

Dated: February 3, 2016

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

between

and

Service Employees International Union (SEIU)

Local 26

Effective: March 1, 2016 – February 29, 2020

AGREEMENT

This Agreement is made and entered into as of the 1st day of March, 2016, between American Security, LLC (hereinafter called the “Company”) and the Service Employees International Union (SEIU), Local 26, (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. The covered territory in this agreement shall be defined as the geographic territory 7 County Metro Area (Hennepin, Ramsey, Dakota, Washington, Carver, Anoka, and Scott) including the Minneapolis and St. Paul corporate city limits. Throughout this Agreement, Downtown shall be defined as the accounts located within the corporate city limits of Minneapolis or St. Paul. Suburban is defined as the remaining accounts outside of the corporate city limits but within the 7 County Metro Area.
2. “Most Favored Nations:” In the event the company takes over servicing any building covered by section 1.1 of this Agreement from another employer who is party to an agreement with the union covering the security officers at such facility, the company may adopt the economic terms in effect at the building, even if those terms are lower than those contained in this agreement. 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.
- 1.3 Subcontracting: there shall be no subcontracting of bargaining unit work, with the following exceptions:
 - a) use of off duty police officers;
 - b) any signatory to the Agreement;
 - c) in the case where a client requires in its contract a SBA, MBE, WBE contractor; or
 - d) in the case of specialized functions (such as, but not limited to, canine patrols, and/or armed guards), the Employer may hire or engage security personnel for up to and including ninety (90) days to provide the specialized functions without such personnel being covered by the terms of this Agreement, subject to extension by mutual consent. Consent shall not be unreasonably withheld. If an employee performing specialized functions is hired into a regular position, his or her time performing a specialized function shall count towards his or her probationary period under this Agreement.

ARTICLE 2: RECOGNITION

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, but exclusive of:
 - a. All executive, salaried supervisors, sales employees, clerical, professional, as defined by law including but not limited to the National Labor Relations Act 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.
- c. For employees working outside of the corporate city limits of Minneapolis and St. Paul, all employees working in “Critical Infrastructure”. Critical Infrastructure shall be defined as petroleum refineries, power plants, nuclear facilities, hospitals and urgent care facilities (but not medical clinics), and vehicle patrol officers servicing multi-accounts. any accounts currently operating as union accounts as of the Effective Date of this Agreement shall remain union accounts.

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

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.
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 in equal amounts each paycheck, and immediately forward the amount with a digital spreadsheet of a list of employees’ names and the addresses and deductions of each to the Union. In addition, quarterly, the Company will also provide the Union with Name, Address and Worksite. 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. **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 **Check-offs for other voluntary contributions:** 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, property Services Civic Engagement (PSCE) Fund, or other constituted funds as established by the Union. 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.
- 3.6 At the time of transfer to a site covered by the Agreement, the Employer shall give the new employees a packet, provided by the union, containing union membership application form, check-off authorization form, and, other applicable forms (including information of new members meetings). On the 1st and 15th of each month (or first regular business day thereafter), the Company shall provide the Union with the name, home address, phone number and work site of each new employee hired to work on a site covered by this Agreement.

ARTICLE 4: NON-DISCRIMINATION

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, **veteran status or active military duty**, 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.
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

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, **veteran transitions**, and developing a measurable qualifications program.
2. **Training Documents:** All employees are required to sign any document that the Contractor provides to substantiate training, i.e., safety, MSDS, OSHA, etc.
3. The Company will provide proper equipment and site-specific training to reasonably protect officers. **The Company believes the safety of its employees is of the utmost importance and has various safety policies in place to address such issues. Upon written request from the Union, a representative of the Employer (senior-level Employer representative at a level to be mutually agreed upon between the Union and each Employer upon the implementation of this Agreement), shall confer promptly with the union over repetitive safety issues at an account.**
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

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.
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.
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.

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:

1. **Full-Time Security Officers:** Regularly scheduled employees who work thirty (30) or more hours per week who perform security duties.
2. **Part-Time Security Officers:** Regularly scheduled employees who work less than thirty (30) hours per week, who perform security duties.

ARTICLE 8: WAGES:

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

		Minimum Wages			
		3/1/16	3/1/17	3/1/18	3/1/19
Downtown	New Officer	12.50	13.00	13.50	14.00
	Senior Officer*	14.80	15.20	15.60	16.00
Suburban	New Officer	11.00	11.50	12.00	13.00
	Senior Officer*	=	12.50	13.50	15.00

Employees shall receive the annual hourly wage increase or the minimum wage rate of pay, whichever shall result in the higher rate of pay, as follows: \$0.40 per hour on March 1, 2016, March 1, 2017, March 1, 2018, and March 1, 2019.

*Senior Officer is any officer who has completed 4 years of seniority. This increase occurs on the Officers/Employees seniority date

2. 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.
3. 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.
4. 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.
5. 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

1. All time worked in excess of forty (40) hours per week shall be considered overtime and paid for at time and one-half.

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. The Company shall use reasonable efforts to minimize mandatory overtime including suitable volunteers first.
3. Flex/float officers: shall not be required to work more than 16 hours straight. If Employees are required to work 12 hours or more, the Employee shall not be required to work again without at least 8 hours off.

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: VACATION

11.1 Upon completion of one (1) year continuous service of at least one thousand five hundred sixty (1560) 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

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 five hundred sixty (1560) paid hours and excluding plant closings, in such period of continuous service.

3. Vacation requests must be submitted in accordance with the current Company policy in effect at the time the employee requests vacation.

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. The Company shall respond within two weeks to approve or deny a request for vacation. Once approved, vacation requests will not be revoked unless there is a bonafide emergency.

Vacation will be administered in accordance with the current Company policy in effect at the time of the request. However employees, after completion of one (1) year continuous service and 1560 hours, may use their vacation as it is accrued, and shall be paid as the vacation is used. The Company shall not unreasonably deny requests for vacation as long as the business can support the vacation requests.

4. Carry over: an employee may carry over up to forty (40) hours of any unused vacation from the previous year.

ARTICLE 12: LEAVE OF ABSENCE

1. Employees will be granted a leave of absence at the Company's reasonable discretion.
2. **Disability Pay:** This benefit is available for full-time employees who have completed their probationary period at a rate of 55% of regular pay per week upon ratification and through the term of this Agreement; 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.
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.
4. **Military Leave:** All reservists or National Guard members are required to notify the Company as soon as reasonably possible 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.
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.
6. **Jury Duty:** Administered in accordance with the law. If employee works second or third shift, they will be given unpaid time off as well.
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.
8. **Sick Days:** Full-Time Employees with one (1) year or more of service shall be eligible to use three (3) paid sick days each year. Effective March 1, 2018, Downtown Senior Officer Employees shall be eligible for an additional two (2) sick days each year. Sick days are non-accumulative

ARTICLE 13: INSURANCE

1. On the first day of the calendar month after the first two months of employment, Full-Time Employees shall become eligible for health and welfare insurance coverage as provided below.
2. The Company shall have its qualifying employees be a part of the SEIU Health and Welfare Trust. Notwithstanding anything else in this Article 13, eligibility for coverage – be it waiting periods, look-back periods, the minimum number of hours worked per week and what constitutes hours worked/paid, etc. – shall be in full compliance with the ACA and any applicable state or local laws. Should the Fund not comply with ACA and/or any applicable state or local laws, the Company has the right to exit the fund in accordance with Article 13.2 if exposed to penalties. To the extent there is a conflict between the provisions of this Agreement or the Fund’s Trust Agreement, the terms of this language above shall apply.
3. As a condition of receiving health insurance coverage under this Article, employees shall sign appropriate documentation authorizing the Company to deduct such contributions from wages. Any employee not signing the appropriate authorization document shall not be eligible for coverage as provided herein.
4. The Company shall distribute enrollment packages and an enrollment form permitting the Company to withhold a portion of an enrolling employee’s pay at least 30 days before the employee would be eligible for health care coverage. The Company shall collect completed enrollment packages and enrollment forms from employees, including the employees that decline enrollment in the SEIU Health and Welfare trust, and forward the completed enrollment packages and enrollment forms within five (5) business days of receipt from the employee.
5. The monthly cost for the employee of the health insurance shall be \$35.00 for employee only, and \$200.00 for employee + children. :
6. Not Including the amounts withheld from each enrolling employee pursuant to Section 13.5, the Company shall pay over to SEIU Health and Welfare trust the following employer premium amounts with respect to each enrolling employee:
 - (A) For the coverage months of March 1, 2016 - December 31, 2016: \$ 443.79 for each employee who elects health care coverage for the employee and no more than \$ 567.02 for each employee who elects health care coverage for the employee and the employee’s children.
 - (B) For the coverage months of January 1, 2017 - December 31, 2017: up to 8% increase as determined by the SEIU H&W fund from the last years total premium for each employee who elects health care coverage for the employee and the employee’s children.-
 - (C) For the coverage months of January 1, 2018 – December 31, 2018: up to 8% increase as determined by the SEIU H&W fund from last year’s total premium for each employee who elects health care coverage for the employee and the employee’s children.
 - (D) For the coverage months of January 1, 2019 – February 29, 2020: up to 8% increase as determined by the SEIU H&W fund from last year’s total premium for each employee who elects health care coverage for the employee and the employee’s children.
7. 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.

8. In the event that spouses are ineligible for tax credit or other subsidies under Section 36B of the Code of Section 1402 of the ACA or any other subsidy ordinarily available under the ACA or other applicable law as the result of the provisions of this Agreement, the Union may request that the parties hereto meet and confer to discuss changes to this Article. The parties request that the Company's monetary obligations under this Article shall not be substantially reduced as the result of any changes agreed to by the parties pursuant to this section.
9. The Company shall execute a Subscription Agreement with SEIU Health and Welfare trust thereby binding the Company to the terms of the SEIU Health and Welfare trust Agreement.
10. Should the health insurance provisions contained in the Agreement and/or the SEIU Health and Welfare Trust's benefit design: (1) Fail to meet the requirements of any applicable law or regulation, or (2) cause the Company to become subject to a penalty, fine or other assessable payment under Patient Protection and Affordable Care Act or any related law or regulation, the Company's obligation to the SEIU Health and Welfare Trust will immediately cease. The Union and the Company will meet to bargain over an alternative plan with the same rates of contribution and that does not otherwise increase the total cost to the employer. In such event, the no strike provision contained in Article 17 of this Agreement shall apply.
11. **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

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.
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.
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.
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 twelve (12) 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.
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.

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.

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.

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

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.

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.
3. The Union recognizes that the Employer provides a service of critical importance to the customer. If a customer or tenant demands that the Employer remove an Employee from further employment at an account or location, the Employer shall have the right to comply with such demand. However, unless the Employer has cause to discharge the employee, the Employer will place the employee in a job at another account or location covered by this Agreement without loss of seniority or reduction in pay wages or benefits. If the Employer has no other accounts or locations under this Agreement where there are positions at the employee's same wage rate and benefits, the employee shall be placed at another account or location of the Employer covered by this Agreement in a lower wage category, or where there are lesser benefits; or, at the employee's option, the employee may be laid off. If the employee is placed at another account or location of the Employer in a lower wage category, or where there are lesser benefits, or if the employee is laid off, the employee shall have the right, subject to the Employee's qualifications, to fill positions that become available within twelve (12) months if the Employer obtains, or a vacancy occurs at, another account subject to this Agreement where the wage rate and benefits are at least equal to the wage rate and benefits previously enjoyed by the employee. When informed of the possibility of a layoff under this paragraph, the employee shall have twenty-four hours in which to notify the Employer if he or she wishes to accept a position with the Employer at another location. If accepted, the employee will have up to 3 days to begin work at the new location. Before any other employees are hired, the Employer shall hire individuals who have chosen to go onto the recall list, provided they are qualified, suitable, and available to work. Recall rights hereunder are in order of Employer seniority within classification. There shall be no bumping rights in conjunction with this paragraph. Nothing herein shall require the Employer to place an employee in a position for which the employee is not qualified.

Transfers or removals of employees because of a reduction in force or client request shall not be arbitrary, retaliatory or in violation of Article 4. The Employer shall make its best effort to promptly notify the Union, where possible in advance, of any client request or significant reductions in the number of employees assigned to any work location covered by this Agreement.

Upon written request from the Union, a representative of the Employer (senior-level Employer representative at a level to be mutually agreed upon between the Union and each Employer upon the implementation of this Agreement), shall confirm in writing that the Employer received a request from the client to remove the employee.

ARTICLE 17: NO STRIKES, PICKETING, LOCKOUTS

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.
2. It is understood between the parties that during the term of this agreement 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.

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

ARTICLE 18: GENERAL

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.
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.
3. **Employment on Hourly Basis & rest periods:** The Company shall employ members of this Union on an hourly basis. **For every 8 hours worked, the Employee shall receive a 30 minute unpaid meal break if relieved from duty, or a 30 minute paid meal break if expected to remain on duty and the company shall provide the Employee with a bathroom break for every 4 hours worked.**
4. Paydays are to be no less frequently than **once every two weeks.**
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.

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.
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.
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

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.
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.
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.
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. **If the Employee is able to resolve their compliance within 30 days, they will be placed on the displaced worker list with full seniority.**

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 PROCEDURE

- 20.1 Definition of Grievance: A grievance within the meaning of this Agreement shall be any difference of opinion, controversy or dispute arising between the parties hereto relating to any matter of compensation, hours and working conditions of the interpretation or application of any of the provision of this Agreement.
- 20.2 Grievance Steps:
 - Step 1: An aggrieved employee or employees, accompanied by the building steward, may consult with the employee's supervisor. If a group of employees are involved in the grievance, the steward may act as representative for the employees. The company shall not be required to recognize any shop steward unless the steward has been previously identified in writing by the Union.
 - Step 2: An aggrieved employee or employees shall present the grievance in writing (other than a grievance relating to discharge) to the Company within ten (10) business days from the time it first arose. The Company is allowed ten (10) business days to respond to the Union in writing.
 - Step 3: If the grievance is not settled in the second step, the Union's representative shall then meet with the Company's designated representative. That meeting will occur within ten (10) business days of receipt of the Company's response. Within five (5) days of this meeting, the Company will notify all parties, in writing, of its decision in this matter.
- 20.3 No written or verbal warnings or reprimands shall be considered for purposes of progressive discipline after twelve (12) months from the date of the warning or reprimand. This does not apply to past suspensions, EEOC claims, criminal conduct, or violence. It is expressly agreed and understood that the Company shall have equal ability to initiate grievances, but the Company grievances shall commence at Step 3, with a meeting between the Union and the Company. The Company agrees that if an employee is asked to sign a document of disciplinary action, such signature implies only receipt of the documentation.
- 20.4 Employees may be suspended for three days without pay as part of disciplinary action. Should the findings of an investigation not result in disciplinary action that includes an unpaid suspension from work, or does result in disciplinary action that includes an unpaid suspension for days fewer than those actually missed, the employee shall be paid for the corresponding scheduled work hours missed. This provision shall not apply when an employee is suspended pending the outcome of a matter which is in the hands of law enforcement.
- 20.5 Any grievance which remains unsettled after having been fully processed pursuant to the first three (3) steps of the Grievance Procedure, as set forth in this Article, and which involves the interpretation, application of, or adherence to this Agreement, may use Federal Mediation to

resolve the matter. If it is not resolved, either party may, within 10 business days of completion of Step 3 herein, submit the grievance to arbitration with the following procedure:

The Union shall immediately request the Federal Mediation Service to furnish a panel of seven (7) arbitrators from which the parties shall alternatively strike three (3) names each, with the first party to strike to be determined by lot; and thereby select the impartial arbitrator. The union and the employer shall meet to undertake the arbitrator selection process within ten (10) business days of the FMCS furnishing the panel of arbitrators, unless otherwise mutually agreed in writing. The expense of the arbitrator so selected and court reporter (if mutually agreed upon) shall be borne equally to the Company and the Union. Failure of either party to process the grievance within the time limit set forth in any step shall be deemed to be a waiver of that grievance. Failure of the Company to process the grievance within the time limit set forth in any step shall render the grievance automatically elevated to the next level in the grievance procedure. Should either party be delinquent in the arbitrator selection process, the other party may provide notice of its intent to unilaterally select an arbitrator. If within 5 business days of receipt of such notice, the delinquent party still has not complied, then the notifying party may unilaterally select an arbitrator from the panel provided from FMCS, and set the date, time and location for an expedited arbitration. Any deadline herein may be extended by mutual written agreement.

- 20.6 Grievance on Discharge: an employee who has been discharged shall have three (3) business days after discharge to file with the Union a written grievance. The Union shall then have three (3) business days, after receipt of the grievance, to mail or give a copy thereof to the Company. If these time limits are not met, the matter will be considered closed.
7. Authority of Arbitrator: No more than one dispute may be submitted to any one arbitrator at the same hearing unless the parties agree to such in writing. The arbitrator shall have the authority to apply the provisions of this Agreement and to render a decision of any grievance properly coming before him/her, but he/she shall not have the authority to amend or modify this Agreement or to establish any terms or conditions of this Agreement nor shall he/she have the authority to award back pay to an employee in a discharge case of a period greater than thirty (30) business days beyond the date the arbitrator is selected. When selected, the parties shall advise the arbitrator that he/she must render his/her decisions within ten (10) business days following the close of the arbitration hearing.
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 this Article.
9. Employer Initiated Grievances: The Employer shall have the right to initiate grievances at Step 3 and those grievances must be submitted in writing to the Union within fifteen (15) business days after the Employer knew or should have known of the incident or occurrence giving rise to the grievance.

ARTICLE 21: SEVERABILITY

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

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.

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. The incoming company will continue healthcare benefits without interruption if applicable, and use its best efforts to honor any dates of scheduled vacation that employees had with the previous employer, as unpaid time off as long as the employee notifies the incoming company immediately. 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.

The Employer shall not reduce the hours the employee works such that the Employer avoids its obligation under this Agreement or any rider to make contributions for health benefits for such employees, nor shall the Employer change the structure of scheduled hours on any account/site solely for the purpose of limiting or reducing health care eligibility. If the Employer intends to reduce the overall number of hours regularly to a client account because of a change in client specification, to the greatest extent possible, the Employer shall implement such reduction in a manner that would avoid reducing the Employer's obligation to make contributions for health benefits for employees assigned to such account.

3. **New Non-Union Buildings.** If after this Agreement has been implemented, the Company desires to bid or is awarded the contract to provide security at a location, which is not subject to this Agreement, the Company shall set the wages provided the non-economic provisions of this Agreement shall apply to that particular building. Thereafter, the parties shall meet to discuss a reasonable progression of wage and benefit increases, provided that the economic terms of this Agreement shall apply to the non-Union building after the term of the first contractual agreement with the client, or three (3) years from the date of the first contractual agreement became effective, whichever is shorter. Any phase-in schedule agreed to by the parties shall not be deemed a violation of the most favored nations provision.

ARTICLE 23: 401K

- 23.1 The Company shall offer a 401(k) Plan, with no employer contribution, for all eligible employees upon completion of one (1) year continuous service of at least 1560 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. The Company shall provide an annual notice to the employees.

ARTICLE 24: WAIVER

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.

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

1. This Agreement shall be in full force and effect from March 1, 2016, to and including February 29, 2020 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 February 28th 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 __th day of _____, 2016.

Service Employees International Union - Local 26	
Signature:	Signature:
Name: Javier Morillo-Alicea	Name:
Title: President	Title: