

MEMORANDUM OF AGREEMENT

Wabtec Corporation

and

~~United~~ Electrical, Radio and Machine Workers of America (UE)
and its Affiliated Local Union No. 506 and Local Union No. 618

This Memorandum of Agreement ("Agreement") entered into between WABTEC CORPORATION ("Company") and the UNITED ELECTRICAL, RADIO AND MACHINE WORKERS OF AMERICA, and its LOCAL UNION NO. 506 and LOCAL UNION NO. 618 (collectively, the "Union") shall be applicable to and binding upon the Company, the Union and employees represented by the Union (the Company and the Union are sometimes referred to as the "Parties" and each as a "Party").

The Parties, therefore, agree to the following:

Article I. WAGES AND BENEFITS

During the Term of this Agreement, the Company will make no changes to wages, shift differentials and benefits (including Income Aid Extension) for employees in the bargaining units represented by the Union, unless the Parties establish different wages, hours, benefits and other working conditions as part of a newly negotiated collective bargaining agreement.

Article II. RECOGNITION

Section 1. Recognition. The Company recognizes the Union as the exclusive bargaining agent for purposes of collective bargaining with respect to rates of pay, wages, hours and conditions of employment for the following bargaining units:

All hourly production, maintenance, testing, and warehouse employees of Wabtec Corporation at its manufacturing Plant located in Erie, Pennsylvania (the "Erie Plant"), excluding all other employees, including, but not limited to, all employees at the Erie Plant who are represented by other local or international unions, office clerical, professional, managerial, and confidential employees, and all guards and supervisors as defined in the National Labor Relations Act, as amended.

and

All laboratory and plant clerical employees of Wabtec Corporation at its manufacturing Plant located in Erie, Pennsylvania (the "Erie Plant"), excluding all other employees, including, but not limited to, all employees at the Erie Plant who are represented by other local or international unions, office clerical, professional, managerial, and confidential employees, and all guards and supervisors as defined in the National Labor Relations Act, as amended.

Article III. UNION SECURITY AND DUES CHECKOFF

Section 1. Union Security. Subject to applicable law, all employees who shall, as a condition of employment, become and remain members of the Union in good standing insofar as the payment of periodic dues and initiation fees, uniformly required, is concerned.

Section 2. New Employees. Subject to applicable law, all employees hired after the Effective Date of this Agreement shall, beginning on the thirtieth (30th) day following the commencement of their employment with the Company, as a condition of employment, become and remain members of the Union in good standing insofar as the payment of periodic dues and initiation fees, uniformly required, is concerned.

Section 3. Dues Check-Off. The Company agrees to deduct Union dues (including the Union's initiation fee, if any) from the wages paid on a bi-weekly basis to employees within the bargaining unit covered by this Agreement and promptly remit to the Financial Secretary-Treasurer of UE Local 506 and the Financial Secretary-Treasurer of UE Local 618 all such deductions, provided that the Company receives from each employee on whose behalf such deductions are to be made a written assignment authorizing such deductions ("Authorization").

Section 4. Dues Increases. The Union will promptly notify the Company of any change in Union dues.

Section 5. Authorization Forms. The Authorization required under this Article shall be any form designated by the Union, subject to approval by the Company and compliance with applicable law.

Section 6. Indemnification. The Union shall indemnify and save the Company harmless against any and all claims, demands, actions or other forms of liability that may arise out of, or by reason of, any action taken by the Company in reliance on the terms of this Article or at the request of the Union with regard to compliance with this Article.

Article IV. DISCIPLINE

Section 1. Disciplinary Action. The Company agrees that, during the term of this Agreement, bargaining unit employees will be disciplined or discharged only for just cause.

Section 2. Disciplinary Notice. Whenever an employee covered by this Agreement receives a written warning, suspension or is discharged by the Company, notice of such action will be provided to the Union.

Article V. COMPANY COMMITMENTS

Section 1. Plant Closure. During the Term of this Agreement, the Company will not close the Erie Plant.

Section 2. Hiring Commitment. During the Term of this Agreement, the Company will not hire any new bargaining unit employees or temporary employees.

Section 3. No Layoffs. During the Term of this Agreement, the Company will not permanently lay off any bargaining unit employees.

Section 4. Relocation of Products. During the Term of this Agreement, the Company will not permanently assign the manufacture of any products manufactured in the Erie Plant to a different Company facility; however, the Company retains the right to relocate or subcontract work on a temporary basis in order to meet customer commitments. The Company will provide seventy-two (72) hours advance notice to the Union prior to the relocation or subcontracting of work; however, the notice requirement will be waived with respect to subcontracting of any work if the Company does not have sufficient overtime volunteers to perform such work.

Section 5. Work Week. During the Term of this Agreement, the Company will not modify the normal work week for any bargaining unit employee without the agreement of the Union.

Article VI. DISCRIMINATION AND COERCION

Section 1. Prohibition on Employment Discrimination.

(a) The Company will ensure equal employment opportunities to all employees in all aspects of the employment relationship and to prohibit discrimination and harassment against any employee or applicant based on race, color, religion, creed, sex/gender, sex assigned at birth, national origin, citizenship, age (40 or older), disability (mental, physical or visual), genetic information, marital status, sexual orientation, transgender identity, gender identity, gender expression, status as a disabled veteran, veteran or as a member of the National Guard or Military Reserve, or any other characteristic protected by applicable federal, state, or local law.

(b) Neither the Company, nor any of its managers, supervisors or representatives, will discriminate or retaliate against any employee because such employee is a member of, or acting as an officer, steward or other agent or representative of the Union, or engages in any protected concerted activities.

Section 2. Union's Commitment to Non-Discrimination.

(a) The Union shall not discriminate against any employee on account of race, color, religion, creed, sex/gender, sex assigned at birth, national origin, citizenship, age (40 or older), disability (mental, physical or visual), genetic information, marital status, sexual orientation, transgender identity, gender identity, gender expression, status as a disabled veteran, veteran or as a member of the National Guard or Military Reserve, or any other characteristic protected by applicable federal, state, or local law.

(b) Neither the Union, nor any officer, steward or other agent or representative, shall intimidate or coerce any employee based upon his/her membership status in the Union, or his/her participation in, or refusal to participate in, any protected concerted activities.

Section 3. Accommodation of Disabilities. The Company and the Union agree to cooperate in providing reasonable accommodations to employees with known disabilities, if such accommodations would not impose an undue hardship on the Company and would enable the applicant or employee to perform the essential functions of his/her job.

Article VII. OVERTIME

Section 1. Overtime Assignments. The Company may offer overtime including, but not limited to, before or after weekday shifts, on weekends and holidays, as necessary depending on the needs of the business. The Company will attempt to provide employees with as much flexibility and advance notice of overtime assignments as possible.

(i) The Company will develop a weekly calendar designating the dates that overtime work may be available in each department. Every employee may volunteer for overtime by signing the weekly Overtime List in the applicable department designating the days they are available to work overtime. Signing the Overtime List does not guarantee that overtime work will be available for any employee on any particular date or that any employee will be required to work overtime.

(ii) Overtime will be offered on a seniority basis to those qualified employees in the department on the Overtime List on the designated days, based upon business needs. An employee will be deemed to be qualified to perform the work if the employee can perform the work with minimal training.

(iii) Overtime shifts will be distributed equally among those qualified employees who volunteer to work the designated overtime shifts. If there are an insufficient number of employees signed up for overtime on any overtime shift, the Company will canvass qualified employees to solicit additional volunteers.

(iv) An employee who indicates that he/she is available to work overtime on a particular overtime shift will be expected to report for the overtime assignment.

(v) A record of overtime worked by employees will be maintained by supervision and will be available for examination by employees upon request and will be available for examination by employees or Stewards upon request.

(vi) The Union agrees that its officer and stewards will not coerce, prevent or restrain, in any way, any qualified employees to prevent them from performing overtime work. Further, the Union, its officers and stewards shall encourage employees to volunteer for overtime as requested by the Company.

(vii) If the Company does not obtain sufficient volunteers to perform overtime work, the Company may utilize non-bargaining unit Wabtec employees to complete the necessary work assignments.

Section 2. Overtime Premium. Employees will receive premium pay equal to one and one-half times (1 1/2 X) the employee's regular straight-time hourly wage rate for all hours worked under the following circumstances:

- (a) In excess of eight (8) hours in any single workday; or
- (b) In excess of forty (40) hours in any given workweek; or
- (c) In excess of eight (8) hours in any continuous twenty-four (24) hour period beginning at the starting time of the employee's shift; or
- (d) After working his regular schedule, if on multiple shifts of less than eight (8) hours each; or
- (e) If working a Monday-Friday shift schedule, all hours worked on Saturday.
- (f) Paid time for holidays, vacation, bereavement, and all other compensated non-working time will be considered hours worked for overtime purposes.

Section 3. Double Time. Employees will receive premium pay equal to two times (2X) the employee's regular straight-time hourly wage rate for all hours worked under the following circumstances:

- (a) On his/her seventh consecutive day of work; or
- (b) If working a Monday-Friday shift schedule, all hours worked on Sunday;
or
- (c) In excess of twelve (12) hours in a single workday; provided that an employee who shall have worked in excess of twelve (12) hours in any single workday, and who shall be required to continue at work beyond that workday, shall continue to be paid at the double time rate for hours worked until he shall have been relieved from work.

Section 4. Double time and overtime premiums shall not be duplicated or pyramided.

Article VIII. EMPLOYEE BENEFITS

Section 1. Benefit Plans. The Union agrees to the retirement and welfare plans offered by the Company.

Section 2. Family and Medical Leave. Employees who are on approved Family and Medical Leave (FMLA) during the Term of this Agreement will not be required to utilize any accrued vacation during the period of such FMLA leave. Employees will have the option to utilize vacation during any approved FMLA leave.

Article IX. GRIEVANCES

Section 1. Grievance: Defined. A Grievance is defined as any dispute between the Parties or any dispute over the discipline or discharge of a bargaining unit employee.

Section 2. Extensions. Any time limit established in the grievance procedure may be extended by mutual written agreement of the Parties.

Section 3. Grievance Procedure. Grievances will be processed in accordance with the procedures outlined below:

(a) Step 1. An employee who has a grievance shall first discuss the grievance with his/her designated supervisor in an effort to settle the dispute within seven (7) calendar days from the time that the employee knew or should have known of the facts and circumstances giving rise to the grievance. An employee may do this personally or with the assistance of a Union steward.

(b) Step 2. If not satisfactorily resolved at Step 1, the grievance may be submitted in writing, signed by the employee(s) or his/her steward, and presented to the plant manager (or his/her designee) with a copy provided to the applicable Labor Relations representative. The written grievance must contain the facts of the case, the paragraph(s) of the Agreement alleged to have been violated and the relief sought.

(i) In order to be considered, grievances must be submitted within seven (7) calendar days after the Step 1 discussion.

(ii) The designated Labor Relations representative of the Company will meet with the employee and his/her steward to discuss the grievance within fourteen (14) calendar days, unless an extension is agreed upon in writing.

(iii) After the Step 2 meeting, the Company will provide a written answer to the grievance within seven (7) calendar days. The answer shall be sent to the employee, steward, and the Union. If the Labor Relations representative does not answer the grievance within seven (7) calendar days after the Step 2 meeting, the grievance will automatically be deemed to advance to the next step in the grievance procedure.

(c) Step 3. If the Company's answer does not resolve the grievance acceptably to the Union, the Union may appeal to the Labor Relations Manager (or his/her designee), provided the appeal is filed within seven (7) calendar days after the answer is received.

(i) Upon receipt of an appeal, the Labor Relations Manager (or his/her designee) will make a complete and thorough review of facts and circumstances underlying the grievance, request any additional information, or conduct any further investigation he/she feels is necessary.

(ii) If the Labor Relations Manager (or his/her designee) believes that the written record provides adequate documentation to answer the grievance, he/she shall so notify the Union. Under such circumstances, the Labor Relations Manager (or his/her designee) will provide a written answer to the Union within fourteen (14) calendar days after receipt of the appeal.

(iii) If the Labor Relations Manager (or his/her designee) believes that additional information is required, he/she may request a meeting to review the grievance with the employee and a Union representative. If the Labor Relations Manager (or his/her designee) conducts a Step 3 meeting, the written answer will be provided within fourteen (14) calendar days after Step 3 meeting.

(d) Step 4. If the decision of the Labor Relations Manager (or his/her designee) does not resolve the grievance, the Union may request that the grievance be submitted to final and binding arbitration, provided the arbitration demand is submitted to the Company within thirty (30) calendar days after receipt of the Step 3 answer. If the Step 3 answer is not appealed to arbitration within thirty (30) calendar days, the Step 3 answer will be considered final and binding on the employee, the Company, and the Union.

Section 4. Arbitration. Arbitrations will be heard by one neutral arbitrator, who shall be a licensed attorney and member of the National Academy of Arbitrators.

(a) Arbitrator Selection. If the parties are unable to mutually agree on a neutral arbitrator within seven (7) calendar days of a timely arbitration demand, the Union shall have an additional seven (7) calendar days to request from the American Arbitration Association (AAA) a panel of seven (7) arbitrators qualified under the terms of Section 1 above. The parties will take turns striking names from the list, with the order of strikes determined by a coin flip. Notwithstanding the foregoing, each party will have the right to reject an entire panel and request submission of another panel in its entirety, in which case the Union must request another panel immediately.

(b) Hearing. The arbitration hearing will be conducted at a mutually agreeable site and in accordance with the then-current AAA Labor Arbitration Rules. Each party will have the unqualified right to be represented by legal counsel in the arbitration hearing and to file post-hearing briefs. Each party will pay one-half (1/2) of the expenses of the arbitration (including the arbitrator's fee, the cost of the meeting room of the hearing, any transcript of the hearing, and any other expenses).

(c) Jurisdiction. No arbitrator will have the authority to add to, subtract from, or in any way change any of the terms or conditions of this Agreement, or to modify, set aside or extend such terms and conditions. Nor shall any proposal to amend, modify, or change any of the terms of this Agreement, or to change, fix, or establish any economic or non-economic terms and conditions of employment for bargaining unit employees that are subject to collective bargaining under applicable law be subject to arbitration under this Article. The arbitrator shall confine his/her decision to the interpretation and/or application of this Agreement.

(i) Multiple grievances will not be arbitrated by the same arbitrator except by mutual agreement of the Parties.

(ii) The decision of the arbitrator will be final and binding on the Company, the Union and the aggrieved employee.

Section 5. Representation. Employees will have the unqualified right to be represented by a Union representative at all steps under the grievance procedure set forth in this Article.

Article X. STRIKES AND LOCKOUTS

Section 1. No Strikes. During the term of this Agreement, neither the Union (including its officers, agents, representatives, or members) nor any employee covered by this Agreement shall in any way, directly or indirectly, authorize, cause, assist, encourage, participate in, ratify or condone any strike (whether it be an economic strike, sympathy strike, unfair labor practice strike, or otherwise), slow down, walkout, boycott, or any other interference with the Company's operations, including any refusal to cross a picket line established by any other labor organization or party.

Section 2. Disciplinary Action. Any employee who violates this Article may be subject to disciplinary action. The Union will make every effort to stop or discourage any action prohibited by this Article.

Section 3. No Lockouts. The Company agrees that there shall be no form of lockout during the term of this Agreement.

Article XI. UNION REPRESENTATIVES

Section 1. Union Officers. The Company will recognize employees that are currently designated as Officers, Executive Board Members, Stewards and Chief Stewards by the Union as Officers, Executive Board Members, Stewards and Chief Stewards under these Initial Terms. Executive Board members will be provided with unpaid leave to attend collective bargaining meetings between the Company and the Union.

Section 2. Paid Union Time. Employees who are union representatives who are not on leave of absence for Union business will be paid by the Company at their straight-time hourly wage rate for all time lost from their regularly scheduled shift representing employees in meetings with management and/or while accompanying OSHA official(s) during an inspection at the Erie Plant. Stewards and chief stewards requesting payment for Union business shall report such time to their supervisor on the day of occurrence prior to the end of their shift.

Section 3. Stewards. A Steward or Chief Steward shall not leave his/her job without permission of his/her supervisor and shall not contact another employee on Union business without prior permission of that employee's supervisor.

Section 4. Leave of Absence for Union Business. Employees who are on approved leaves of absence for Union business will remain on the Company's active payroll (for a work week of not more than forty (40) hours) and will be eligible to continue participation in retirement, health and welfare plans provided by the Company during such leaves by paying the regular employee contributions for whatever benefit coverages they elect.

(a) The Union will reimburse the Company for the total payroll cost of providing wages to employees on leave of absence for Union business. Such reimbursement will include the actual costs paid by the Company for hourly wages (excluding paid holidays, vacations, Personal Illness days and other paid leave), employer portion of Social Security tax, employer portion of Medicare tax, state unemployment tax, federal unemployment tax and workers' compensation tax.

(b) The Company will pay for paid holidays, vacation and sick/personal time for employees on leaves of absence for Union business as well as the employer contribution for health and welfare and retirement plans. Employee contributions for retirement or health and welfare plans will be deducted from the employee's paycheck.

(c) The Company will send the local Union a monthly invoice detailing the payroll costs subject to reimbursement under this Section. Such invoices will be paid promptly by the Union upon receipt. If there is any dispute regarding the amount of the invoice, the Union will promptly pay the undisputed portion of the invoice.

(d) If any invoice remains unpaid by the Union for thirty (30) days after receipt (other than any disputed amount), the Company will have the option to discontinue its obligations to provide wage and benefits to Union officials under this Section.

(e) If and when an employee returns from a leave of absence for Union business, the employee will be placed on a job on the shift he/she worked prior to such leave in the same job classification at his/her wage rate in line with seniority. If the employee does not have the seniority to hold a job in his/her previous job classification, the employee may be placed in a job based upon his/her seniority.

(f) No more than four (4) employees will be permitted to take leaves of absence for Union business at any one time.

Article XII. TERM

Section 1. Effective Date. This Agreement will be effective once this Agreement is executed by the Company and the Union.

Section 2. Term. Once effective, this Agreement shall continue in full force and effect until the earlier of: (a) ninety (90) days, or (b) ratification of a collective bargaining agreement between the Parties. The Parties may agree to extend the term of this Agreement on mutual consent.

Article XIII. FUTURE NEGOTIATIONS

During the term of this Agreement, the Parties expressly reserve the right to negotiate terms and conditions of employment for bargaining unit employees covered by this Agreement. Nothing in this Agreement constitutes a waiver of any Party's right to negotiate about any lawful bargaining subject nor any party's position on any legal or collective bargaining issues.

THIS AGREEMENT IS SUBJECT TO APPROVAL BY THE UNION'S EXECUTIVE BOARD.

THIS AGREEMENT IS SIGNED ON THIS 6th DAY OF March, 2019.

UNITED ELECTRICAL, RADIO AND
MACHINE WORKERS OF AMERICA,
and its LOCAL UNION NO. 506 and
LOCAL UNION NO. 618

WABTEC CORPORATION

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