

**MINNEAPOLIS / ST. PAUL MASTER  
COLLECTIVE BARGAINING AGREEMENT**

**between**

**[Company Name]**

**and**

**Service Employees International Union (SEIU)**

**Local 26, CtW, CLC**

**Effective:**

**April 12, 2008**

**through**

**December 31, 2012**

## TABLE OF CONTENTS

AGREEMENT .....	3
WITNESSETH.....	3
ARTICLE 1: TERRITORIAL JURISDICTION.....	3
ARTICLE 2: RECOGNITION .....	3
ARTICLE 3: UNION MEMBERSHIP .....	3
ARTICLE 4: NON-DISCRIMINATION.....	4
ARTICLE 5: TRAINING.....	5
ARTICLE 6: MEDICAL/PHYSICAL REQUIREMENTS.....	5
ARTICLE 7: JOB CLASSIFICATIONS.....	5
ARTICLE 8: WAGES .....	6
ARTICLE 9: OVERTIME .....	7
ARTICLE 10: HOLIDAYS.....	7
ARTICLE 11: VACATIONS .....	7
ARTICLE 12: LEAVE OF ABSENCE .....	8
ARTICLE 13: INSURANCE.....	9
ARTICLE 14: SENIORITY .....	10
ARTICLE 15: JOB VACANCIES .....	11
ARTICLE 16: MANAGEMENT RIGHTS .....	11
ARTICLE 17: NO STRIKES, PICKETING, LOCKOUTS .....	12
ARTICLE 18: GENERAL.....	13
ARTICLE 19: DISCIPLINE PROCEDURES .....	14
ARTICLE 20: GRIEVANCE & ARBITRATION PROCEDURE.....	15
ARTICLE 21: SEVERABILITY .....	17
ARTICLE 22: BIDDING PROCEDURE.....	17
ARTICLE 23: 401K .....	17
ARTICLE 24: WAIVER.....	17
ARTICLE 25: TERMS & DURATION OF AGREEMENT .....	18
APPENDIX A: PREVAILING WAGE ACCOUNTS .....	19

**AGREEMENT**

This Agreement is made and entered into as of the 12<sup>th</sup> day of April, 2008, between [Company Name] (hereinafter called the “Company”) and the Service Employees International Union (SEIU), Local 26, Change to Win, (hereinafter called the “Union”).

**WITNESSETH**

WHEREAS, the employees of the Company have elected to bargain collectively with the Company, and for said purpose a majority of same have affiliated themselves as members of the Service Employees International Union Local 26, an affiliate of Change to Win, and have chosen said Union to bargain collectively on their behalf for wages, hours of employment and working conditions.

**ARTICLE 1: TERRITORIAL JURISDICTION**

- 1.1 The covered territory in this agreement shall be defined as the geographic territory within the Minneapolis and St. Paul corporate city limits.
- 1.2 “Most Favored Nations:” No agreement shall be made by the Union with other Companies in this industry which contains any terms more favorable to any Company than the terms of this agreement, including Territorial Jurisdiction. The Union agrees to inform the Company upon the signing of this Agreement by any new signatory.

**ARTICLE 2: RECOGNITION**

- 2.1 The Company recognizes the Union as the exclusive bargaining agent for its employees engaged in the contract security industry, wherever employed in the covered territory, performing security services, including all full-time and part-time security guards/officers, including working lead personnel employed in office buildings, public buildings, public arenas, convention centers in locations where the Union represents the janitorial employees in the Twin Cities Metropolitan Area, but exclusive of:
  - a. All executive, salaried supervisors, sales employees, clerical, professional, as defined by law and all other non- security/guard/officer position employees of contract security companies.
  - b. Hourly Paid Supervisors, Foremen. An “hourly paid supervisor” or “foreman” is defined as an employee with the authority to hire, discharge, discipline or otherwise effect changes of the status of employees on a job.

Whenever the word “Company” is used in this Agreement, it shall apply only individually to the employees covered by this Agreement, and not to any of those excluded; and none of the provisions of this Agreement shall apply to the excluded employees.

**ARTICLE 3: UNION MEMBERSHIP**

- 3.1 **Union Shop:** The Company agrees that all employees presently employed and all new employees, in covered territory as defined in Article 1, shall, as a condition of employment, join

the Union within thirty (30) days after the effective date of this Agreement and shall continue their membership during the life of this Agreement.

- 3.2 **Dues Withholding:** The Company agrees to withhold from the wages of each employee working over twenty-four (24) hours or more in any calendar month, and pay to the Union, all initiation fees and dues required by the Union. The Company will deduct such dues on the first pay period of each month and immediately forward the amount with a list of employees' names and the addresses and deductions of each to the Union. The Union will notify the Company in advance of any changes in dues, in writing. The Union agrees to indemnify and save harmless the Company from any and all liabilities it may suffer as a result of agreeing to be bound by Article 3, including court costs and reasonable attorneys' fees.
- 3.3 **Probationary Employees:** All new employees hired after the effective date of this Agreement shall not be considered regular employees of the Company until after a probationary period of ninety (90) days. During the probationary period the employees will be represented by the Union, and will be covered by any of the terms and conditions, unless otherwise noted herein, of this Agreement but may be discharged without cause and without recourse to the grievance procedure of this Agreement.
- 3.4 **COPE Check-off:** The Company agrees to make payroll deductions for each employee who had authorized such deductions in writing in amounts and at the times stated in the authorization into the Unions Committee on Political Education Fund. The Company agrees to remit the amount deducted to the Union within seven (7) days after the deductions are made by the Company. The Company shall retain ½ of 1% of the amount deducted as the reimbursement to the Company.
- 3.5 **Union Obligation:** The Union will provide all new members with a copy of the wage rates within thirty (30) days of their application to the Union.

#### **ARTICLE 4: NON-DISCRIMINATION**

- 4.1 The Union and the Company agree they shall not discriminate in violation of federal or state law against any applicant or employee in hiring, promotions, assignments, suspensions, discharge, terms and conditions of employment, wages, training, recall or lay-off status, because of race, color, ancestry, religion, creed, national origin, age, sex, maternity status, sexual orientation or against a qualified individual with a disability (defined by the Americans with Disabilities Act). No employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union.
- 4.2 **Subsequent Proceedings:** The negotiations which culminated in this Agreement were an equal effort by both the Company and the Union with equal responsibility for the results. Therefore, in the event the Company is charged or sued because of an alleged equal employment violation arising out of these terms and conditions of this Agreement, on the basis of race, creed, color, age, religion, national origin, sex, disability, veteran status, marital status or Union membership (under state, federal or local laws or regulations), the Union shall be immediately joined as a party to such charge or suit and the Union agrees to defend the Company's position and bear equally all responsibility and costs that may result from such proceedings.

## **ARTICLE 5: TRAINING**

- 5.1 Representatives of the Union and the Company shall meet and confer to establish a joint labor and management industry undertaking in an effort to the extent possible and practical to develop an organized planned system of training and accreditation, identifying client's needs, surveying security practices and developing a measurable qualifications program.
- 5.2 **Training Documents:** All employees are required to sign any document that the Contractor provides to substantiate training, i.e., safety, MSDS, OSHA, etc.
- 5.3 The Company will provide proper equipment and site-specific training to reasonably protect officers.
- 5.4 **Post Orders** by necessity are general guidelines and to the extent possible shall reflect site-specific job requirements of the Company and the Client.

## **ARTICLE 6: MEDICAL/PHYSICAL REQUIREMENTS**

- 6.1 **Medical Examination:** In any case where there is a question as to the employee's ability to carry on or do the work, the Company shall have the right to require a medical/physical examination, and if such employee is found to be medically/physically unfit to perform the essential elements of their position, the employment relationship may be terminated. The Company shall also have the right to require a medical/physical examination of all new employees. The Company shall pay the expense of such examination.
- 6.2 **Drug Testing:** The Company reserves the right to establish and enforce any lawful policy concerning employee use, possession or transfer of drugs or testing for drugs as a condition of employment. In the event there are reasonable grounds to suspect an employee is using drugs or under the influence of drugs on the job, the Company reserves the right to impose any and all discipline, including termination for refusal to submit to lawful testing. The Company shall pay the expense of such drug testing.
- 6.3 **Security and Background:** The Company reserves the right to conduct necessary personal background investigations. Any refusal to supply or authorize access to information or lack of cooperation on the part of the employee in the course of such investigation may result in termination of employment and should be considered just cause. Failure to meet State or Federal requirements will be just cause for termination. The Company will be responsible for the cost associated with background checks for union members in good standing.
- 6.4 **Fingerprinting** may also be required. Any refusal to supply or authorize access to information or lack of cooperation on the part of the employee in the course of such investigation may result in termination of employment.

## **ARTICLE 7: JOB CLASSIFICATIONS**

For the purpose of this Agreement the following classifications will be applicable:

- 7.1 **Full-Time Security Officers:** Regularly scheduled employees who work thirty-five (35) or more hours per week who perform security duties.
- 7.2 **Part-Time Security Officers:** Regularly scheduled employees who work less than thirty-five (35) hours per week, who perform security duties.

**ARTICLE 8: WAGES**

8.1 Employees will receive not less than the following minimum wage rates:

	<b>Upon Ratification</b>	<b>1/1/2009</b>	<b>1/1/2010</b>	<b>1/1/2011</b>	<b>1/1/2012</b>
<b>1st Year of Employment</b>	\$10.50	\$11.00	\$11.50	\$12.00	\$12.50
<b>2nd Year of Employment</b>	\$10.85	\$11.35	\$11.85	\$12.35	\$12.85
<b>3rd Year of Employment</b>	\$11.20	\$11.70	\$12.20	\$12.70	\$13.20

All employees at or above these scales will receive a raise upon ratification of \$.50, \$.50 on 1/1/2009, \$.50 on 1/1/2010, \$.50 on 1/1/2011, and \$.50 on 1/1/2012. Any additional raise above the \$.50 increase per calendar year will be at the discretion of the Company.

- 8.2 Any increase received by a security officer since January 1, 2008 would apply toward the \$.50 raise listed above.
- 8.3 For accounts that currently pay a composite prevailing rate of wages and benefits, employees shall have a choice to opt either for the composite hourly rate determined annually to be the prevailing wage rate, or the wage and benefit amounts set forth in this Agreement. No employee on any such account shall be paid less than the composite prevailing rate of wages and benefits.
- 8.4 With the expressed exception of Section 3, nothing in this provision shall result in reduction of the wage rate of any bargaining unit employee who was employed at the time of the ratification of this Agreement. (See Appendix A)
- 8.5 A Company may, at its discretion, grant a discretionary increase in the wage rates set forth in this Article 8 in the calendar year preceding the date on which the increase becomes due, and if it does, the Company may require that such an increase count toward the next scheduled increase as set forth and required by this Article 8.
- 8.6 Representatives of the Union and the Company agree to continue to meet and confer in an effort to establish classifications within the Jurisdiction of this Agreement. However, it is expressly agreed and understood that this contract remains in full force and effect from the ratification of the agreement and as such is unimpaired by such meetings of the parties through December 31, 2012.
- 8.7 Employees shall be paid at the regular wage rate for all account-specific, State-mandated CEU and Company-required training. Time spent in this training shall count towards calculation of overtime. Overtime will be paid in excess of forty (40) hours in a work week.
- 8.8 Hours spent in new employee orientation will be paid at current minimum wage no later than upon completion of the probationary period.

**ARTICLE 9: OVERTIME**

- 9.1 All time worked in excess of forty (40) hours per week shall be considered overtime and paid for at time and one-half.
- 9.2 In situations where an employee is called back to work on the same day one (1) hour or more after their shift ends, employee will be paid no less than three (3) hours in duration.

**ARTICLE 10: HOLIDAYS**

- 10.1 If the employee works the holiday listed below they get paid time and one-half for the hours worked on the holiday.

Holidays include:	New Year's Day	Labor Day
	Memorial Day	Thanksgiving Day
	Independence Day	Christmas Day

- 10.2 If an employee's regularly scheduled shift falls on a recognized holiday listed above and that shift is cancelled they will be paid at straight time. If the employee whose regularly scheduled shift falls on a recognized holiday listed above and the employee works that shift, they will be paid at 1½ times their regular rate of pay. The Company reserves the right to reschedule any such affected employees to work on any such holiday.

**ARTICLE 11: VACATIONS**

- 11.1 Upon completion of one (1) year continuous service of at least one thousand seven hundred twenty (1720) paid hours and excluding plant closings, an employee shall be entitled to the vacation pay per the schedule below. Each regular employee who has continuous service with the Company and who qualified for his or her full vacation each year will be covered by the following schedule of maximum vacations:

**Effective upon ratification:**

- 1 year continuous service will accrue up to 40 hours
- 3 years continuous service will accrue up to 80 hours
- 8 years continuous service will accrue up to 120 hours

**Vacation will accrue at the following rates:**

- 0-3 years: .0192 hours per hour worked
- 3-8 years: .0385 hours per hour worked
- 8+ years: .0577 hours per hour worked

- 11.2 An employee must satisfy the continuous service and the hour requirements to qualify for a vacation, whether full or partial. Qualifications for full vacation are both one (1) year of continuous service and a minimum of one thousand seven hundred twenty (1720) paid hours and excluding plant closings, in such period of continuous service.
- 11.3 Vacation requests must be submitted in accordance with the current Company policy in effect at the time the employee requests vacation.
- 11.4 In the event of a conflict between the vacation preferences of two or more employees within a location, the employee with the greater length of service with the Company shall have

preference provided the employees have submitted their requests prior to March 31. After March 31, vacations are awarded on a first-come first-award basis.

- 11.5 Vacation will be administered in accordance with the current Company policy in effect at the time of the request. Earned vacation will not be carried over from year to year.

## **ARTICLE 12: LEAVE OF ABSENCE**

- 12.1 Employees will be granted a leave of absence at the Company's discretion.
- 12.2 **Disability Pay:** This benefit is available for full-time employees who have completed their probationary period at a rate of \$165 per week upon ratification; effective 1/1/2009, \$180 per week; effective 1/1/2010, \$195 per week; effective 1/1/2011, \$210 per week; effective 1/1/2012, \$225 per week, not to exceed 12 weeks within a 12 month period. (The 12 month period is calculated backwards from the 1st day of the recently requested leave.) The benefit begins after the eighth day of total disability or on the first day of hospitalization, whichever comes first.
- 12.3 **FMLA (Family Medical Leave Act):** Part-time or full time employees with one year of employment who have worked at least 1,250 hours may take up to 12 weeks unpaid leave for the birth, foster care or adoption placement of a child or for a serious illness of any immediate family member or for him/her self. This time off is covered under the Family Medical Leave Act of 1993 (FMLA). An employee must submit a statement from a medical physician verifying the need to be off of work at the time the medical leave is requested.
- 12.4 **Military Leave:** All reservists or National Guard members are required to notify the Company within one (1) day of receiving orders of training exercises requiring time off of work. Military leave will be without pay or at the discretion of the Company. While on Military leave, seniority will continue to accrue uninterrupted, and upon return from the leave any contract wage increase that occurred while the member was on leave shall apply.
- 12.5 **Funeral Leave:** All full-time employees will be allowed a period of up to three (3) days off with pay to make arrangements for and attend the funeral of a mother, father, spouse or child. Up to two (2) days off with pay will be allowed for a brother, sister, current mother-in-law, or current father-in-law. Employees will be allowed up to one (1) day off with pay to attend funerals for grandparents, grandchildren and great- grandchildren and current brothers/sisters-in-law. The Company reserves the right to require proof of attendance at the funeral.
- All part-time employees will be eligible for bereavement pay if arranging and/or attending the funeral occurs during their normal scheduled work day for relatives listed above, not to exceed the full-time benefit. Employees will be paid only for normal scheduled work day(s) missed.
- 12.6 **Jury Duty:** Administered in accordance with the law.
- 12.7 **Union Leave:** Upon at least ten (10) business days of advance written notice, one (1) employee of the company shall be granted up to twelve (12) weeks unpaid leave in any consecutive twelve (12) month period for union business, extendable by mutual agreement. The union will be responsible for all benefits and accruals during extended (which shall be defined as a period of twelve (12) business days or more) leave for the employee. Following such leave, the employee shall be entitled to be reinstated to his/her former or an equivalent position with the same rate of pay.

12.8 **Sick Days:** Full-time employees with three (3) years or more of service shall be eligible to use one (1) paid sick day each year. Employees with five (5) years or more of service shall be eligible for an additional sick day. Sick days are non-accumulative.

**ARTICLE 13: INSURANCE**

13.1 On the first day of the calendar month after a full-time security officer has completed his or her probationary period as defined in Article 3 of this Agreement, he or she shall become eligible for health and welfare insurance coverage as provided below.

13.2 Effective July 1st of this contract, the Company shall have the option of offering full-time employees either of the following plans:

- a. The SEIU HCAT Minnesota Security Officers Single Plan and SEIU HCAT Minnesota Security Officers Family Plan, or
- b. A company health and welfare plan offering comparable coverage as provided by the SEIU HCAT plans. However, it is expressly agreed and understood that such coverage is not to be interpreted or in any way construed as meaning equal or exact.

13.3 If the Company opts to provide their own healthcare plan, such plan must meet the following characteristics that the SEIU HCAT plans can provide:

- a. Three months before renewal dates, the Company and the Union shall meet and confer to determine the process for determining comparability of the SEIU HCAT plan with the company plan given the new contribution rates.
- b. The Company shall make available to the Union, upon request, information that would normally be available under a Taft-Hartley plan.
- c. It is expressly agreed and understood that all provisions of the Agreement will remain in full force and effect and are unimpaired by any such meetings.

13.4 The monthly cost of the health insurance to the employee shall be:

<b>Effective</b>	<b>Employee Only</b>	<b>Employee + Children*</b>
<b>7/1/2008</b>	\$60	\$260
<b>1/1/2009</b>	\$60	\$260
<b>1/1/2010</b>	\$40	\$260
<b>1/1/2011</b>	\$30	\$260
<b>1/1/2012</b>	\$20	\$260

\*Employees who opt for Employee + Spouse or Employee + Family will pay the difference between the total cost of the Employee + Children plan and the total cost of the plan they choose.

13.5 The employer shall be responsible for the remaining premium costs provided that the total plan premium (employee and employer co-premiums together) will not increase by more than 10% in 2009, 10% in 2010, 12% in 2011, 12% in 2012. Annual premium increases greater than listed above will be cause to restructure the plan to limit increase to no greater than above.

13.6 Nothing in this agreement would prevent employees from being eligible to participate in the event of a national, state, or local health plan being approved by the government.

- 13.7 Employees at their sole discretion shall retain the right to continue their participation in current Company plan/s under the current terms and conditions. If in section 13.3, the company chooses the SEIU HCAT option, then in section 13.7 the company shall offer the current company plan's equivalent through SEIU HCAT.
- 13.8 **Term Life Insurance:** The Company shall provide Company paid term life insurance on each full-time employee for the amount of \$10,000.00.

#### **ARTICLE 14: SENIORITY**

- 14.1 Seniority shall be defined as an employee's length of service as an employee of the Company from his/her most recent start date at the job/site facility at which the employee is working, or his/her Company start date, whichever is longer. The Company has the right to fill vacant shifts first with available and qualified, straight time employees. In the event that the Company is unable to fill vacant shifts with straight time employees, senior, qualified employees shall have first choice to work extra or overtime hours by building. In the situation of no call/no shows, lates, emergencies, or short-notice client requests, the work will be offered to those employees present at the building by seniority.
- 14.2 **Seniority Lists:** The Company shall maintain at its office a seniority list showing employees' date of hire. Seniority lists shall be current as of March 1st and September 1st of each year and shall be furnished to the Union upon request.
- 14.3 An employee shall not have seniority during the first ninety (90) days of employment, which shall be considered a probationary period. During this period, the Company may discharge the employee, who shall have no recourse to the grievance procedure. Upon completion of the probationary period, an employee's seniority will begin at the original date of hire.
- 14.4 Seniority will be broken by any of the following events:
- a. Resignation, retirement or other voluntary termination;
  - b. Discharge for cause;
  - c. Transfer or promotion to a supervisory job or another job not in the bargaining unit;
  - d. Layoff for more than six (6) months;
  - e. Inactive employment for any other reason for a period of six (6) months or the length of seniority, whichever is less;
  - f. Failure to report within five (5) days from the date a recall notice is mailed to the employee's last address known on the Company's records.
- 14.5 Assignments, promotions, layoffs and recalls shall be determined on the basis of seniority provided, in the opinion of the Company, the employee is qualified, suitable and available to work. Seniority shall be determinative in making such decisions, and such shall not be unreasonably exercised.
- 14.6 Laid-off employees shall not be permitted to bump a less senior employee at another location/site, but shall be permitted to obtain a vacant position at another location/site consistent with the provisions of Article 15, below. If there are no such vacant positions, the employee shall be permitted to exercise his or her seniority for a position, which becomes available, consistent with Article 15. The Company will give first consideration to filling vacancies to employees on a recall list.

**ARTICLE 15: JOB VACANCIES**

15.1 The Company shall maintain a current posting of permanent job openings in each branch showing all openings in the locations covered by this Agreement, and shall, upon written request by the Union, provide a copy of or otherwise make available this posting to the Union.

The Company shall also maintain a Job Advancement/Transfer list in each branch and shall provide a copy of the appropriate updated list to the Union upon written request by the Union. An employee who desires to change site location, work assignment or shift shall put his/her name on this list indicating his/her desired shift, work assignment, location or geographic area, and/or wage rate, as appropriate.

When a permanent position arises at a location covered under this Agreement, the Employer shall offer the position to employees on the Job Advancement/Transfer list in order of seniority whose requests match the vacant position, and who are qualified and available. An employee who is placed in a permanent position pursuant to this procedure shall be listed on the next updated Job Advancement list with the information on his/her placement, and shall be removed from the following updated list.

15.2 In the event a promotional opportunity arises at the job site, in deciding on the employee to be promoted, all employees steadily employed at the job site will be considered along with other persons, with respect to the following factors:

- a. Seniority;
- b. Qualifications;
- c. Availability;
- d. Prior work record;
- e. Leadership skills, if required; and
- f. Supervisory skills, as required.

When all factors other than seniority are equal, an employee with the greatest seniority employed on the job site shall be selected over all others.

**ARTICLE 16: MANAGEMENT RIGHTS**

16.1 Subject to the terms of this Agreement, the Company shall have the exclusive right to manage and direct the workforce covered by this Agreement. Among the exclusive rights of management, but not intended as a wholly inclusive list of them, are: the right to plan, direct and control all operations performed at the various locations served by the Company; to direct and schedule the workforce; to determine the methods, procedures, equipment, operations and/or services to be utilized and/or provided or to discontinue their performance by the employees of the Company and/or subcontract the same; to transfer or relocate any or all of the operations of the business to any location or discontinue such operations, by sale or otherwise in whole or in part at any time; to establish, increase or decrease the number of work shifts, their starting and ending times and determine the work duties of employees; to promulgate, post and enforce reasonable rules and regulations governing the conduct and actions of employees during working hours; to require that duties other than those normally assigned be performed; to select supervisory employees; to train employees; to discontinue or reorganize or combine any part of the organization; to promote and demote employees consistent with the needs of the business; to discipline, suspend and discharge for reasonable cause; to relieve employees from duty for lack of work or any other legitimate reason; to cease

acting as a contractor at any location or cease performing certain functions at any location, even though employees at that location may be terminated or relieved from duty as a result. In no case will this Article be used for the purpose of unlawfully discriminating against any employees.

16.2 The foregoing statements of management rights and Company functions are not all-inclusive, but indicate the type of matters or rights, which belong to and are inherent in management, and shall not be construed in any way to exclude other Company functions and rights not specifically enumerated. Any of the rights, power or authority the Company had when there was no Agreement are retained by the Company and may be exercised without prior notice to or consultation with the Union except those specifically abridged or modified by this Agreement and any supplementary subsequent agreement which may be made and executed by the parties.

16.3 The Union recognizes that the Company provides a service of critical importance to the customer and that this Agreement shall be interpreted so as to give primary consideration to customer needs and preferences, provided that the foregoing will not be construed to abrogate any rights under this Agreement. If a customer demands that the Company remove an employee from further employment at a location, the Company shall have the right to comply with such demand. However, unless the Company has cause to discharge the employee, the Company will use its best efforts to place him/her in a job within the territorial jurisdiction covered by this agreement and schedule said employee with no loss of wages, seniority or benefits and with the same shift.

If the Company is unable to place the officer in a comparable position as listed above, the employee will have the option of accepting the offer or being considered laid off for lack of work and the Company will not challenge the employee's claim for unemployment and the employee will be placed on the layoff list.

If an employee who has been removed from a location declines a job offer with the Company with the same wages, benefits, schedule, and geographic area as referenced above, the Company shall have no further obligation toward the employee, and that employee shall be considered a voluntary quit.

#### **ARTICLE 17: NO STRIKES, PICKETING, LOCKOUTS**

17.1 There shall be no strikes, lockouts, picketing, work stoppages, slowdowns, or sympathy strikes, nor shall there be any attempted interference with or disruption of the business of the Company and/or its relationships with or the business of its tenants or their contractors, including boycotts, public appeals or demonstrations of any kind, hand billing or leafleting, during the term of this agreement.

17.2 It is understood between the parties that security employees, because of their special responsibilities and duties, shall at no time participate in strikes, slowdowns or withdrawal of services, nor shall they observe picket lines in any form; provided only that, in the event of a strike by others, they shall not be required to assume non-security type duties normally performed by striking employees.

Further, security employees shall not be subject to penalty or punishment by the Union for performances of assigned duties at any time. These duties are recognized as including the apprehension, identification and reporting of and giving evidence against any persons who

perform or conduct themselves in violation of work rules or applicable laws while on the Company's premises.

- 17.3 Violation of the provisions of this Article will subject security employees to disciplinary action up to and including discharge.

#### **ARTICLE 18: GENERAL**

- 18.1 All uniforms and equipment, as required, shall be furnished by the Company without cost to the employee. The Company will determine its own requirements as to uniform and those items specifically required will be furnished by the Company. Assignment of security service employees to customer premises is the core business product offered by the Company. Employees covered by this Agreement interact with the general public on a daily basis and it is essential that employees present a uniform, professional appearance while on duty. Accordingly, only work-related insignia and uniform adornments issued by the Company may be worn during work time and in work areas.
- 18.2 **Company Property:** Employees will be required to sign the required acknowledgement and deduction authorization forms regarding these uniforms and their attendant costs. An employee who separates from the Company, who has been entrusted with any Company property, must return all such property to the Company upon separation. Company property includes, but is not limited to keys, badges, uniforms, pagers, and other equipment. The Company may hold the employee's final pay check until such items are returned to the Company or the employee may forfeit the cost incurred by the Company to regain the property or forfeit the lesser of \$250.00 or his/her final pay check as liquidated damages.
- 18.3 **Employment on Hourly Basis:** The Company shall employ members of this Union on an hourly basis.
- 18.4 Paydays are to be no less frequently than semi-monthly.
- 18.5 **Union stewards**, or alternate stewards in their absence, shall have reasonable freedom to perform their duties during nonworking time so long as it does not interfere with the performance of any employee's security duties, provided that on giving the Company notice, the steward shall be entitled to remain on a client's premises to perform their Union-related duties during their nonworking times. Stewards shall be selected by the Union. The Union shall notify the Company in writing of the names of all stewards at the time of selection. Any change in shop stewards will also be communicated in writing to the Company. Stewards are authorized to meet with the Company's branch management on an unpaid basis, should he or she desire to meet with the steward, for the purpose of disposing of problems on an informal basis at job sites so long as it does not interfere with the performance of the steward's security duties.
- 18.6 **Official representatives of the Union** shall be allowed to visit the Company's premises and offices, and to visit the employees on the job for the purpose of determining that this Agreement is being carried out, provided that there shall be no interference with the business of the Company, there is no objection by the Company's clients, and that the visit is conducted within the client's established access control procedures. Any Union official who wishes to visit or contact employees while on the job shall notify in advance the Company's management of his or her intention to do so prior to their anticipated arrival on the job site or the Company's

office, with two (2) business days notification and specify the property he or she intends to visit.

- 18.7 Any gratuities, bonuses, recognition awards, picnics or banquets given by the Company are of a voluntary nature and are not to be considered as part of this Agreement. They, therefore, may be altered or discontinued at any time at the Company's sole discretion.
- 18.8 **Compliance with Agreement:** In order to determine the Company's compliance with the provisions of this Agreement, the Union may, at reasonable times and upon prior request of at least two (2) weeks notice, inspect employee records of covered employees. During this two (2) week period, the Union and the Company will agree on a mutually acceptable date and time for such inspection. It is understood that due to extraordinary circumstances such previously agreed upon date and time may have to be postponed. There will be no more than one (1) extension of more than two (2) weeks per request.

### **ARTICLE 19: DISCIPLINE PROCEDURES**

- 19.1 The Company shall be free to discharge employees for refusal to obey lawful orders, incompetence, misrepresentation, intoxication, or any just cause. An employee who has not completed his or her probationary period may be disciplined or discharged without just cause and without recourse to the Grievance and Arbitration procedure set forth in Article 20.
- 19.2 The Company shall be free to discipline any employee who commits an infraction, which, while not being sufficient to constitute just cause for discharge, is sufficient to warrant some lesser disciplinary action. However, no employee who has completed the probationary period will be discharged for offenses, which do not in and of themselves constitute just cause for discharge unless the employee has received two (2) prior written warnings within twelve (12) months of the offense. The issuance of two (2) prior warnings within a twelve (12) month period shall constitute just cause. Absent excused or extraordinary circumstances, warning notices shall be issued within ten (10) days after the Company knew or should have known of the offense but not more than thirty (30) days after the event. Each warning notice shall contain a place for the employee to sign to acknowledge receipt without admitting guilt.
- 19.3 In addition to those circumstances mentioned elsewhere in this Agreement, just cause circumstances for discharge shall include, but not be limited to: insubordination, theft, excessive absenteeism, gross negligence, failure to comply with reasonable rules, policies or directives promulgated by the Company and clearly communicated to the employee, use of unnecessary force or disrespectful treatment of a tenant, visitor or employee and inability or unwillingness to be trained to fulfill existing or modified security needs of the Company, the building owner or its tenants. The Union further understands and agrees that the Company provides an important service to its tenants of a personalized nature to fulfill their security needs, as those needs are perceived by the Company, the building owner and the tenants. Accordingly, the provisions of this Section shall be implemented and interpreted by the parties and by an arbitrator in arbitration proceedings so as to give significant consideration to such needs.
- 19.4 The Company will discharge any employee who is denied registration or whose registration is canceled by the State of Minnesota Board of Private Detective and Protective Agent Services or any other governmental agency. Discharge under this Article for failure to possess a license shall be without recourse to the Grievance Procedure of Article 20.

- 19.5 The employee and the Union recognize that the customer is the ultimate consumer and ultimately controls the access of the employee and the business of the Company. When a security-related incident occurs on a job site that is or can reasonably be construed as injurious to that customer, the employee, the Union, and the Company will cooperate in every way in the investigation of the incident until the incident is resolved and/or the customer is satisfied that all reasonable avenues have been pursued to their completion. The Union will not impede any steps which may assist the Company in convincing the customer of the thoroughness and/or reliability of its investigation, consistent with the Union's duty to provide fair and effective representation to its membership.

## **ARTICLE 20: GRIEVANCE & ARBITRATION PROCEDURE**

- 20.1 During the term of this Agreement, all disputes and grievances shall be settled as quickly as possible by the Grievance Procedure provided herein except that the Company may obtain injunctive relief from a Court to enforce Article 17 – Strikes. For the purpose of this Agreement, a grievance is defined as a difference of opinion between the Company and the Union regarding only the meaning or application of this Agreement, presented to the Company in writing within seven (7) days after it occurred, or when the employee, Union, or Company became aware of it, or should have become aware of it. Grievances filed by the Company will be submitted directly to Step 2.
- 20.2 An employee and/or Union Representative may consult directly with his or her Supervisor on a matter that does not necessarily constitute a grievance. In any case, where an employee is not satisfied with respect to the disposition of a matter regarding the meaning or application of any provision of this Agreement on which he or she has informally consulted with their Supervisor, the Union may submit the complaint as a grievance. The grievance will state, in addition to the employee's version of the facts, the specific portion of the Agreement allegedly violated, the date the alleged violation occurred and will be signed by the employee and the Union representative. If the grievance is filed on behalf of more than one employee, it may be signed by a Union representative.

### **STEP 1**

The grievance shall first be submitted by the Union to the Company's designated representative sent by regular mail or hand delivered, and signed by the Union official, within seven (7) days from the date of the occurrence of the incident, or when the employee or Union became aware of it, or should have become aware of it. Such Company designated representative shall, within ten (10) days after receiving the grievance, render his or her decision in writing.

### **STEP 2**

If the grievance has not been settled or answered during the above specific number of days under the above procedure, the Union may submit the grievance to the Company's designated Manager or his or her appointed representative by regular mail or hand delivered within ten (10) days after receipt of the initial decision in Step 1 by the Company's representative. The Company's designated Manager or his or her appointed representative shall, within ten (10) days after the receipt of the grievance, render a decision thereon in writing by regular mail or hand delivered to the Union. If requested, the designated Manager will meet with the grievant(s) and/or appropriate Union representative(s) for the purpose of reviewing the matter.

The meeting shall be held on a mutually agreeable date within thirty (30) days following the request by the Union.

**STEP 3**

If the grievance has not been settled under the above procedure, the Union or Company may submit the grievance for arbitration by written notice by regular mail or hand delivered to the Company's designated Step 3 representative within ten (10) days after the Step 2 meeting or, if no meeting is held, within ten (10) days after the thirty (30) days referred to in Step 2. This written notice is separate and distinct from the request for a Panel of Arbitrators the Union may make to the Federal Mediation and Conciliation Service.

**STEP 4**

After the grievance is referred to arbitration per Step 3, the union may request the Federal Mediation and Conciliation Service to provide the Company and the Union a list of seven (7) persons who are members of the National Academy of Arbitrators and are qualified and willing to act as arbitrators. Within fifteen (15) days of the Union's receipt of the Panel of Arbitrators from the Federal Mediation and Conciliation Service, either party must contact the other for the purpose of selecting an arbitrator. Without waiving any of the time limits herein, if the parties mutually agree, they may select an arbitrator without use of the Federal Mediation and Conciliation Service.

- 20.3 Any grievance shall be considered withdrawn with prejudice if not filed and processed by the Union in strict accordance with the time limitations set forth above, unless time limits are extended or waived by mutual agreement in writing. Failure of the Company to act within the time limit set forth in any step shall entitle the Union to proceed to the next step of the grievance procedure.
- 20.4 The award of such arbitrator shall be in writing and shall be final and binding upon the Company, the Union, and the employee or employees involved. The arbitrator shall consider and decide only the particular grievance presented in the written stipulation of the Company and the Union. The arbitrator's decision shall be based solely upon an interpretation of the provisions of this Agreement. The arbitrator shall not have the right to amend, take away, modify, add to, change or disregard any of the provisions of this Agreement. The parties to the case shall share equally the expense of the arbitrator, including the hearing room and transcript incurred with the arbitration. The transcript taken at the Arbitration Hearing will constitute the official record of the Hearing. The party or parties requesting the transcript shall incur the cost of the transcript. Neither party shall be required to purchase a copy of the transcript. The Company and the Union are only responsible for the wages and expenses of its own representatives and witnesses.
- 20.5 Grievances involving discharge or indefinite suspension must be presented directly to Step 2 of the grievance procedure.
- 20.6 Without affecting any of the time limitations set forth herein, the Company and the Union may settle the grievance.
- 20.7 In calculating time for purposes of this Article, Saturdays, Sundays and the Holidays cited in Article 10 shall not be counted. Time limits herein above-mentioned may be modified, if desired, only in writing, by mutual agreement between the parties' designated representatives.

- 20.8 No more than one dispute may be submitted to any one arbitrator at the same hearing unless the parties agree to such in writing. If the Company raises arbitrability as a defense to any grievance, that issue shall be resolved by a neutral arbitrator selected in accordance with Step 4 of Section 2 of this Article.

#### **ARTICLE 21: SEVERABILITY**

- 21.1 **Severability:** Should any part of this Agreement or any provisions herein contained be rendered invalid by reason of any existing or subsequently-enacted legislation or act of any authorized agency of government or by the decree of a court of competent jurisdiction, such will not invalidate the remaining portions thereof and they shall remain in full force and effect.

#### **ARTICLE 22: BIDDING PROCEDURE**

- 22.1 Whenever the Company bids or takes over the servicing of any job location, building or establishment covered by this Agreement, and where the daily work being performed amounts to eight (8) hours or more, the Company agrees to retain all permanent employees at the job location, building or establishment, including those who might be on vacation or off work because of illness, injury or authorized leaves of absence, provided that employment will be offered to those employees who satisfy the hiring and employment standards of the Company. If a customer demands that the incoming Company remove an employee from continued employment at the location, the Company shall have the right to comply with such demand and not offer that employee employment. In the event Company elects to retain said employee, the Company agrees to honor seniority for wage and benefit purposes.
- 22.2 The Company will honor the security officers' hourly wage rates and seniority at the time a new employer successfully bids an already unionized facility. The outgoing Company will be responsible to pay all wages and vacation accrued for each employee to the date of the takeover. When an incumbent officer is not hired by the new contractor (e.g. because of client demand), and the outgoing Company is unable to place the officer in a comparable position, the employee will be considered as laid off and placed on the layoff list of the outgoing Company.

#### **ARTICLE 23: 401K**

Effective January 1, 2009, the Company shall offer a 401K Plan, with no employer contribution, for all eligible employees upon completion of one (1) year continuous service of at least 1,720 paid hours per benefit year covered by this Agreement who have completed twelve (12) months of full-time employment. Any contribution currently provided shall not be reduced.

#### **ARTICLE 24: WAIVER**

- 24.1 If any provisions of this Agreement or the application of such provision to any person or circumstances be ruled contrary to law by any Federal or State Court or duly authorized agency, the remainder of this Agreement or the application of such provisions to other persons or circumstances shall not be affected thereby. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to

make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement.

Therefore, the Company and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement, except as required by law.

- 24.2 The wages and fringe benefits set forth in this Agreement and any Appendices are minimum conditions and the Company may provide greater wages and/or fringe benefits at any time in its sole discretion. Therefore they may be altered or discontinued at any time in the Company's sole discretion. In the event of such alteration or discontinuance to the extent possible, the Company will provide as much notice as practically possible to the employees regarding open positions.

#### **ARTICLE 25: TERMS & DURATION OF AGREEMENT**

- 25.1 This Agreement shall be in full force and effect from April 12, 2008, to and including December 31, 2012, and from year-to-year thereafter, unless terminated as follows: Either party may terminate this agreement or request amendments thereto by serving sixty (60) days written notice to the other party prior to December 31, 2012, or December 31st of any year thereafter, in which terminations or amendments are requested.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed on behalf of the parties this 12<sup>th</sup> day of April 2008.

## **APPENDIX A: PREVAILING WAGE ACCOUNTS**

It is expressly agreed and understood that Article 8 of this Agreement sets forth minimum wage rates and increases for employees covered under this Agreement.

It is further agreed and understood that the wage rates and raises cited in Article 8 are not meant to and do not represent prevailing wage(s) within the territorial jurisdiction covered by this Agreement due to existing higher wages at many properties. It is understood that some security officers currently receive higher wages because they meet certain advanced training and experience criteria.

It is further understood that prevailing wage rates are determined taking account of both (1) the wages and benefits established by the recently ratified Collective Bargaining Agreement between SEIU Local 26 and the private security contractors in the Twin Cities and (2) the wage and benefit rates paid by signatory contractors that are higher than those stated in the newly ratified collective bargaining agreement.