

AGREEMENT ON COOPERATION AND DEFENSE BETWEEN
THE UNITED STATES OF AMERICA AND PORTUGAL

LABOR AGREEMENT

Preamble

Pursuant to the Agreement on Cooperation and Defense,
namely its Article IV, Paragraph 2, and

Recognizing that employment relations should be developed
in a sound atmosphere between employer and employee;

Determined to promote and maintain employment conditions
that guarantee security and equal treatment to all
employees;

The United States of America and Portugal, hereinafter
referred to as the Parties;

Have agreed to the following:

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ARTICLE 1

Scope

1. This Labor Agreement and the Work Regulation derived therefrom govern employment relations between the United States Forces Azores, hereinafter referred to as USFORAZORES, and its Portuguese employees.
2. The Work Regulation has the same force and effect as the Labor Agreement and specifies the implementation of the principles enshrined herein and will be approved and modified according to the appropriate procedures of each party.
3. USFORAZORES may issue internal regulations concerning management and the fulfillment of labor tasks, which will be submitted to the Commander, Air Base 4 for review and comment prior to issuance.

ARTICLE 2

Functional Relations

1. In administering the provisions of this Agreement and the Work Regulation, and in order to contribute to the development of a solid labor relationship, the following levels of intervention will be applicable:
 - a. First level - Commander, Air Base 4/USFORAZORES Commander
 - b. Second level - Labor Committee
 - c. Third level - Standing Bilateral Commission, established by Article III of the Agreement on Cooperation and Defense.
2. Both parties, at each level, shall utilize all the possibilities of these functional relations in the most effective way so that the maximum number of issues can be resolved at the lowest possible level.

ARTICLE 3

Professional Classification System

1. Employees are classified in accordance with the official United States Classification System.
2. An employee's right to appeal the title, series, grade, or pay plan of his/her assigned position is vested solely within this system.

ARTICLE 4

Pay Rates

1. USFORAZORES will annually review pay rates based on a survey of prevailing rates on Terceira Island according to procedures contained in the Work Regulation.
2. In the event the wage survey produces a reduction in the wage schedules, the existing schedule will continue.

ARTICLE 5

Labor Positions

USFORAZORES will not place United States citizens either in full or part-time employment in positions held in the past by Portuguese national employees solely to avoid the recruitment or placement of the latter, unless no qualified Portuguese candidates are referred.

ARTICLE 6

Work Contract

1. Portuguese employees are bound to USFORAZORES by a work contract which is manifested by a position description and other documents.

2. The contract identifies the pay plan, occupational series, and grade of the employee's current position as well as the major duties and responsibilities of the job which are listed in the position description.

3. The terms of the work contract may be changed in accordance with appropriate procedures as described in the Work Regulation.

ARTICLE 7

Recruitment

1. The Commander, Air Base 4, through the Civilian Personnel Recruitment Section (SRPC), is responsible for referral of USFORAZORES Portuguese national employees.

2. Such referral shall be exercised upon request by USFORAZORES in accordance with the procedures outlined in the Work Regulation.

ARTICLE 8


Rights and Responsibilities of the Employees

As recognized by this Agreement and the Work Regulation:

1. The employees have the following rights:

- a. To exercise their rights freely without fear of penalty or reprisal; and
- b. To engage in outside activities of their own choice without being required to report them to USFORAZORES, unless such activities interfere with their official duties or are construed to conflict with USFORAZORES mission requirements.

2. The employees have the following responsibilities:

-  a. To treat their employer, their superiors, other employees, and all personnel who are related to USFORAZORES, with loyalty and respect;

- b. To report assiduously and punctually to work and perform their duties with loyalty and dedication;
 - c. To comply with USFORAZORES directives pertaining to performance and job discipline, unless such directives are incompatible with their rights;
 - d. Not to divulge restricted information concerning the USFORAZORES organization;
 - e. To maintain in good condition all material provided by USFORAZORES for the accomplishment of their jobs;
 - f. To promote actions aimed at improving the productivity of USFORAZORES;
 - g. To comply fully with the terms of his/her individual work contract and its guiding rules;
 - h. To strictly observe hygiene and safety rules; and
 - i. To comply with military security regulations.
3. Special provisions for female employees will be prescribed in the Work Regulation.

ARTICLE 9

Rights and Responsibilities of the Employer

As recognized by this Agreement and the Work Regulation:

1. The employer has the following rights:
 - a. To determine its mission, budget, organization and number of employees;
 - b. To hire, assign, direct, lay off and retain employees;
 - c. To take disciplinary action; and
 - d. To assign work, make selections for appointment, and determine qualifications of employees.

2. The employer has the following responsibilities:

- a. To respect the employees as an integral element of the organization and to treat them with civility;
- b. To pay a fair wage to the employees;
- c. To provide employees with good working conditions, from both a physical as well as morale standpoint;
- d. To contribute to the increase of the level of employee productivity;
- e. To compensate employees for damages caused by occupational disease or injuries sustained from on-the-job accidents; USFORAZORES may transfer this responsibility to an insurance company;
- f. Not to deny the rights of the employees;
- g. To provide the employee, upon request, with documents for official purposes which must be issued by USFORAZORES;
- h. To present awards to the employees who have distinguished themselves for their competence, zeal or dedication;
- i. To allow employees to hold office in labor union organizations and in the Committee of Employee Representatives;
- j. To provide, whenever feasible, professional training and improvement to the employees; and
- k. To comply fully with the work contract.

3. Notwithstanding the previous paragraph, USFORAZORES may take the necessary actions to carry out its mission during emergencies.

ARTICLE 10

Committee of Employee Representatives

1. The employees, whenever they deem appropriate, may be represented by the Committee of Employee Representatives, hereinafter referred to as CRT.
2. The composition, rights and responsibilities, and the procedural and electoral rules of the CRT are stipulated in the Work Regulation.

ARTICLE 11

Work Schedule

The regular work period for full-time employees shall be eight (8) hours per day, forty (40) hours per week, unless a different period is prescribed in the Work Regulation.

ARTICLE 12

Social Security Contributions

USFORAZORES and its employees will submit contributions to Social Security as set forth in Portuguese law.

ARTICLE 13

Termination of Work Contract

1. Work contracts may be terminated only for appropriate reasons and employees may not be separated for political or ideological reasons.
2. Termination of work contract may occur due to:
 - a. Expiration;
 - b. Retirement due to old age or disability;
 - c. Revocation by mutual agreement;

- d. Removal with just cause promoted by USFORAZORES;
- e. Recision on employee's initiative;
- f. Recision by either party during the trial period; or
- g. Collective removal, including but not limited to lack of work, lack of funds, organizational realignment or other mission changes.

3. Termination of work contract with indemnity may occur due to:

- a. Revocation by mutual agreement; or
- b. Collective removal as defined above.

4. The indemnity payable to employees who have their employment terminated under the terms specified in paragraph 3 is computed as one month's pay, including English language bonus, for each full year of creditable service at the rate received immediately before separation. In no case shall an eligible employee receive less than three months' pay.

ARTICLE 14

Labor Committee

1. A Labor Committee is established to ensure proper implementation of this Labor Agreement and the Work Regulation and to serve as a channel for continuing consultation between the two Parties.

2. This committee will:

- a. Act as the second level for the resolution of individual employee work related complaints as prescribed in Article 2.
- b. Resolve any questions referred to it regarding interpretation of the Agreement and the Work Regulation.
- c. Consider the need and make recommendations to the Standing Bilateral Commission for the revision of this Labor Agreement and Work Regulation.

3. The Labor Committee shall be composed of not more than three representatives appointed by each Party including a labor relations specialist on each side.

4. The Committee shall determine its own procedures and all decisions will be made by consensus.

ARTICLE 15

Dispute Resolution

1. In addition to administering the provisions of this Agreement and the Work Regulation, the multi-level intervention process specified in Article 2 shall also be used for the resolution of disputes involving employee complaints.

2. The implementation of this mechanism must be done in a way which recognizes the sovereignty, constitutional and legal structures of each Party, and the rights of their citizens.

3. In the event that all measures available in the three-level bilateral process are exhausted without reaching a resolution of a particular labor-management dispute, and should such a matter be further contested by a Portuguese employee resulting in a judgment in a court of law, without the intent to provide for a review of the court's decision, both the United States and Portugal recognize that this situation would create an issue for resolution between them as sovereign states within the framework of the Standing Bilateral Commission.

ARTICLE 16

Processing Complaints

1. Employees have the right to submit an oral or a written complaint to their superiors in accordance with the Work Regulation.

2. If the complaint proceeds upwards and is not resolved at the first level described in Article 2, the employee may appeal, directly or through the CRT, to the Labor Committee and, if still unresolved, subsequently to the Standing Bilateral Commission.

ARTICLE 17

Competent Court

1. The Court of the Judicial District of Angra do Heroismo is the competent court to judge eventual proceedings resulting from work contracts.
2. In all such lawsuits against the employer, the named defendant will be the United States of America.
3. Service of process will be in conformity with the Hague Convention on Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965.

ARTICLE 18

Entry Into Force

This Labor Agreement will enter into, and remain in force, under the terms of Article X of the Agreement on Cooperation and Defense.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective governments, have signed this Agreement.

DONE at Lisbon on this first day of June, 1995, in duplicate, in the English and Portuguese languages, each being equally authentic.

FOR GOVERNMENT OF
THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF
THE PORTUGUESE REPUBLIC:

