PLAINTIFF'S
EXHIBIT
CHV-517

1965-1966

AGREEMENT

BETWEEN

CALIFORNIA OIL COMPANY
WESTERN DIVISION
doing business as
STANDARD OIL COMPANY
OF TEXAS

AND

INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL UNION NO. 552
(AFL-CIO)

EL PASO, TEXAS

CHEV B8 7105

CONTENTS

ARTICLE	SECTION	SUBJECT	PAGE
		Recognition of Union	1
I	A	Period of Agreement	2
	B	Wage Clause Negotiations	3
II		Work Day, Work Week and Work Schedules	3
	A	(Established Work Week)	3
	B	(Work Day)	4
	C	(Work Schedule)	5
III		Wage Rates, Overtime and Other Premium Pay	5
	A	Wage Rates, Exhibits, Shift Differentials	5
	B	Overtime and Other Premium Pay	6
		(Call Out - Identification)	8
	C	Distribution of Overtime	9
	D	Overtime Meals	10
IV		Seniority	10
		(Refinery Seniority)	10
		(Section Seniority)	10
		(Recognized Refinery Sections)	11
V		Promotions, Demotions, Layoffs and Rehirings	11
	A	Promotions	11
		(Operating Sections [Crude Distillation, Stocks and Utilities and Cracking])	12
		(Maintenance and Storehouse Division)	16
		(Laboratory)	17
		(Filling and Shipping)	18
	B	Layoffs and Rehirings	18
	C	Demotions	20
		(Operating Division)	20
		(Maintenance and Storehouse Division)	21
		(Laboratory)	22
		(Filling and Shipping Section)	22
	D	Inter-Section Status	23
		(Maintenance and Storehouse Division)	23
	E	General	23
VI		Vacations, Holidays, and Fringe Benefits	26
	A	Vacations	26
	B	Holidays	27
	C	Fringe Benefits	28
VII		Union Activities	30
	A	Workmen's Committee	30
	B	Union Leaves of Absence	30
	C	Leave of Absence to Enter the Employment of the Union	31
	D	Conferences During Working Hours	32
	E	Bulletin Boards	32

CHEV B8 7106

CONTENTS

ARTICLE	SECTION	SUBJECT	PAGE
VIII		Miscellaneous and General	32
	A	Clothing	32
	B	Voluntary Payroll Deduction of Union Dues	33
	C	Payroll Deductions for Savings	34
	D	Smoking Areas	34
	E	Contract Labor	34
	F	Reprimands	34
	G	Industrial Injuries	35
	H	Miscellaneous	35
	I	Pay Day	35
IX		Settlement of Disputes and Grievances	36
	A	(Grievance and Arbitration Procedure)	36
	B	(Decision of Arbitration Committee to Be Final	39
	C	(Limits of Authority of Arbitrators	39
	D	(Grievance and Arbitration Time Limits and Division of Expense)	39
	E	(Grievance Because of Discharge)	39
X		Management Rights	40
	A	(Management Rights)	40
	B	(Job Reductions Due to Job Activity Surveys)	40
XI		Saving Clause	40
XII		Strikes and Lockouts	41
XIII		Non-Discrimination	41
	A	(Non-Discrimination Because of Race, Color, Creed or National Origin	41
	B	(Non-Discrimination Because of Membership in the Union or Joining or Withdrawing from the Union)	41
XIV		Notices, Procedure for Handling	42
		Exhibit A — Refinery Classified Laboratory, Operating and Mechanical Wage Schedule	43
		Exhibit B — Job Progression Chart Maintenance and Storehouse	45
		Exhibit C — Operations Progression Chart and Normal Method of Scheduling in Plants	46

1965-1966

AGREEMENT

Between

CALIFORNIA OIL COMPANY
d/b/a
STANDARD OIL COMPANY OF TEXAS

and

INTERNATIONAL UNION OF
OPERATING ENGINEERS
LOCAL UNION NO. 552

El Paso, Texas

This AGREEMENT is made and entered into this 28th day of April, 1965 between California Oil Company, d/b/a Standard Oil Company of Texas, with a refinery at El Paso, Texas, herein referred to as the "Company," and International Union of Operating Engineers, Local No. 552, herein referred to as the "Union." This agreement shall be considered to be the entire agreement between the parties, and no agreement which predates this agreement shall have any other force or effect.

WITNESSETH:

RECOGNITION OF UNION

The Company recognizes the Union as exclusive representative, for the purpose of collective bargaining with respect to wages, hours

CHEV B8 7107

of work and other conditions of employment, of employees in the Maintenance, Operating and Laboratory Divisions of the Company's El Paso Refinery for whom the Union was certified as the collective bargaining representative in the National Labor Relations Board certifications dated May 7, 1943 (Case No. 16-R-629) and August 31, 1953 (Case No. 33-RC-453), subject to and in accordance with the provisions of the National Labor Relations Act, amended by the Labor-Management Act.

ARTICLE I

PERIOD OF AGREEMENT AND WAGE CLAUSE NEGOTIATIONS

A. This agreement shall be effective as of 12:01 a. m., April 28, 1965 and shall continue in full force and effect for one year from such date and shall renew from year to year thereafter unless either party hereto shall give written notice to the other at least sixty (60) days but not more than ninety (90) days prior to an anniversary date of its desire to modify, amend or terminate this agreement. Any such notice to modify or amend the agreement shall contain the specific articles and subdivisions thereof to be discussed. If notice to modify or amend is given, the agreement shall remain in effect during negotiations except that if agreement is not reached during negotiations within the sixty (60) day period prior to the anniversary date or thereafter if negotiations continue beyond the anniversary date, either party may give thirty (30) days' written notice to the other of its desire to terminate this agreement. The parties hereto may, however, by mutual agreement extend this agreement beyond the above termination date for a specific period for the continuance of negotiations.

B. It is recognized, however, by the parties that during the term of this agreement it may become desirable to discuss wage rates in general (as set forth in Exhibit A) and hours and days of work (Article II. C.) and for these purposes only each party may open once in each contract year thereafter to bargain on revisions in the light of conditions then existing. If agreement is not reached during the sixty (60) days following date of delivery of such notice either party may give thirty (30) days' written notice of its desire to terminate this agreement in which case the agreement shall terminate as of the end of such thirty (30) day period unless by mutual consent the parties agree to an extension for the purpose of continuing negotiations.

ARTICLE II

WORK DAY, WORK WEEK AND WORK SCHEDULES

A. The established work week shall consist of seven (7) consecutive twenty-four (24) hour periods beginning with the No. 1 Shift Monday. The Monday No. 1 Shift is that

CHEV B8 7108

shift which begins 11:00 p. m. Sunday for shift workers and 12:01 a. m. Monday for day workers.

B. 1. A work day is twenty-four (24) consecutive hours beginning at the same time each day. The first work day begins at the time the established work week begins, and the seventh work day ends at the time the established work week ends.

2. Normally, but not exclusively, the regular shift for day workers will be eight (8) consecutive hours, exclusive of an unpaid lunch period, between 6:00 a. m. and 6:00 p. m. as contrasted to shift workers who regularly work No. 1 Shift (11:00 p. m. to 7:00 a. m.), No. 2 Shift (7:00 a. m. to 3:00 p. m.) and No. 3 Shift (3:00 p. m. to 11:00 p. m.).

3. Day workers working a regular eight (8) hour shift starting or ending outside of the hours of 6:00 a. m. to 6:00 p. m. shall be allowed a fifteen (15) minute paid lunch period on the job site plus an additional five (5) minutes for clean up and travel to their respective lunches on the job.

4. The unpaid lunch period for day workers will be from 12:00 noon to 12:30 p. m., when consistent with the work on hand. When an employee is required to work through his regular lunch period he shall be provided a different unpaid lunch period which shall be no more than one (1) hour earlier or later than the established lunch period. In addition, the Company shall allow a five (5) minute paid period prior to the lunch period for day

workers to stop work, clean up, and travel to the lunch area.

C. Employees are expected to be available for shift work and overtime. Work schedules specify the days in the work week and hours in the work day during which employees are expected to work. The weekly work schedule consists of eight (8) consecutive hours, exclusive of unpaid lunch periods, on each of five (5) work days totaling forty (40) hours of work at the straight-time rate within each work week with two (2) consecutive days off. Such schedules do not guarantee or limit the hours of work. The Company will post each employee's weekly work assignment as far in advance as practicable consistent with work requirements. Notification of changes in the employee's weekly work assignment will be posted as far in advance as practicable. Employees will review their work assignment before leaving the plant each work day.

ARTICLE III

WAGE RATES, OVERTIME AND OTHER PREMIUM PAY

A. Wage Rates, Exhibits, Shift Differentials

1. The wage rate classifications and present job titles applicable thereto are attached and made part hereof as Exhibit A. Employees will be paid for time worked in each classification to which assigned at not less than the job rate for the work performed, except for

CHEV B8 7109

Helpers in the Maintenance Division who may be assigned work also performed by Mechanics.

2. a. Where an employee of an Operating Division works in two classifications in one (1) day, and works less than half (½) a day in the classification carrying a higher rate than the classification in which he works the balance of the day, he shall be paid for one-half (½) a day at the higher rate and the other half (½) day at the lower rate. If he works one-half (½) day or more in the classification carrying the higher rate of pay than in the classification in which the balance of the day is worked, he will be paid a full day at the higher rate.

b. When during a shift an Operating Division employee is called upon to relieve a man in a lower classification, he will not be reduced in pay in cases where he might otherwise have continued to work at the higher pay.

B. Overtime and Other Premium Pay

1. General—No more than one overtime or premium pay provision in this agreement shall be applied to the same hours worked; however, the provision which results in the highest pay shall govern.

2. All work performed in excess of eight (8) hours in any work day, or forty (40) hours in the established work week shall be paid for at the overtime rate of one and one-half (1½) times the straight-time rate. For the purpose of determining time worked in excess of forty (40) hours in the established work week, the following shall count as time worked:

a. Scheduled work time lost on account of jury duty.

b. Scheduled work time off with full pay on account of sickness or holiday.

c. Scheduled work time off on account of leave of absence with pay.

3. One and one-half (1½) times the straight-time rate shall be paid for the hours worked under the following conditions:

a. Time worked in excess of eight (8) hours in any twenty-four (24) hour period, beginning at the time the employee begins work other than overtime as defined in III. B. 2. or double time as defined in III. B. 5.

b. When employees are scheduled to work a shift which may extend from one work day into the next, the employee involved will be paid at the rate of one and one-half (1½) times the straight-time rate for the hours worked on such employee's first off day, with such off day considered as starting at the beginning of the established work day as covered in Article II. B. 1.

c. For the first shift scheduled to be worked and worked where the scheduled hours of work have been changed as listed below without forty (40) hours' notice prior to the start of the first shift changed.

(1) A change in the scheduled days off.

(2) A change in the scheduled shifts of an Operator who is working on an operating

CHEV B8 7110

schedule, or a Laboratory employee who is working on the Laboratory schedule; i.e., change from Shift No. 1 to Shift No. 2, etc.

(3) A change of more than one (1) hour in the starting time from the preceding work day, of regular hours of work of a Maintenance and Storehouse Division worker, or of an Operator or Laboratory employee who is working on, going onto, or coming off a Maintenance schedule.

d. Compensation provided in Article III. B. 3. c. (3) above shall not be paid because of:

(1) Consecutive hours worked preceding or following a regular shift.

(2) When an employee changes to a day shift from any other shift.

4. "Call Out"—Any employee who reports for work after he has completed his shift and has left the plant, and before the start of his next regular scheduled shift or on a day off, shall be paid a minimum of four (4) hours pay at his straight-time rate or time and one-half for work performed, whichever is greater.

Call Out—Identification

(1) An employee, while on duty, is requested to report for work and reports for work after completing his shift, but before the start of his next regular scheduled shift, and leaves the plant prior to the start of his next regular scheduled shift.

(2) An employee, after completing his shift and after leaving the plant, is requested

to return and returns to the plant before the start of his next regular scheduled shift. It is agreed that the time and one-half rate shall not apply beyond the start of his next regular scheduled shift.

5. Double time rate of two (2) times the straight-time rate shall be paid for:

a. All hours worked in excess of sixteen (16) consecutive hours; i.e., beginning on the 17th consecutive hour.

b. All hours worked on the second day off, where a minimum of four (4) hours on the first off day is also worked, when these off days are consecutive calendar days but not necessarily within the same work week. For the purpose of double time payment only, both off days will start at the beginning of the established work day as covered in Article II. B.

C. Distribution of Overtime

1. An effort will be made to distribute overtime among qualified employees in the classification and section in which the overtime occurs, except those assigned to light duty for health reasons. For the purpose of identification, only the overtime hours worked, or offered and refused, as defined under the provisions of Articles III. B. 2., III. B. 4., and III. B. 5., will be counted as the basis for the Company's effort to distribute overtime defined by these same provisions.

CHEV B8 7111

D. Overtime Meals

1. The Company will provide a wholesome meal, not to exceed $1.50 in cost, to each employee at his job location after he has completed ten (10) consecutive hours of work (unpaid lunch periods excluded) and after completion of each successive four (4) hours of work thereafter.

2. When the meal is furnished by the Company for Maintenance personnel, a work stoppage of thirty (30) minutes, at Company expense, will be allowed for eating.

3. An employee may elect to take a meal allowance of $1.50 instead of a meal if his supervisor offers the employee that option in advance of the time a meal is due because it is reasonable to expect the completion of the work required of the employee within one (1) hour after the meal would be due.

ARTICLE IV
SENIORITY

A. For the purpose of administering this article, and Article V, seniority of two types shall be considered as stated below:

1. Refinery seniority, which shall be based on the date of entering the service of the El Paso Refinery, and

2. Section seniority, which shall be based on the date Company assigns an employee to a definite section as defined in this article.

B. For the purpose of this article, the recognized refinery sections are:

1. Crude Distillation
2. Stocks and Utilities
3. Cracking
4. Filling and Shipping
5. Storehouse
6. Electrical and Instruments
7. Machinists and Tool Room
8. Welding, Pipefitting, Boilermaking and Miscellaneous
9. Laboratory

PROMOTIONS, DEMOTIONS, LAYOFFS AND REHIRINGS
ARTICLE V

(Attached to and made a part of this agreement are "Exhibit B—Job Progression Chart, Maintenance and Storehouse." and "Exhibit C—Job Progression Chart, Operating Sections." showing job classifications and the normal progression and regression paths between the various classifications and groups of classifications. These exhibits are not intended for use in determining the number of basic jobs in the Operating or Maintenance Divisions which are subject to change in accordance with the provisions of Article X.)

A. Promotions

1. All promotions made in the Refinery Sections shall be based on seniority and ability. It is the intent to give every employee an opportunity to progress into higher jobs in

CHEV B8 7112

line with his seniority. It is mutually recognized, however, by the Company and the Union, that ability must be given consideration in all such moves. Thus there may be individuals who, through lack of knowledge, skill or efficiency on the job, are not capable of handling the higher skilled jobs, but who are capable of satisfactorily handling some of the intermediate or lower jobs. When a promotion is made and the employee is not the highest on the seniority list in the next applicable classification, any employee higher in that classification and eligible for consideration for such promotion shall be advised by the Company why he was not selected.

Operating Sections (Crude Distillation, Stocks and Utilities and Cracking)

2. Promotions in the Operating Division (OB classification and higher) are made only when a basic job is permanently vacated and is still required, or when a new basic job is created. The number of employees assigned to each classification (OB and higher) is determined by the number of employees needed to fill each basic job in the classification. Except as provided for in Article V. C., once an employee is assigned a position on the seniority list, his name shall continue in the basic job in the classification assigned even though he is absent for any reason from the basic job and still retains his seniority. Employees will be arranged in these classifications in the order of refinery seniority (OB and OA classifications) and in order of section seniority within a section (above the double line). Those employees assigned to the Operator Pool will be arranged on this list as covered in V. A. 3. in order of refinery seniority. Basic jobs (OB and higher) are those which are determined by management to be essential to the anticipated requirement for efficient operation of the plant. The number of basic jobs in each wage rate (classification) may be revised by the Company from time to time to meet changing conditions, and the Union will be kept informed of such changes made in the number of basic jobs in the Operating Division. Swing jobs in all cases are basically classified at the lower of the two swing classifications.

3. All men hired for Operations will be hired at the Helper C rate in the Operator Pool and assigned in order of refinery seniority. This rate will be effective for a period of twenty (20) work days, except in cases where men have become qualified and work an OB job in less than twenty (20) work days, the OB rate will then be paid for any OB work performed. After the initial twenty (20) day work period, if the man is not working in an OB classification he will be advanced to the Helper B rate. After one year of refinery service, he will be assigned to the Helper A classification. After having worked in an OB classification, a man will be paid at his basic rate in the Operator Pool as covered in this section, or at the rate of the classification in which he works, whichever is higher.

CHEV B8 7113

4. Promotions to fill basic jobs in the HOC classification in the Crude Distillation, Stocks and Utilities and Cracking Sections will be made from the OA classification. After accepting a basic assignment of HOC in one of the three progressional sections, he will progress only in that section. If a man is offered and turns down a basic assignment in the HOC classification in the Crude Distillation, Stocks and Utilities or Cracking Sections he shall not—at a later date—go ahead of the junior man that accepted the job in that classification or higher. If there is a vacancy in the classification at a later date, and he elects to accept it, he will take a position below the last man assigned to fill a basic job in the HOC classification and will thereafter advance in that relative position.

5. Temporary vacancies due to illness, leaves of absence, etc., of one (1) to not more than thirty (30) calendar days' duration, and all vacancies due to vacations will be filled as determined by the Company in a manner that will give employees training in equal or higher classifications with the objective of suitably protecting current and future operations and providing opportunities for employees to gain experience in work of the same or higher classifications.

Nothing herein shall require the Company to pay an overtime or penalty rate to fill a temporary vacancy when a qualified employee is available for such work at no or less overtime or penalty pay.

6. In the event of an anticipated vacancy in excess of thirty (30) calendar days in an established basic job due to reasons such as extended illness, leaves of absence or special assignments, assignments to fill such vacancies although not promotions, will be filled in accordance with the same procedure used in making promotions without changing basic classifications. However, none of the provisions in this article nor in any other of the articles in this agreement is intended to obligate the Company to fill all vacancies in basic jobs whether permanent or temporary, when not required by operating conditions at the time.

7. Schedule changes will be made if necessary to assure that the senior qualified man in each basic classification in each progressional section (Crude Distillation, Stocks and Utilities and Cracking) shall over a period of one contract year, receive substantially more shifts of work in the next higher classification than any junior man in the same classification in the same progressional section.

8. An Operator who is not promoted according to the articles of this agreement, (except as covered in V. A. 4. above) because of a written request by him or due to his lack of ability; may be retained on a job within a classification that he can handle satisfactorily, but thereafter he shall not be considered for promotion, nor shall he be entitled to fill a temporary vacancy in a higher classification. In the event the job to which he is assigned is dis-

CHEV B8 7114

continued he will be assigned in accordance with seniority provisions to a job within the classification that he can perform satisfactorily or he will be demoted to a job in a lower classification that he can handle satisfactorily.

Maintenance and Storehouse Division

9. In the Maintenance Sections, promotions from Helper B to Helper A and from Mechanic B to Mechanic A are to be made solely on the basis of refinery service and not on the basis of performance of a higher or different classification of work. Helpers B will be promoted to Helpers A upon completion of twelve (12) months of service in the Refinery Maintenance Sections. Mechanics B will be promoted to Mechanics A upon completion of:

a. 12 months of service as Mechanic B, and

b. 60 months of service in the Refinery Maintenance Sections, including any service as Mechanic B.

10. a. The Company will maintain a minimum of 75% Mechanics A and B plus Senior Mechanics in the total assigned work force in the Maintenance Sections, provided there are employees who are qualified to be Mechanics.

b. Mechanics A will be promoted to Senior Mechanics upon completion of 15 years' refinery service, providing the number of Senior Mechanics does not exceed 10% of the total number of Mechanics.

11. Maintenance and Storehouse employees will be assigned to a specific Maintenance-

Storehouse Division Section, as provided in Exhibit B, within one (1) year of date of employment in Company's refinery. Section assignment will be made by Company based on work load, and Company's evaluation of employee's qualifications and preferences. The order of section assignment will be based on seniority and ability. Section assignment as stated here shall not in any way interfere with the Company having an employee do any type of refinery work that in the Company's judgment he can do safely.

12. Promotions within the Storehouse Section shall be based on seniority and ability. Seniority as used in this section refers to Storehouse section seniority.

Laboratory

13. In the Laboratory, promotions from Technician Helper B to Technician Helper A are to be made solely on the basis of laboratory service and not on the basis of performance of a higher or different classification of work. Technician Helper B will be promoted to Technician Helper A upon the completion of 12 months of service in the laboratory. Technician B will be promoted to Technician A upon completion of:

a. 12 months of service as Technician B, and

b. 36 months of service in the laboratory, including any service as Technician B.

14. The Company will maintain a minimum of 60% Technicians of the total of Tech-

CHEV B8 7115

nicians plus Technician Helpers in the Laboratory Section, provided there are Technician Helpers who are qualified to be Technicians.

Filling and Shipping

15. Promotions within the Filling and Shipping Section shall be based on seniority and ability. Seniority as used in this section refers to Filling and Shipping Section seniority.

B. Layoffs and Rehirings

1. Layoffs for lack of work shall be based on refinery seniority. However, the Company may retain a sufficient number of men experienced and qualified to perform the necessary work in each Division (Maintenance-Storehouse, Operating-Filling and Shipping, and Laboratory) as necessary to permit continued efficient operation.

2. Employees with less than one (1) year's refinery seniority, who are laid off for lack of work, will have seniority protection if rehired within ninety (90) calendar days after the last day worked.

3. Employees with more than one (1) year but less than five (5) years' refinery seniority, who are laid off for lack of work, will have seniority protection if rehired within one hundred eighty (180) calendar days after the last day worked.

4. Employees with more than five (5) years' refinery seniority, who are laid off for lack of work, will have seniority protection if rehired within three hundred sixty-five (365) calendar days after the last day worked.

5. Men laid off due to lack of work will be offered re-employment when vacancies arise on the basis of their refinery seniority at the time of layoff, provided the seniority protection period as outlined above has not expired and that they are fully qualified to fill the vacancy.

6. Notice of available positions will be sent to employees on the layoff list by certified or registered mail, return receipt requested, to the last address left with the Company. An employee will be given five (5) days from the time the notice was received to advise the Company of acceptance and an additional three (3) days to report for work after advising the Company of his availability for work. An employee who fails to notify the Company or fails to report to work within the period specified loses all rights to seniority. The Company may grant an extension of time for an employee to report to work if he notifies the Company of sickness, death, or emergency involving himself or his immediate family within five (5) days of the date of the notice from the Company. Under emergency conditions, temporary employees may be used until former employees on the rehiring list have reported to work.

CHEV. B8 7116

C. *Demotions*

Operating Division

1. a. Demotions in the Operating Sections (OB classification and higher) are made only from basic jobs. If the number of basic jobs is decreased the number of employees within the affected wage rates (classifications) (see V. A. 2.) will be decreased accordingly, and demotions will be made according to position on the section seniority list in each classification, HOC classification and higher, or refinery seniority list, OA and OB classifications. Thus, each demoted employee will maintain the same relative section seniority position in any remaining lower basic jobs in the section, but will be placed according to refinery seniority in OA jobs and lower. Employees with one (1) or more years of seniority who are demoted from the OB classification will be placed in the Helper A classification in the Operator Pool (see Exhibit C) in order of refinery seniority, and those with less than one (1) year of seniority will be placed in the Helper B classification in the Operator Pool in order of refinery seniority. The seniority lists will reflect these changes.

b. An employee who must be demoted from a basic job because of deficiencies will be placed in a lower basic job for which he is qualified and will establish a new relative section seniority position at the top of that lower classification if it is HOC or higher, or, will be placed in order of refinery seniority within

the lower classification for which he is qualified if it is OA or lower. Any subsequent promotions will follow the provisions under V. A.

2. Temporary demotions of Operators in OB classification and above, because of seasonal shutdown of process units due to lack of stock or commitments, as determined by the Company, will be made as above, V. C. 1., except that employees in HOC classification and above will still maintain their section seniority in the classification assigned. However, they will be paid at the rate of the job in which they work except as covered in V. E. 4. of this article. Employees temporarily demoted from the HOC classification in one of three progressional sections (Cracking, Crude Distillation or Stocks and Utilities) may then be assigned to fill temporary vacancies (of either less than or more than 30 days), if qualified, in any of the three sections. However, they will not be promoted to fill a basic job in other than the progressional section in which they are maintaining their section seniority. No employee may establish or retain section seniority in more than one progressional section.

Maintenance and Storehouse Division

3. Demotions in the Maintenance Sections are made only due to an employee's deficiencies, in which case the employee is moved from his former job and is placed in a lower job for which he is qualified.

4. In making demotions in the Storehouse

CHEV B8 7117

Section, position on the section seniority list in each classification shall control. Employees demoted out of the Storehouse Section will be assigned to a Maintenance Section at not higher than the Helper A classification.

Laboratory

5. Demotions within the Laboratory Section are made only due to an employee's deficiencies, in which case the employee is moved from his former job and is placed in a lower job for which he is qualified. Employees demoted out of the Laboratory Section due to a curtailment of work will be assigned to the Maintenance-Storehouse Division or the Operating-Filling and Shipping Division and will be assigned to a classification not higher than Helper A.

Filling and Shipping Section

6. Demotions within the Filling and Shipping Section are made (1) because of curtailment of work and a decrease in the number of basic jobs in which case the number of employees assigned within the affected wage rates is decreased accordingly, and (2) due to an employee's deficiencies, in which case the employee is moved from his former job and placed in a lower job for which he is qualified. Employees demoted out of the Filling and Shipping Section due to a curtailment of work will be assigned to the Maintenance-Storehouse Division, Operating Division, or Laboratory and will be assigned to a classification not higher than Helper A.

D. Inter-Section Status

Maintenance and Storehouse Division

1. Transfers between sections may be made with Company approval. In all cases of permanent transfer between sections, the transferring employee will enter the new section with section seniority dating from the date of entering the new section and he will relinquish his section seniority in the former section.

2. Temporary inter-section transfers may be made, for short periods of time. Company records will clearly indicate the temporary nature of such transfers. The employee will not acquire section seniority in the new section nor lose acquired section seniority in his regular section. If any temporary transfer is later made permanent, Company records and the seniority list will so indicate, and the provisions of par. 1. above will apply.

E. General

1. An employee promoted to a higher job and failing to perform satisfactorily on it, will be allowed to return to the job previously held by him, if it exists. If not, he will be assigned to a job in which he can perform satisfactorily without loss of seniority. When an employee is not progressing or performing his work in a satisfactory manner, he will be so informed.

CHEV B8 7118

2. When employees are temporarily transferred or assigned to areas or organizations outside of the bargaining unit, they shall be allowed to return within a two (2) year period to the job that their seniority and ability would have entitled them to, had they remained in the bargaining unit. They shall be given seniority credit for the time they were outside the bargaining unit. An employee transferred or assigned outside the bargaining unit for more than twenty-four (24) months in any thirty (30) month period will lose his refinery seniority protection under this provision.

3. For all periods of break-in or other training work an Operating Division employee will be paid at the rate of the classification at which he is breaking in or the rate of his basic classification, whichever is higher. For the purpose of further training an employee in the next higher classification as a refresher, a man basically assigned in the higher classification may be assigned a job in the next lower classification, and the man in the next lower classification assigned a job in the next higher classification.

4. When an operating unit is shut down, the Operators affected will be assigned to other work, if other work is available, and their pay rates will be protected according to the following provisions:

a. When a plant is shut down for maintenance (repairs, cleaning, or inspection) the Operators affected will be assigned to other operating duties or to maintenance work.

Their pay will be protected at their basic rate for twenty-eight (28) calendar days. At the end of this protection period they will be paid at the rate of the job to which they are assigned in accordance with Exhibit A.

b. When a plant is shut down either temporarily or permanently, because its operation is not required by the Company to meet its stock commitments the number of basic operating jobs will be decreased accordingly. Operators adversely affected will be demoted under the provisions of Article V. C. However, their pay rates will be protected at their former basic rate for a period of twenty-eight (28) calendar days after which period their new basic assignment will determine their new basic wage rate for rate protection purposes.

5. When no other work is available for employees adversely affected by the shutting down of an operating unit as provided for in V. E. 4. above, the provisions of Article V. B. will apply.

6. Lateral movement between jobs within a progressional section will be made at reasonable intervals when such movement is desirable from the viewpoint of the Company. Such movement will be done consistent with operating requirements.

7. All men at all levels within a plant shall be required to learn the next higher job in their respective plant as rapidly as possible. The Company shall aid every man as much as possible in this endeavor.

CHEV B8 7119

ARTICLE VI

VACATIONS, HOLIDAYS, AND FRINGE BENEFITS

A. Vacations

1. A regular employee shall receive a vacation with pay after completion of one (1) year of continuous service and within each calendar year of continuous service thereafter.

Beginning January 1, 1966, a regular vacation will be as follows:

In Each Calendar Year in Which an Employee Completes	Length of Vacation
1 year or more but less than 5 years of continuous service	2 weeks (14 consecutive calendar days) (1965 - 2 weeks)
5 years or more but less than 10 years of continuous service	3 weeks (21 consecutive calendar days) (1965 - 2 weeks)
10 years or more but less than 20 years of continuous service	4 weeks (28 consecutive calendar days) (1965 - 3 weeks)
20 years or more of continuous service	5 weeks (35 consecutive calendar days) (1965 - 4 weeks)

2. Operating needs of the Company are controlling in scheduling vacations. The vacation scheduling procedure is designed to apply to usual situations. An exceptional case may occur occasionally which is not clearly covered or contemplated. Any such case will be treated in a manner equitable to both the employee and the Company.

3. An employee may split his vacation into two (2) periods in a calendar year upon his request, consistent with the work at hand, and agreed to by the Company.

B. Holidays

1. a. The following holidays shall be observed:

New Year's Day	Labor Day
Washington's Birthday	Veterans' Day
Memorial Day	Thanksgiving Day
Fourth of July	Christmas

b. Employees who are working rotating shifts on a seven day work week continuous operation, and employees who normally work Saturdays and/or Sundays, at the time of a holiday will observe the holiday for pay purposes on the calendar day on which it falls.

c. All other employees will observe the holiday for pay purposes on the calendar day on which it falls, except a holiday which falls on Sunday will be observed on the following Monday, and a holiday which falls on Saturday will be observed on the preceding Friday.

2. Regular employees shall receive their regular pay for holidays observed, when such holidays fall on their scheduled work days.

3. Employees who work on such holidays, whether scheduled or unscheduled work days, shall receive pay equal to the straight time rate for the number of hours in their regular daily work schedule plus one and one-half ($1\frac{1}{2}$) times the straight time rate for all hours worked. For the purposes of holiday payments,

CHEV B8 7120

holidays will be considered as starting at 12:01 a. m. and ending at 12:00 midnight on the days which are observed, except that for workers scheduled to work the 11:00 p. m., 7:00 a. m., or 3:00 p. m. shifts, holidays will be considered starting at 11:00 p. m. prior to the calendar day of the holiday and ending at 11:00 p. m. twenty-four (24) hours later.

4. All regular employees shall receive eight (8) paid holidays per year. Those not so paid under the provisions of par. 2. and 3. above shall receive a day's pay at their regular straight time rate for each such holiday.

5. If, during an employee's vacation period, a recognized holiday occurs, he will be granted an extra day of paid vacation. The Company reserves the right to grant an extra day's pay at the straight time rate in lieu of an extra day of paid vacation, in any case where it considers such action desirable from an operating standpoint.

C. Fringe Benefits

1. All employees' benefits in effect at the time of the signing of this agreement shall continue in full force and effect for the duration of this agreement. The Company shall make information concerning such benefits available to the employees.

2. The Company will furnish to each employee having one or more years of service,

an annual statement showing the employee's current status under the Sickness and Non-Industrial-Injury Benefit Plan when requested in writing.

3. Any employee required to be absent during his regular working schedule on account of jury duty, or required to attend court, or coroner's inquest, or to serve as a witness, shall be allowed the time off necessary to perform this service. An employee shall receive for the time he is thus absent, his regular pay and retain any fee that he receives for the performance of such service.

4. Employees with one or more years of continuous service who are permanently laid off for lack of work will receive one week's pay at the straight-time rate for each year of continuous service up to a maximum of fifteen (15) weeks' pay for those employees having fifteen (15) or more years of continuous service. Employees with twenty-five (25) years or more of continuous service are not eligible for payment under this provision. Lay-off of employees occasioned by seasonal fluctuations in the business will not be considered permanent. When re-employed within the time limits specified in Article V. B. 2., 3., and 4., after layoff and payments received under this section are repaid, seniority dates as of the date laid off will be restored.

CHEV B8 7121

ARTICLE VII

UNION ACTIVITIES

A. Workmen's Committee

The Union shall create a Workmen's Committee, composed of five (5) employees, who shall meet monthly at mutually acceptable times, with representatives of management for discussion of individual or mutual problems, and to dispose of questions arising under this agreement. The Union will advise the Company in writing of the names of the members of said committee. Minutes of all such meetings shall be kept and signed by all parties attending. One signed copy shall be furnished for the use of the Union and one for the use of the Company.

B. Union Leaves of Absence

If plant conditions permit, leaves of absence without pay, of not more than fourteen (14) days' duration (except where distances to be traveled require additonal time, in which case not more than thirty [30] days) for the purpose of attending Union conferences or meetings will be granted during any calendar year to not more than six (6) employees, provided that not more than three (3) employees shall be granted simultaneous leaves. The conditions of such leaves with respect to Company benefits shall be as covered in each

established plan. All requests for leaves of this nature shall be made in writing as far in advance as possible before the first scheduled work day that will not be worked by reason of such leave being granted. If the Union needs leaves of absence for additional men, the Company will consider such additional leaves upon request by the Union.

C. Leave of Absence to Enter the Employment of the Union

1. If any member of the Union shall request a special leave of absence without pay from his employment with the Company for the purpose of accepting employment with the Union, the application of such member for re-employment, if made within two (2) years from date of start of such leave, will be considered and accepted, on the following conditions:

a. That his physical condition shall not have changed materially during the period from date of such special leave to date of application for re-employment.

b. The request for a special leave of absence shall be in writing and shall state the purpose for which it is made and that the employee intends to apply for re-employment within two (2) years.

c. Applicant, if re-employed within said period of two (2) years, will enter the job that his seniority and ability would have en-

CHEV B8 7122

titled him to had he remained in the refinery organization.

d. It is understood that all Company benefits, including life insurance, are suspended during the period of such special leave of absence but will become operative again upon re-employment with such service accumulation attained at end of leave.

D. Conferences During Working Hours

Employees, with the approval of the Refinery Manager, shall be permitted to confer during working hours with representatives of either Union or Management on matters concerning employer-employee relations without loss of time or pay.

E. Bulletin Boards

The Union shall have the privilege of maintaining for its exclusive use bulletin boards on the premises in places designated by the Company, for the purpose of posting notices or bulletins. It is understood that nothing of a controversial or political nature shall be posted on such boards.

ARTICLE VIII

MISCELLANEOUS AND GENERAL

A. Clothing

1. Protective clothing, including welding gloves, sleeves and jackets, will be provided by the Company where needed for personal

safety, or where destructive action over and above that encountered in the course of regular employment makes it necessary.

2. The Company shall furnish the employees with an average of up to four (4) pairs of leather-palm gloves per contract year. Before receiving a new pair of gloves, each employee will be required to turn in his old pair.

B. Voluntary Payroll Deduction of Union Dues

1. Employees in the bargaining unit may authorize the Company in writing on a form mutually acceptable to the Union and the Company to deduct while this agreement is in effect the regular monthly dues of the Union from their wages on the first pay day each month and to remit same to the Secretary of Local Union No. 552, International Union of Operating Engineers not later than two (2) weeks after the end of the payroll period in which the deduction is made. Employees may at any time revoke such authorization by giving the Company notice on a suitable form.

2. The Company will advise the Union with each remittance the names of employees from whom new authorizations have been included and those previously authorizing deductions but for whom no deductions have been made because of lack of earnings, revocations of authorization, or leave Company service. These authorizations will terminate upon the termination of this agreement.

CHEV B8 7123

C. Payroll Deductions for Savings

Upon written request of the employee, using Form COEM-519, the Company will make payroll deductions from that employee's earnings and deposit this money to the employee's share account with the Standard El Paso Federal Credit Union. Such payroll deductions may be cancelled at any time upon written notice to the Company from the employee.

D. Smoking Areas

Smoking privileges will be provided for all employees within the refinery. Smoking areas for different departments will be designated. Smoking is prohibited at all locations not specifically authorized by the Company.

E. Contract Labor

The Company agrees that it will not contract normal routine maintenance work within the refinery as long as the refinery has the necessary men and equipment available to perform such work properly.

F. Reprimands

1. An employee will always be given a copy whenever any record of a reprimand is placed in his personnel file. He is to note on the Company's copy that he received his copy.

2. Whenever an employee is given a final warning that further unsatisfactory conduct will cause dismissal, the Management will give

the employee two (2) copies of the written record of this final warning. The additional copy may be provided the local Union by the affected employee, if he so desires. He is to note on the Company's copy that he has received his copies of the record.

G. Industrial Injuries

An employee who is injured while working on an off day, and is unable to continue working, will be paid for the unworked remainder of an eight hour day at the rate of pay he was receiving at the time of injury.

H. Miscellaneous

1. No employee shall, as an acknowledgment of guilt, be required to write, or affix his signature to, any letter or printed matter which the Company may use as a means of accumulating information for demoting or lowering his classification.

2. Any employee who accuses another employee of misconduct or mishandling of his duties shall be required to appear before the Workmen's Committee, the Management, and the accused to substantiate his accusation.

I. Pay Day

Pay day for employees covered by this agreement will be on or before the first Friday following the close of the pay period unless the Company is prevented from complying with this provision by circumstances beyond its control.

CHEV B8 7124

ARTICLE IX

SETTLEMENT OF DISPUTES AND GRIEVANCES

A. 1. Any employee who feels that he has been subjected to unfair or discriminatory tratment with respect to his conditions of employment as set forth in this agreement shall promptly and personally, within five (5) days of the incident, attempt to adjust the matter with his foreman or appropriate supervisor. This shall be done by a full and free discussion of the matter with the foreman or appropriate supervisor.

2. The foreman or appropriate supervisor will investigate the case, calling upon higher Management—if necessary—to aid him. He shall then give the employee an answer to his complaint, within five (5) days after receiving the complaint.

3. If the answer does not satisfy the employee, he shall so state and advise his foreman or appropriate supervisor, within five (5) days after receiving the answer, which of the following courses he wishes to pursue:

a. Have an authorized Union representative of his choice aid him in the presentation of his case to his foreman or appropriate supervisor. If this request is made, the foreman or appropriate supervisor shall specify the time, not to exceed five (5) calendar days from the time of the employee's request, and the place for such meeting; or

b. take the first step in presenting a grievance.

4. If, at the conclusion of the meeting specified in IX. A. 3. a. the employee is not satisfied, he shall so state and advise his foreman or appropriate supervisor that he is taking the first step in presenting a grievance.

5. The aggrieved employee shall, as the first step of the grievance procedure, attempt to adjust the grievance by an oral discussion with the head of his division; i.e., Operations Superintendent, Chief Engineer or Superintendent-Process Engineering and Quality Control. The aggrieved employee may, if he so wishes, have an authorized Union representative of his choice present for such discussion. The time and place for this grievance discussion shall be designated by the appropriate Division Head and shall be held within five (5) days of the employee's request. The Union will be given the opportunity to have a representative present at the time an adjustment is given.

6. Failing to reach a satisfactory understanding or adjustment, the aggrieved employee, within five (5) days thereafter, shall present in writing his case personally, or through the representative of the Union, to the Refinery Manager. The Refinery Manager shall, within five (5) days from the date of the presentation of the grievance in writing to him, give to the employee, if he presented his case personally, or to the representative of the Union if such representative presented said

CHEV B8 7125

grievance, the written answer of the Company to said grievance, and the representative of the Union shall notify the Refinery Manager in writing within five (5) days from the date on which the Company's answer is given, whether or not the decision of the Company on the grievance will be accepted or whether said decision shall be arbitrated.

7. If notice of arbitration is given, then within fifteen (15) days after the date of notice the Union shall advise the Company in writing and the Company shall advise the Union in writing, the name of an arbitrator. The two arbitrators so appointed shall communicate within thirty (30) days of the date of the written request for arbitration and shall endeavor to reach an agreement. If these two arbitrators fail to reach an agreement, either party may, within forty-five (45) days of the written request for arbitration, notify the other in writing that they wish to select a third arbitrator, or the case shall be considered closed. If a third arbitrator is requested within the time limit, the two arbitrators shall endeavor to make a selection within sixty (60) days of the date of the written request for arbitration. Should they fail to reach an agreement on the third arbitrator they will jointly request of the Federal Mediation Service a list of five (5) names from

which the third arbitrator shall be selected by each party striking one name in alternate manner until only one remains.

B. A majority decision of the Arbitration Committee shall be final and binding on all parties. In such cases, the Company and the Union shall furnish the Arbitration Committee all information in their possession necessary to a full understanding of the subject matter of the grievance.

C. The arbitrators shall have authority only to interpret and to make decisions based upon the provisions of this agreement; and shall not have authority to alter any of the terms of the agreement.

D. 1. In calculating time under this article, Saturdays, Sundays and holidays recognized under this agreement shall not be counted. Time limitations specified herein shall ordinarily be applicable but may be extended by mutual agreement between the parties to the proceeding to take care of unusual cases such as illness or other justifiable absences.

2. The Company and Union will equally divide the expense of the third member, should any be incurred.

E. Where a grievance protests the discharge of an employee, the above procedure, A.1. through A.6. may be waived so as to permit the grievance to be referred directly to arbitration so long as this is done within ten (10) days after the discharge.

CHEV B8 7126

ARTICLE X
MANAGEMENT RIGHTS

A. Subject to the provisions of this agreement, the supervision and control of all operations and the direction of all working forces, such as the determination of the size of the work force; the right to hire, suspend, discipline and discharge for just cause; the establishment of work rules; the assignment of employees to jobs and assignment of duties to employees; are vested in the Company. It is agreed that the provisions of this Article shall not be exercised for the purpose of violating the terms of this agreement.

B. Changes made by the Company in the number of basic jobs in the Operating sections as a specific result of job activity surveys by the Company will not result in layoff of any of the Laboratory, Operating, Maintenance and Filling and Shipping employees covered by this agreement and in Company employment as of August 1, 1961. This provision does not apply to any layoffs due to curtailment of work or shutdown of operating equipment or plants as a result of lack of stock or commitments, which are covered in Article V. B., or resulting from causes beyond the Company's control.

ARTICLE XI
SAVING CLAUSE

If any of the provisions of this contract shall be held invalid by any governmental authority, such actions shall not invalidate the other provisions hereof.

ARTICLE XII
STRIKES AND LOCKOUTS

During the term of this agreement there shall be neither strikes nor lockouts. Suspension of work or refusal to work on the part of any employee will make him subject to discharge provided, however, that the Union will not be liable for such suspension or refusal unless, upon request of the Company, it refuses to order the employees to return to work.

ARTICLE XIII
NON-DISCRIMINATION

A. The Company and the Union agree that there shall be no discrimination against any employee because of race, color, creed or national origin.

B. 1. There shall be no discrimination against any employee with respect to his conditions of employment because of his membership in this labor Union, or on account of any activity undertaken in good faith in his capacity as a representative of other employees.

2. The Union, its officers and members shall not intimidate or coerce employees into joining the Union or continuing their membership therein. Neither shall the employer intimidate or coerce employees into withdrawing from, or refraining from joining the Union.

CHEV B8 7127

ARTICLE XIV

PROCEDURE FOR HANDLING NOTICES

Notices herein provided may be given by depositing the same in the United States mail in a sealed envelope, certified or registered and postage paid, and addressed by one party to the other as follows:

International Union of Operating Engineers
Local No. 552
P. O. Box 9764
El Paso, Texas 79987

Standard Oil Company of Texas
P. O. Box 20002
El Paso, Texas 79998
Attn: Refinery Manager

IN WITNESS WHEREOF the parties have caused this instrument to be executed by their duly authorized representatives the day and year first above written.

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL NO. 552

D. W. Jones, President
R. K. Anderson, Secretary
R. W. Davis, Refinery Manager

EXHIBIT A

REFINERY CLASSIFIED LABORATORY, OPERATING AND MECHANICAL

WAGE SCHEDULE

OPERATING DIVISION

Classification	Symbol	Hourly Rate	Daily Rate
Head Operator A	HOA	$3.68	$29.44
Head Operator B	HOB	3.56	28.48
Head Operator C	HOC	3.43	27.44
Operator A	OA	3.30	26.40
Operator B	OB	3.12	24.96
Helper A	HA	2.89	23.12
Helper B	HB	2.68	21.44
Helper C	HC	2.45	19.60

MAINTENANCE DIVISION

Senior Mechanic	SM	3.56	28.48
Mechanic A	MA	3.43	27.44
Mechanic B	MB	3.12	24.96
Helper A	HA	2.89	23.12
Helper B	HB	2.68	21.44
Helper C	HC	2.45	19.60
Laborer	L	2.15	17.20

STOREHOUSE SECTION

Stockman A	SA	3.43	27.44
Stockman B	SB	3.12	24.96
Stockman Helper A	SHA	2.89	23.12
Stockman Helper B	SHB	2.68	21.44

FILLING AND SHIPPING

Finished Stock Gauger	FSG	3.12	24.96
Carloader Senior	CLS	3.12	24.96
Carloader A	CLA	2.89	23.12
Carloader B	CLB	2.68	21.44
Helper C	HC	2.45	19.60

LABORATORY

Technician A	TA	3.27	26.16
Technician B	TB	3.10	24.80
Technician Helper A	THA	2.95	23.60
Technician Helper B	THB	2.88	23.04
Bottlewasher	BW	2.45	19.60

Shift workers who work any time other than day shift will receive in addition to the above rates, 8c an

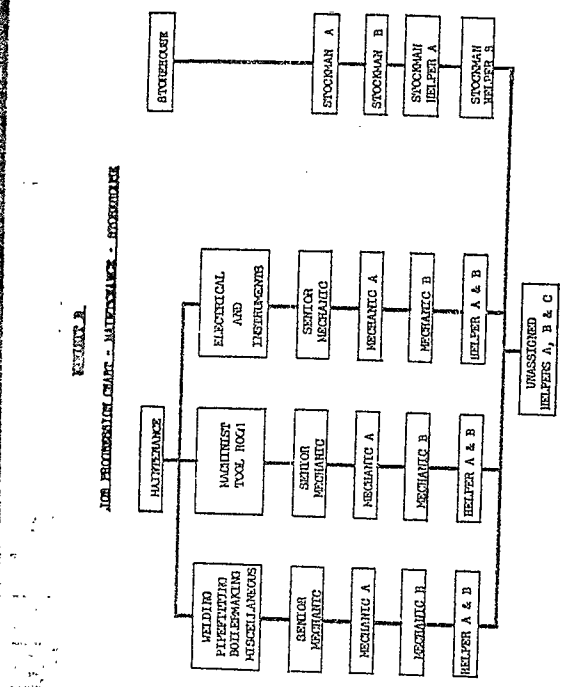
CHEV B8 7128

hour for the No. 3 afternoon shift, or 16c an hour for the No. 1 morning shift.

For all shifts of day workers starting or ending outside the hours of 6:00 a. m. to 6:00 p. m., and for all overtime hours worked, the applicable shift differential shall be paid. Applicable shift differentials are as follows: 8c an hour from 4:00 p. m. until midnight, and 16c per hour from midnight until 8:00 a. m.

Mechanic Helpers enrolled in the Mechanic Training Course and making satisfactory progress shall receive, in addition to the Helper rate and any applicable shift differential an achievement training differential of $0.50 per day after one (1) year from the date of enrollment, and $1 per day after two (2) years from the date of enrollment.

EXHIBIT B



CHEV B8 7129

EXHIBIT C

EXHIBIT C

OPERATORS PROGRESSION CHART SHOWING PROGRESSIONAL SECTIONS AND NORMAL METHOD OF SCHEDULING IN PLANTS

CHEV B8 7130