs they are working on the effective date of this Agreement.

Annual Increases.

9/18/2009 = lump sum payout of \$500.00
9/18/2010 = \$.20 plus lump sum payout of \$300
9/18/2011 = \$.20 plus lump sum payout of \$300

	<u>9/18/09 – 9/17/10</u>	<u>9/18/10 –9/17/11</u>	<u>9/18/11-9/17/12</u>
Operators	\$13.63	\$13.83	\$14.03
Packers	\$11.83	\$12.03	\$12.23
Trailer Spotter	\$15.46	\$15.66	\$15.86
Battery Attendant	\$15.46	\$15.66	\$15.86
Maintenance	\$17.27	\$17.47	\$17.67

Employees hired prior to 9/17/06 with less than two (2) years of service will earn a rate 4% below the current negotiated wage rate. On their second anniversary, they will move to the current negotiated rate.

Beginning and progression rates for all Packers /Operators hired after 9/17/06

	2009-2010	2010-2011	2011-2012
Packers			
Start	\$9.65	\$9.85	\$10.05
12 months	\$10.15	\$10.35	\$10.55
18 months	\$10.40	\$10.60	\$10.80
24 months	\$10.65	\$10.85	\$11.05
36 months	\$10.90	\$11.10	\$11.30
Operators			
Start	\$11.40	\$11.60	\$11.80
12 months	\$11.90	\$12.10	\$12.30
18 months	\$12.15	\$12.35	\$12.55
24 months	\$12.40	\$12.60	\$12.80
36 months	\$12.65	\$12.85	\$13.05

Lead Pay = Operator pay + \$1.75 per hour

Maintenance Team Lead = Maintenance pay + \$1.75 per hour

Second Shift Differential - \$.15 per hour

Third Shift Differential - \$.30 per hour

ARTICLE 10
HOURS OF WORK

1. The normal workweek shall consist of those days and hours, including Saturdays, Sundays, evenings and nights that the employee is scheduled to work by the Employer. It is understood and agreed that the Company shall have the right to change the hours of work, and where deemed appropriate by the Company, to establish evening shifts and night shifts and to assign employees to those shifts based on business necessity and seniority. It is also recognized that employees, as a condition of employment, must be willing and available to work overtime and weekends, as well as all shifts.
2. The Employer shall post a regular work schedule for all employees showing the complete work schedule for all such employees including start and stop times.
3. For all time worked in excess of forty (40) hours per week, one and one-half (1-1/2) times the regular hourly rate of pay shall be paid. Union time, up to normal shift hours, will be counted as time worked in calculation of weekly overtime.
4. After an employee has completed his assigned scheduled work, should he be recalled to work before his next regular scheduled work shift, the employee will be guaranteed a minimum of four (4) hours work. An employee who reports to work in accordance with their regular schedule and without previous notice of cancellation, will receive not less than four (4) hours pay at the rate applicable had they worked, provided there is no work available they are qualified to perform.

This subsection shall not be applicable where the inability of the company to supply work is the result of fire, snowstorm, flood, power failure or any other condition beyond the control of the company.

5. In computing overtime pay, or premium pay, pyramiding shall not be permitted at any time.

6. When overtime is required, notice will be given as soon as practical and no later than the end of the employee's shift on the previous day for daily overtime, and no later than the end of the employee's shift on Thursday for Saturday overtime, except in cases of emergency. The Company will make every effort to post next-day overtime requirements at least one-half (1/2) hour prior to the end of the shift. This does not remove the employee's obligation to verify his/her overtime requirements. All employees should still check the board just before leaving should an emergency prevent the Company from posting until late in the shift. Should it be necessary to post later than five (5) minutes before the end of the shift, the Company will make an announcement to anyone in line at the time clock that an overtime posting has been made to his/her department. It will then be the responsibility of the employee to check the posting before leaving. Posting of all overtime notification is by public display on the overtime bulletin board.
7. The Company will give overtime preference to TMSi employees within the same pay class including employees on training and orientation status over temporary employees on their affected shift.
8. If any departments are not on mandatory overtime the following method will be used to make overtime assignments:
 1. Weekly sign-up sheets are posted Thursday, in the front office, soliciting for volunteers to work overtime as needed during the course of the next week.
 2. Employee must sign their name by the end of their shift on Thursday, along with their current job position, shift and seniority number. If the employee is absent from work on Thursday due to an approved vacation or floating holiday, the employee may sign the overtime sign-up sheet on their first day back from the approved time off.
 3. Employee indicates the position(s) they are willing and qualified to work, along with the desire to work only in their current department area or facility wide.
 4. Weekly overtime requirements are then assigned using the following process:

a.) Take employees that volunteered within job classification that normally performs the job on that shift.

b.) Take senior qualified volunteers within classification on the shift where the work is to be performed.

c.) Take senior qualified outside classification that volunteered to work provided they have previously performed the assigned duties and can meet same performance standards.

5. If all needed requirements are not filled the least senior qualified employees from the department, then classification, then shift will be assigned.
6. Temporary agency employees will not be offered overtime work prior to the company utilizing all qualified full-time employees who volunteer to work.
7. If an employee volunteers to work overtime in a lower classification they will be paid, for all hours worked, at the appropriate lower rate of pay.
8. Employees that volunteer for overtime assignments outside their classification or department must meet the same performance standards as those employees that are in that regular position.
9. Requests for changes to the volunteer overtime by the employee must be submitted at least twenty-four (24) hours in advance.

ARTICLE 11
HOLIDAY COMPENSATION

1. The following holidays shall be recognized as legal holidays:

New Year's Day	Thanksgiving Day
Memorial Day	Day After Thanksgiving
Independence Day	Christmas Day
Labor Day	Three (3) Floating Holidays

2. All regular employees shall receive eight (8) hours pay at straight time for no work performed on each of the above enumerated holidays. It is agreed, however, that an employee must work on his last scheduled work day prior to and his next scheduled work day after such holiday to be eligible for holiday compensation.
3. Employees that are on an approved leave under the Family Leave Act (FMLA or Leave of Absence (LOA) will receive holiday compensation for holidays that fall within his or her leave period provided that the leave is for the employee's own serious health condition and the employee does not qualify for short-term disability for the current FMLA/LOA event.
4. When one of the enumerated holidays falls on an employee's regularly scheduled day off, or during the employee's vacation, said employee shall be paid for the day, or the employee has the option for an additional day off.
5. Holidays, whether worked or not, shall be included as hours worked within the week for the purpose of determining weekly overtime if such holidays occur within the scheduled work week. However, holiday pay for no work performed shall be paid at straight time.
6. One (1) business day advance written request must be made prior to scheduling the floating holiday. Once the supervisor/manager approves the request, the scheduled day cannot be canceled unless the employee agrees to the rescheduling. Unless approved by

management, no more than ten percent (10%) of the work force can be off at any one time.

7. If a contractual holiday (or in case an employee schedules a floating holiday) falls on a Friday or Monday, any scheduled Saturday or Sunday overtime will be voluntary.
8. The Company will allow up to 65% of the employees by shift and by seniority to be off by having the employee schedule a vacation day or a floating holiday for Christmas Eve.
9. The Company will allow one (1) of the current floating holidays to be used as a personal/sick day and it may be split into two (2) four-hour blocks. However, they cannot be used with “no advance notice” the day before & after a Holiday or week before or after physical inventory. The other two floating holidays may also be split into two (2) four-hour blocks. However, they must be scheduled in advance within one business day (24 hours) and subject to the approval of management.

ARTICLE 12

VACATION

1. All regular employees covered by this Agreement who have been in the employ of the Employer as a full-time employee for one (1) year but less than five (5) consecutive years shall receive 80 hours vacation pay. Vacation time is accrued at the rate of 1.54 hours per week.
2. All regular employees covered by the Agreement who have been in the employ of the Employer as a full-time employee for five (5) consecutive years or more shall receive 120 hours vacation pay. Vacation time is accrued at the rate of 2.31 hours per week.
3. All regular employees covered by the Agreement who have been in the employ of the Employer as a full-time employee for more than fifteen (15) consecutive years shall receive 160 hours vacation pay. Vacation time is accrued at the rate of 3.08 hours per week.
4. The Company shall request a vacation schedule on or by November 1st each year. Employees shall then make their selections on the basis of seniority, department, shift, by December 1st of each year. The Employer will post the approved vacation schedule by January 1st of each year. Any changes in the approved schedule must be requested and approved at least two (2) weeks in advance by the Employer and the affected employees. No more than ten percent (10%) of the workforce can be off at any one time. The Union and Company agree to have at least one week of earned vacation taken in a five (5) day block per vacation calendar year.

Employees that delay or do not submit their vacation requests by the cut off date for submission of vacations will forfeit all seniority vacation rights and be eligible for vacation based on the business needs when that employee requests his/her vacation. Employees that delay or do not submit their vacation request by the vacation cut off date must submit their vacation requests at least two (2) business days in advance. Any changes in the approved schedule must be requested and approved at least 48-hours (two (2) business days) in advance by the employer and the affected employees. No more than ten percent (10%) of the workforce can be off at any one time.

5. The Company will determine the number of employees that may be on vacation at any one time. To be eligible for vacation pay, an employee must have actually worked at least 1040 hours during the preceding calendar year.
6. It is understood and agreed that the Company shall have the right to assign employees to work overtime in order to insure the continued efficient operation of the business during vacation periods.
7. Employees that are on an approved Leave of Absence (LOA), leave under the Family and Medical Leave Act (FMLA), or illness/injury do not accrue vacation time. Employees on disability for a Workers' Compensation will accrue vacation up to six (6) months from date of injury.

ARTICLE 13
DISCHARGE AND DISCIPLINE

Any employee may be disciplined or discharged for just cause only.

ARTICLE 14
GRIEVANCE PROCEDURE

1. A grievance is defined as a difference of opinion as to the application of any provisions of this contract, which shall include the discharge of any employee. Any disciplinary action taken by the Company against an employee may be considered as a grievance. Grievances submitted for arbitration must be done in accordance with the provisions of this contract. Failure of the Union to grieve disciplinary action shall preclude the Union from raising a disciplinary warning in an arbitration proceeding involving a discharge. With regard to the time limits set forth below, the failure of the non-initiating party to respond to the grievance in the manner set forth herein shall not be a waiver, but rather shall be considered a denial and the grievance shall proceed to the next level if timely appealed.

The Company and Union will establish and maintain a Labor / Management committee that will meet monthly to discuss issues of mutual interest outside the normal grievance process. The committee will consist of the members selected by the union, the facility Operations Manager, the facility Human Resource Manager and any other member of management the Company deems necessary. The committee will meet on the first Tuesday of each month and the Company and Union will submit an agenda on issues at least two days in advance.

STEP 1. The grievance of any employee or group of employees shall first be raised orally with his/her supervisor/manager. If not satisfactorily resolved, the grievance must be submitted in writing by the Union representative to the supervisor/ within ten (10) working days from the time the employee has knowledge of the act which is the basis of the disagreement. Failure of the Union to submit the grievance within the ten (10) working days specified herein shall bar the Union from proceeding further. A reply will be given within ten (10) working days from the time of the initial presentation.

STEP 2. If not satisfactorily settled at the first step, the Union may appeal to Step 2 by providing the Facility Operations Manager with a written notice of appeal within ten (10) working days following completion of Step 1. If appealed in a timely fashion, following receipt of the Union's written appeal, the Facility Operations Manager and the Union representative or their alternates shall meet within fourteen (14) calendar days and after appropriate investigation of the facts, a reply will be given within ten (10) working days from the time of the Step 2 meeting. The employee shall have the option of being present or at either Step 1 or Step 2 on the employee's unpaid time. Either party shall have sixty (60) calendar days from receipt of the Step 2 answer to file for arbitration and to submit the matter to the Federal Mediation and Conciliation Service. Failure to abide by the time limits of Step 2 shall preclude the matter from being subject to the arbitration provision of this contract. An outside Union representative may be brought in to meet with the Facility Operations Manager to try to resolve the matter before arbitration.

ARTICLE 15
ARBITRATION

Only the Union and the Company can submit grievances to arbitration; individual employees may not. In the event that a grievance, as defined in Article 14, is not settled through the Grievance Procedure, it may be submitted for determination by an impartial arbitrator as follows:

1. Within sixty (60) calendar days after the termination of Step 2 of the Grievance Procedure, either party must file for arbitration and submit the matter to the Federal Mediation and Conciliation Service. Failure to file within the specified time limit shall be a waiver of further proceedings.
2. The parties shall select an Arbitrator by striking alternately from a list specified for that purpose from the Federal Mediation and Conciliation Service. The party initiating the grievance will make the first strike. The Arbitrator selected shall have no power to add to, take from or modify the express terms of this Agreement, or establish new wage schedules or change existing wage schedules or wages for specific job classification; and determine standards of production or operations nor assume any other responsibility of management; and shall confine his decision to a determination of the facts and an interpretation and application of this Agreement. Remedial awards under this Agreement shall be compensatory and not punitive in effect and shall be limited to compensation for actual, demonstrated injury. Back pay awards shall be reduced by any unemployment or other compensation received by the employee. If the Arbitrator complies with the terms of this Article, his award shall be final and binding on the parties.
3. The expenses of a party's preparation for and presentation at an Arbitration, including witness fees, shall be borne by the respective parties. The Arbitrator's fees and expenses, the cost of the hearing room and the cost of an original stenographic transcript of the proceedings will be a 50/50 split by the parties.

ARTICLE 16

NO STRIKES OR LOCKOUTS

1. The Union, for itself and its members, and the Company recognize that it is mutually beneficial for the Company to be able to continually render the highest quality of service to its customers. Therefore, neither the Union nor any of its employees will call, engage in, assist, encourage, ratify, condone, participate in, or sanction any strike, sympathy strike, stoppage of work, slowdown, work refusal, picketing, sit-in or boycott during the life of this Agreement. In the event any unauthorized strike, sympathy strike, work stoppage, slowdown, picketing, work refusal, sit-in or boycott occurs, the Company shall have the right to discipline any employee or employees participating therein. It is further agreed that any disciplinary action which the Company may take against the employee who is engaged in said strike, work stoppage, slowdown, picketing, work refusal or boycott, shall not be upset or reversed by any arbitrator if it is proven that the employee engaged in said conduct.
2. In the event of a slowdown, the Company shall have the right to discipline the employee who participates in said slowdown, and any disciplinary action taken by the Company shall not be upset or modified by an arbitrator unless the Union can prove by clear and convincing evidence that a slowdown did not occur.
3. In consideration for this no-strike pledge, the Company agrees that it will not lock out its employees.

ARTICLE 17

INSURANCE, HEALTH, WELFARE AND PENSION, SICK PAY

1. The company will provide Health Benefits Plans to all employees that have completed their “orientation and training” period. Employee weekly contributions levels, for the base medical (BCBS) are listed below. The employee will pay a portion of the base costs for the single plan and the family plan as outlined for 2010, 2011 and 2012. The Company reserves the right to change underwriters of the base medical (BCBS) plans during the term of the Contract and the benefits will not be reduced.

2. All full-time employees covered by this Agreement will be covered by the TMSi 401(k) Plan in accordance with the policies of said program. The Company reserves the right to change underwriters of the 401k plans during the term of the Contract and the benefits will not be reduced.

3. All full-time employees covered by this Agreement will be covered by the TMSi Short-Term Disability Plan in accordance with the policies of said program. This plan is provided to all regular full-time employees at Company expense. The Company reserves the right to change underwriters of the STD plans during the term of the Contract and the benefits will not be reduced.

4. All full-time employees covered by this Agreement will be covered by the TMSi Long-term Disability Plan in accordance with the policies of said program. This plan is provided to all regular full-time employees at employee expense. The Company reserves the right to change underwriters of the LTD plans during the term of the Contract and the benefits will not be reduced.

5. The Employee may purchase other “Elective 125 Plan” coverage, at the company costs established during each new enrollment period. (LTD /optional Life/ Medical GAP / Premium Dental).

BCBS- PPO Plan	2010		2011		2012	
Weekly Employee Cost – Family	\$54.00		\$56.00		\$60.00	
Weekly Employee Cost – Single	\$24.00		\$26.00		\$28.00	
	2010		2011		2012	
	Single	Family	Single	Family	Single	Family
Dental (Standard)	3.06	7.10	3.06	7.10	3.06	7.10
Short Term Disability	0	NA	0	NA	0	NA

Below is the Medical Plan highlights for 2010-2012---no changes for 2010.

Blue Cross / Blue Shield	2010 PPO PLAN	2011 PPO PLAN	2012 PPO PLAN
Lifetime Max	\$1,250,000	\$1,250,000	\$1,250,000
In Network Deductible Individual / Family	\$500 / \$1500	\$600 / \$1700	\$750 / \$2000
Annual Out-of-Pocket Maximum Individual / Family	\$3000 / \$9000	\$3000 / \$9000	\$3000 / \$9000
Primary Care Office Visit Copay	\$20	\$25	\$25
Specialist Office Visit Copay	\$25	\$30	\$30
Diagnostic Lab & X-ray	80% after Deductable	80% after Deductable	80% after Deductable
Inpatient Hospital Care	80% after Deductable	80% after Deductable	80% after Deductable
Outpatient Hospital Care	\$50 Copay then 80%	\$50 Copay then 80%	\$50 Copay then 80%
Emergency Room	80% after \$100 co-pay Acc \$150 Medical	80% after \$100 co-pay Acc \$150 Medical	80% after \$100 co-pay Acc \$150 Medical
Inpatient Surgery	80% after Deductable	80% after Deductable	80% after Deductable
Outpatient Surgery	80% after Deductable	80% after Deductable	80% after Deductable
Retail Prescription Drugs Generic / Preferred / NonPreferred	\$10 / \$25 / \$50 30 Day Supply	\$5 / \$35 / \$75 30 Day Supply	\$5 / \$35 / \$75 30 Day Supply
Mail Order Prescription Drugs Generic / Preferred / NonPreferred	\$20 / \$50 / \$100 90 Day Supply	\$10 / \$70 / \$150 90 Day Supply	\$10 / \$70 / \$150 90 Day Supply
	(maintenance required on mail order)	(maintenance required on mail order)	(maintenance required on mail order)
Flex (HRA) Card – Employer Paid	\$250 Single/\$350 Family	\$250 Single/\$350 Family	\$300 Single/\$400 Family
See Summary Plan Details			

ARTICLE 18
JURY DUTY

1. An employee absent on jury duty will be paid his/her basic hourly rate of pay for any working time lost during such period. Jury duty is considered time worked for overtime consideration. Proof of jury duty is required in order for the employee to receive compensation for jury duty. An employee who received notification from the courts scheduling jury duty must notify the Employer the day after the notice is received. Employees will be paid for not more than one impanelment in each twelve (12) month period.
2. An employee who is on jury duty for an entire day will be excused from his work regardless of the shift he/she is assigned to.
3. For the purpose of jury duty, all third shift employees will be considered first or second shift employees.
4. An employee absent as a result of a court subpoena, to be a witness, will receive his/her regular hourly rate of pay, for time lost, up to 8 hours in a day, provided they are not the plaintiff; defendant; or it involves a case of a family member. Employee must show proof of appearance.

ARTICLE 19
BEREAVEMENT PAY

In the event there is a death in the employee's immediate family, he shall be entitled to three (3) scheduled work days off and shall receive his normal rate of pay at the rate of eight (8) hours per day. For the purpose of this Section, the immediate family shall include spouse, children, mother, father, step parents, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, current brother-in-law, current sister-in-law, step child, grandchildren and the employee's grandparents. Employer reserves the right to have the employee show proof of bereavement entitlement. In the event there is a death of employee's spouse, children, step children or parents, he will be entitled to five (5) scheduled work days off and shall receive his normal rate of pay at the rate of eight (8) hours per day.

Excluded from allowances in Articles 18 and 19 shall be employees on their training and orientation and all times during which an employee would otherwise not be working, such as paid holidays, time out on an industrial accident, leave of absence, vacation or layoff.

ARTICLE 20
MILITARY LEAVE

Employees in the military service and those who hereinafter enter such service shall be accorded all rights and benefits provided by law with respect to their employment. Employees that are activated for duty as part of the reserve or National Guard forces must show inclusive proof of their activation period.

ARTICLE 21
LEAVES OF ABSENCE

1. Leaves of absence normally are not granted except in the case of an emergency situation. An example of an emergency situation would be a sudden illness or death in the family not covered within the normal bereavement period. It is within the Company's sole discretion to grant a leave of absence. When granted, such leaves, unless otherwise required by law, may not exceed ninety (90) days. Working for another company while on any leaves of absence, unless agreed to in advance by the Company in writing, shall constitute an automatic termination of employment without the necessity of notice to the employee.
2. Seniority will accumulate during such leaves.
3. Employees are responsible to maintain their benefit co-premium pays while on an approved leave of absence. Failure to maintain benefit co-premium payments on a regular schedule will cause termination of the benefit coverage.
4. With respect to sick leaves, the Company shall have the right to require an employee to take a physical examination to verify the need for sick leave (or to provide a certificate from a licensed physician verifying such medical need). Also, the Company may require a physician's certificate upon return from Sick or Accident Leave to determine fitness to return to work, and the failure of an employee to submit to such examination shall be considered a voluntary quit. The Company may also require an employee to be examined by a physician of its own selection at the Company's expense if the Company has reason to believe an employee may be physically unable to perform the job as required.
5. Leaves of absences for medical reasons are only granted in situations where the employee does not qualify for leave under the Family and Medical Leave Act (FMLA) for their own serious health condition. The Company shall have the right to require an employee to take a physical examination to verify the need for a medical leave of absence. The Company maintains the right to require the employee to provide a certificate from his/her health care provider verifying such a medical leave at the time the leave is requested. Employees that are placed on an approved medical leave of absence are required to

provide medical documentation verifying their need to remain on medical leave. Once this medical documentation expires, the employee must provide updated medical documentation to support his / her continued medical leave. Failure to satisfy this requirement will constitute a voluntary resignation. The Company will require a health care provider's certificate upon returning from a medical leave of absence to determine the employees fitness-for-duty to return to work. The Company may also require an employee to undergo a fitness-for-duty examination by a health care provider of its own selection at the Company's expense if the Company has reason to believe an employee may be physically unable to perform the essential functions of the job as required. The failure of an employee to submit to such examination shall be considered a voluntary quit

6. The Company may require employees to provide a physician's certificate of illness for any absences from work due to illness.
7. The Company and employees will comply with all guidelines governing the Family and Medical Leave Act.
8. All available paid time off must be applied and will count towards the days approved for any Personal Leave of Absence.
9. FMLA Letter of Understanding will be resigned and recognized for the duration of Agreement.

ARTICLE 22
UNION BUSINESS

1. Upon written request from the Union, the Company shall grant employees time off without pay to attend an official Union function, provided reasonable notice has been given to the Company, and the employee has not been previously scheduled to work that day, and the absence of such employee will not, in the judgment of the Company, adversely affect business, and further, provided that such time off shall not exceed the necessary time required to attend such function.

2. The Company will provide the Union space and the Union will provide a closed and lockable bulletin board.

ARTICLE 23
HEALTH AND SAFETY

1. The Company and the Union will cooperate in the continuing objective to eliminate accidents, personal injuries, and health hazards. The Company shall continue to make necessary provisions for the safety and health of its employees at the facility during the hours of their employment.
2. A safety grievance when filed, shall be processed with the chairperson of the safety committee, who in turn will have copies made and distributed to the safety committee members. The safety committee, as a body, will recommend action on the item complained about; either at its next regular monthly meeting or it may recommend special temporary relief to a situation prior to the next safety meeting.
3. The safety committee will be a continuously constituted body throughout the term of this agreement and shall always have a membership of equal management personnel and Union member personnel, of which one (1) shall be the Local Union President, or designated representative. In addition, the Facility Manager or the Human Resources Manager will be the permanent chairperson of the safety committee. The Company and the Union will jointly select members of the safety committee.
4. The safety committee will maintain minutes of the safety committee meetings and will insure that copies of the minutes are posted.
5. The safety committee will be responsible for the upkeep and maintenance of the Material Safety Data Sheets (MSDS) for all hazardous materials stocked in the facility. MSDS sheets are posted in highly visible areas.
6. Employees that become injured or ill as a result of a job related incident shall seek medical attention at the Company designated health care provider. When it becomes necessary to send an employee to the Company health care provider for medical treatment as a result of an occupational injury, the employee shall receive his /her hourly rate up to four (4) hours for time lost during their regular eight (8) hour shift on the day of their injury. If return visits to the Company health care provider become necessary,

the employee shall receive compensation at his /her hourly rate up to two (2) hours necessary time lost during his /her regular eight (8) hour shift on the day of the return visit. The two (2) hour period may be extended because of requirements to go to a doctor in another city (up to the necessary time lost during the regular eight (8) hour shift).

7. Company policy is to supply steel-toed shoes (up to one-hundred twenty-five dollars (\$125) per year) to the employees and/or other equipment that would be necessary to perform their work.

ARTICLE 24
EQUIPMENT OPERATOR CERTIFICATION

As a condition of employment, all employees covered by this Agreement who are drawing operator's pay, will be tested and qualified to operate all pieces of warehouse powered industrial trucks. Any exception to this Article must be supported by medical documentation and the Company will try to make reasonable accommodation as governed under the Americans with Disabilities Act.

ARTICLE 25
NON-DISCRIMINATION CLAUSE

1. The Employer and the Union will not discriminate either directly or indirectly, nor will they permit any of their agents, members or representatives to discriminate against any employee with regard to race, color, gender, religion, national origin, marital status, disability or age. Equal Employment Opportunity is also extended to Vietnam-era veterans, veterans as outlined in the provisions of the VETS 100 report and disabled veterans.

2. The use of masculine gender in this Agreement shall include both male and female.

ARTICLE 26
SCOPE OF AGREEMENT

1. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understanding and agreements arrived at by the parties after the exercise of this right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life of this Agreement, each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

2. This Agreement fully incorporates the understanding hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to collective bargaining. This Agreement can be altered or amended only by written agreement between the parties. If any part of this Agreement is rendered or declared invalid by reason of any existing or subsequently enacted legislation, government regulation or court decree, the parties agree that upon written notification by either party, they will renegotiate that part which is invalid for an adequate replacement. Any invalidation of any part of the Agreement shall not render invalid the remaining parts hereof.

3. Any provision of this Agreement which conflicts with the provisions of any Federal or State Statute or Executive Order having the effect of law which is now in effect or is hereinafter enacted shall be deemed null and void, but it shall not affect the validity of the remainder of the Agreement.

ARTICLE 27
JOB BIDS

1. When a job opening occurs, the position will be posted Monday thru Friday, for a period of no less than 48 hours. If posting occurs around a Monday or Friday holiday, the posting time will be adjusted accordingly. Any active full-time employee not on their training and orientation period may bid on a job posting. Job bid awards are based on the most senior qualified employee. Employees are limited to one lateral or downward bid per six (6) months. If a promotional opportunity occurs during the same six (6) months eligibility period, the employee will be eligible to rebid, and the most senior qualified employee will be awarded the position.
2. Employees that are successful bidders on posted jobs will be moved where possible within fourteen (14) days of the awarding the job. If employee is not moved within fourteen (14) days, he/she will be paid the higher of the rate of the present job.
3. Employees that bid on a job and are successfully awarded that bid have a period of (30) calendar days to meet the minimum job expectations in the new position from the time that they are moved into that position. Failure to qualify in the specified time is cause for reclassification in accordance with the employee's last classification and the needs of the company. Employees that bid on a job and are subsequently awarded that job have two (2) business days to decline and those employees are ineligible to bid on those classifications that they declined for a period of six (6) months. In the event that an employee declines the bid award, the company will award the position to the next most senior qualified employee that has bid on the current posted position.
4. Employees that are involuntarily reassigned as a result of a company force move through a reduction in force, maintain their lateral or promotional job bid entitlement.

ARTICLE 28
TEAM LEADERS AND SUPERVISION

1. The Employer agrees to compensate those employees designated as Team Leader, in addition to the hourly rate of their regular classification. The Employer may increase, decrease or eliminate entirely the number of employees designated as Team Leader in accordance with operational requirements. The Company has the exclusive right to assign employees to the Team Leader position, and can be either a permanent or temporary basis. The Company will post the Team Leader position. The Company will discuss the selection with the President of the Local Union. The Company has the exclusive right to the final decision. This section or the decision is not subject to the grievance procedure.
2. Supervisors shall not be permitted to perform any bargaining unit work, except in the following types of situations: instructing new employees on the job; training, learning job requirements and processes, process documentation, and/or process improvement research or emergency situations.
3. Employee training will normally be performed by either the Supervisor or Team Leads. Should they not be able to perform the training, an alternate will be selected based on the most senior qualified employee in the department. The person selected will be paid an additional \$1.75 per hour above their normal hourly rate for each hour that they are performing the training duties. Whenever possible, all training will be done utilizing QS9000 training documents to ensure accurate and complete training. It will be the responsibility of the trainer to ensure completion of the document during the training period.

ARTICLE 29
TERM OF AGREEMENT

Either the Company or the Union may terminate this agreement by written notice to the other, not more than ninety (90) days and not less than sixty (60) days prior to September, 17, 2012, or prior to September 17th of any subsequent year. Not more than fifteen (15) days following receipt of such notice, parties must agree to establish a date, to begin collective bargaining negotiations, for considering the terms of a new agreement, and a proposal for a revision of the wages which may be submitted by either the Company or the Union.

If the Company or the Union desires to modify the agreement, it shall not be more than ninety (90) days and not less than sixty (60) days prior to Sept 17th of any subsequent year, notify the other in writing. Not more than fifteen (15) days following receipt of such notice, parties must agree to establish a date, to begin collective bargaining negotiations, for considering changes on this agreement, and a proposal for a revision of the wages which may be submitted by either the Company or the Union.

If the settlement is not reached by Sept 17, 2012, or prior to Sept 17th of any subsequent year, this agreement shall continue in force and effect until the tenth day following written notice given by either the Company or the Union of its intention to terminate such agreement, during which time there shall be no strike or lockout, as set forth in Article 16 of this agreement.

Signed this 16th day of September, 2009

Robert Santamoor
Chairman of GE Conference Board

Ken Porter
VP of Organization Development

Tom Mingle
President Local 84807

Doug Jones
Regional Operators Director

Theresa Beyerle
Vice President Local 84807

James Darwin
Regional HR Director

Diana Brown
Financial Officer Local 84807

Robert Wooldridge
Distribution Center Manager

Scott Atwood
Negotiations Committee Member Local 84807

Teresa Roberts
HR Manager

John Norskov
Chief Steward Local 84807

Appendix

CHECK AUTHORIZATION FORM

I hereby authorize TMSi to deduct from my wages the membership dues lawfully established in the by-laws of Local 807 of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (I.U.E.), AFL-CIO, which dues are hereby assigned by me to Local 807 of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (I.U.E.), AFL-CIO, and are to be remitted by the Company to the Treasurer of the Union.

I submit this authorization and assignment with the understanding that it will be effective and irrevocable for a period of one year from this date or up to the termination of the current bargaining agreement between the Company and the Union, whichever occurs sooner.

This authorization and assignment shall continue in full force and effect for yearly periods beyond the irrevocable period set forth above, and each subsequent yearly period shall be similarly irrevocable unless revoked by me within 15 days after the end of any irrevocable period hereof. Such revocation shall be affected by written notice to the Company and the Union within such 15-day period.

Signature: _____

Date: _____

Note: Contributions or gifts to Local 807 of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (I.U.E.), AFL-CIO, are not tax deductible as charitable contributions for Federal Income Tax purposes. However, they may be tax deductible under other provisions of the Internal Revenue Code.

**EXHIBIT A
PERFORMANCE BASED PAY INCENTIVE**

Average Daily Line Thruput	Line Level Speed of Shipment					Average Daily Line Thruput	Line Level Speed of Shipment					Average Daily Line Thruput	Line Level Speed of Shipment				
	95.0%	96.0%	97.0%	98.0%	99.0%		95.0%	96.0%	97.0%	98.0%	99.0%		95.0%	96.0%	97.0%	98.0%	99.0%
2009/ 2010						2010 / 2011						2011/2012					
9.2	135	145	155	165	175	9.4	135	145	155	165	175	9.6	135	145	155	165	175
9.4	145	155	165	175	200	9.6	145	155	165	175	200	9.8	145	155	165	175	200
9.6	155	165	175	200	225	9.8	155	165	175	200	225	10.0	155	165	175	200	230
9.8	160	170	180	205	230	10.0	160	170	180	205	230	10.2	160	170	180	205	235
10.0	165	175	185	210	235	10.2	165	175	185	210	235	10.4	165	175	185	210	275
10.2	170	180	190	215	275	10.4	170	180	190	215	275	10.6	170	180	190	215	300
10.4	180	190	200	225	300	10.6	170	180	190	215	275	10.8	170	180	190	215	350
10.6	200	210	220	245	325	10.8	180	190	200	225	300	11.0	170	180	190	215	400
10.8	220	230	240	265	350	11.0	200	210	220	245	325	11.2	170	180	190	215	500
11.0	240	250	260	285	375	11.2	200	210	220	245	325	11.4	180	190	200	225	400
11.2	260	270	280	305	400	11.4	220	230	240	265	350	11.6	180	190	200	225	500
						11.6	240	250	260	285	375						
							220	230	240	265	375						
							240	250	260	285	400						
							260	270	280	305	500						

1. Productivity and Customer Satisfaction Incentive Based payout as outlined above.
2. Productivity Incentive Plan effective 10/1/2009
3. Employee must have worked a minimum of 480 hours in the Quarter, as a full time TMSI employee and be employed at the end of the quarter to receive the incentive payout.
4. Perfect Attendance = \$20 / employee / quarter
5. No Personal Injury or Property Damage = \$35 / employee / quarter
6. Plus frequency rate incentive as outlined below.

Frequency Rate for 2010 - 2012

- 4.0 \$25.00
- 3.0 \$35.00
- 2.0 \$50.00

EXHIBIT B
JOB CLASSIFICATIONS

OPERATOR

Pick both paper and Radio Frequency (RF) orders at established pick rate

Meet speed of shipment timeframes

Perform replenishment and return to stock operations utilizing RF putaway procedures

Be certified on forklift trucks, cherry picker, turret truck and standup equipment

Pick orders from all areas of the warehouse: fast pick, shelving, bulk pick

Pick the right part and the correct quantity

Pick large consolidated (truck) and multi-line orders

Accumulate pre-pack work order stock

Process LTL and TL orders for shipment and load trailers

Perform audits on orders

Unload trailers and process receivables for putaway

Perform pre-operation inspections of assigned equipment

Operate equipment in a safe manner

Any other duties as may be assigned

LIGHT ASSEMBLY – ORDER PACKERS

Process the various types of orders by specific carriers

Perform ship confirmation and labeling transactions

Perform order audits

Pack orders properly, with correct dunnage, packing slips, correct box

Know how to manifest orders

Know how to process HAZMAT, export and tech emergency shipments

Meet or exceed established order pack rates

Work all areas of packing: fast pack, bulk pack, and LTL

Audit shipments

Any other duties as may be assigned

LIGHT ASSEMBLY – PRE-PACK

Know how to read and understand the pack method work order

Meet or exceed established pack method rates of production

Know how to operate the various pieces of pre-pack equipment

Move to other work areas within pre-pack as required

Pack the right part in the right container, label correctly

Make product labels and set machines for labeling

Correctly mark return to stock with correct piece count

Operate machines safely

Perform required audits

Any other duties as may be assigned

ADDITIONAL JOB CLASSIFICATIONS

MAINTENANCE

Perform preventative maintenance on plant operating equipment

Repair conveyor system

Repair prepack equipment

Perform minor electrical plumbing and hardware building repairs and improvements

Perform minor repairs to Power Industrial Equipment

Exchange and service PIE batteries

Repair and replace storage racking

Install safety items throughout the plant

Any other duties as may be assigned

BATTERY STATION ATTENDANT

Service, maintain and exchange PIE batteries

Keep battery area clean

Maintain equipment maintenance logs

Report damages PIE and unsafe acts

Operate floor sweeper

Schedule PIE maintenance and monitor hour meters

Initiate calls for outside repairs

Track maintenance requests and work orders

Be a certified operator of all PIE

Maintain battery area IAW TMSi and OSHA standards

Monitor employee entrance for unauthorized visitors

Perform duties in the production area as needed

Any other duties as may be assigned

TEAM LEADER

Assist operation managers in distributing workload to employees

Identify production bottlenecks and take corrective actions

Train new employees

Work along with employees – Team Leaders are working leaders

Be certified on equipment in their area

Be able to restart, fix or correct any system or production stoppage

Monitor safety standards

Monitor the standard for production and quality

Identify better ways to do the work

TRAILER SPOTTER

Perform and thoroughly understand all job duties of Equipment Operators

Communicate with customers by telephone and e-mail

Have a thorough understanding of warehouse operations, especially in assigned work area

Organize and prioritize work flow for area

Work with WMS and CICS to research various parts information and status of orders

Meet all standards for Equipment Operator, including operation of forklift truck, cherry picker, turret truck and standup equipment

Operate hand scanners

Create and process reports using spreadsheet and database

Any other duties as may be assigned