K #: 9065

Agreement

Between

Coastal International Security, Inc.

And

The National Association of Special Police and Security Officers (NASPSO)

For Security Professional Services

At

The Department of the Interior Headquarters

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PREAMBLE OF THE AGREEMENT

This Agreement is entered into by and between Coastal International Security, Inc. (Coastal), its successors and assigns, hereinafter referred to as the "Company," and the employees of the Company's located at

The Department of the Interior Headquarters

As represented by the National Association of Special Police and Security Officers (NASPSO), hereinafter referred to as the "Union"

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

ARTICLE 1
INTENT AND PURPOSE OF THE AGREEMENT

1.1 It is the intent and purpose of this Agreement to assure sound and mutually beneficial industrial and economic relationships between the parties hereto, to provide an orderly and peaceful means of conducting negotiations and resolving any misunderstandings or grievances, and to set forth herein the basic Agreement between the parties covering rates of pay, wages, hours of work and other conditions of employment.

1.2 The Union, the Company and all employees are bound by and hereby pledge their cooperation in observing all provisions of this Agreement consistent with applicable State and Federal Law. Both parties recognize the principle of a fair days work for a fair days pay.

It is the intent of the parties that this Agreement shall be binding upon the parties hereto, their successors and assigns and no provisions, terms or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by the consolidation, merger, sale, transfer, succession or assignment of either party hereto, or affected, modified, altered or changed in any respect whatsoever by any change of any kind in the legal status, ownership or management of either party hereto. Both parties agree to provide a minimum of 30 days notification prior to any such change.

ARTICLE 2
RECOGNITION AND SCOPE OF THE AGREEMENT

2.1 The Union is recognized by the Company as the sole collective bargaining agent for all full-time and regular part-time security officers employed by Coastal at the Department of the Interior in Washington, DC, but excluding all other employees, including non-guard employees, office clerical employees, professional employees, managerial employees, and supervisors as defined in the Act.

2.2 Probationary employees. Newly hired employees shall be classified as probationary employees for a period of ninety (90) days from the date on which they start work at the contract site. During

their probationary period, employees may be subject to discipline or discharge at the discretion of the Company, without regard to the provisions of Articles 6 and 8 of this Agreement. All other provisions of this Agreement are applicable to probationary employees, unless otherwise expressly provided.

ARTICLE 3

EQUAL EMPLOYMENT OPPORTUNITY

3.1 Both parties agree there shall be no discrimination against any employee or applicant for employment because of his/her race, creed, color, religion, sex, national origin, disability, or age as required by state and federal laws, nor because of their involvement in, or refraining from, participating in Union activities, and express their intent to provide equal employment opportunity in all aspects of the employment relationship.

ARTICLE 4

CONTINUITY OF OPERATIONS; NO STRIKE AND NO LOCKOUT

The Employer agrees not to cause, permit or engage in any lockout of its employees during the term of this Agreement. The Union agrees that neither it nor the employees it represents covered by this Agreement will, during the term of this Agreement, cause, permit, or take part in any strike, including sympathy strike, or picketing. It shall be a violation of this Agreement, and it shall be cause for discharge or suspension in the event an employee refuses to enter upon any property involved in a labor dispute involving other employee organizations or refuses to go through or work behind any picket lines involving other employee organizations at the Employer's place or places of business. The Union and the Employee agree to take all steps possible to ensure that Government property is properly secured and protected in the event of labor disputes involving other employee organizations at the locations subject to this Agreement.

ARTICLE 5

CONTRACT AGENCY DIRECTIVES

5.1 If the contracting agency directs that a specific employee be removed from the contract, i.e. for reasons including, but not limited to, the failure to meet security clearance and/or suitability requirements, or that a specific employee be disciplined, any such action directed may be undertaken by the Company and shall not be subject to the grievance or arbitration procedures of this Agreement. In the event that the contracting agency expressly directs the removal or discipline of a contract employee, the Company agrees to cooperate with the Union by providing it with all relevant information concerning the incident.

5.2 The union will be notified of any employment action taken pursuant to this Article and upon request be furnished evidence in support of the action in a prompt and timely manner.

ARTICLE 6

GRIEVANCE PROCEDURES

6.1 In order to establish effective machinery for a fair, expeditious and orderly adjustment of grievances, the parties agree that in the event any complaint or grievance arises over the interpretation or application of any provision of this Agreement, there will be an earnest effort to settle such complaint or grievances by the following procedure, the last step of which will be binding arbitration. In order to maintain the integrity of the grievance process, and to alleviate the use of the grievance process from becoming an individual's platform, the Union has the responsibility for reviewing and submitting only those grievances that are considered to have validity in its good faith judgment. Union stewards and executive personnel will refrain from conducting business with employees while they are on post. Employees may use their break time for this purpose if the employee so elects. Union agrees to notify Coastal International Site management prior to visiting the Site.

The parties expressly acknowledge that the duty to use this grievance procedure, including binding arbitration, includes any and all disputes between any Employee and the Company (and the Union and the Company) arising out of or relating to any Employee's employment with the Company, whether grounded in contract, tort or statutory law (including, but not limited to, federal, state and local civil rights and employment laws such as Title VII of the Civil Rights Act of 1964, as amended, the Americans With Disabilities Act, the Age Discrimination In Employment Act, The Family Medical Leave Act, and the Fair Labor Standards Act). This duty to arbitrate shall apply to all claims which the Employee believe he/she may have against the Company, its affiliated companies or any of its officers, owners, directors, employees or agents. Nothing in this provision shall obligate the Union to pursue any claims typically handled by a Federal agency through the arbitration process.

6.2 Step 1. An employee or Union steward, who becomes aware of a situation and believes he/she has a justifiable complaint or grievance, shall promptly discuss it with the employee's supervisor within five (5) working days in an attempt to settle the matter. If the employee brings the matter forward, a Union representative may be present during the discussion if requested by the employee.

6.3 Step 2. If the employee or Union steward is dissatisfied with the response of the immediate supervisor in Step 1, the grievance must be elevated to the Contract Manager, in writing, within five (5) working days. The Contract Manager shall have five (5) working days from date of receipt of the grievance to respond in writing. The Union and the Company may participate in Step 1 and Step 2 by telephone, fax, or other electronic means.

6.4 Step 3. If the matter is not resolved at Step 1 or Step 2 of the grievance procedure, the grievance, to be valid, shall be presented to the Coastal Human Resources, in writing, signed by the employee and Union Grievances Committee specifying the Article(s) and Section(s) of the Agreement believed violated and stating what relief is sought, no later than five (5) working days following the written rejection at Step 2. The Sr. Vice President, Metro Operations shall answer the grievance in writing within five (5) working days after receipt of said grievance.

6.5 Step 4. If the Company's answer is not satisfactory, a Representative of the Union will meet and discuss the grievance with the Sr. Vice President, The Company must reply to the Union within ten (10) working days excluding Saturday, Sundays and Holidays, of said meeting.

6.6 Grievances which have been processed in accordance with the foregoing requirements and which remain unsettled may be processed by the Union to arbitration in accordance with the following procedures and limitations.

6.7 The Union, within fifteen (15) calendar days after the rejection of the grievance by the Company's Designated Representative shall notify the Company in writing of its intent to invoke arbitration. The Union and/or Company will request the Federal Mediation and Conciliation Service to supply a list arbitrator have to hear the case. A copy of this request will be sent to the Company. An arbitrator will be selected from a list supplied by the Federal Mediation and Conciliation Service by the parties alternately striking from the list until one name remains, and this individual will be the arbitrator to hear the case.

6.8 In the event of arbitration pursuant to Section 6.7, the parties shall execute a submission agreement. If the parties fail to agree upon a joint submission, each party shall submit a separate submission to the arbitrator. The arbitrator will confine his decision to this submission or submissions. The joint or separate submissions will state the issue or issues and the specific paragraph or paragraphs of this Agreement, which the arbitrator is to interpret or apply.

6.9 The decision of the arbitrator shall be submitted in writing and shall be final and binding on all parties to this Agreement. Whenever possible, the decision shall be made within thirty (30) days following the close of the hearing. Each party hereto shall bear the expense of preparing and presenting its own case. For purposes of arbitration under Section 6.7, the cost and all expenses of the arbitrator shall be borne equally by the parties. In the event a stenographic transcript of the hearing is made, the party requesting the transcript shall bear the full cost of the stenographic record unless the parties agree to the sharing of the expense.

6.10 Any grievance involving discharge, layoff or other potential accumulating back pay liability shall be commenced at Step 3 of this procedure and the written grievance to be processed must be presented to the Contract Manager or, in his/her absence, to his/her designee within five (5) calendar days after the occurrence of the facts giving rise to the grievance.

6.11 The arbitrator cannot modify, amend, add to, detract from or alter the provisions of this Agreement nor substitute his judgment for that of management.

6.12 Any grievance shall be considered null and void if not filed and processed by the Union or the employee represented by the Union, in strict accordance with the time limitations set forth above. There shall be no recognition of a continuing grievance so as to frustrate the intent of strict adherence to those time limitations. Failure of the Company to act within the time limit set forth in any step shall entitle the Union to proceed immediately to the next step of the grievance procedure. In any particular case, any time limit specification may be extended by mutual agreement between the Company and the Union.

6.13 Sections 6.6 through 6.12 notwithstanding, the following rules shall apply whenever an employee covered by this Agreement or the Union asserts a common law or statutory claim other than solely a claim that the Company has failed to comply with the terms of this Agreement. When the sole claim is that this agreement has been breached, the arbitration shall be pursuant to Sections 6.6 through 6.12.

If the dispute has not been resolved pursuant to the procedures outlined in Sections 6.1 through 6.5, the resolution of the claim shall be resolved exclusively by means of binding arbitration in accordance with the Employment Dispute Resolution Rules of JAMS in the Metropolitan DC area or in such location that the arbitrator determines is more convenient for the parties. Parties shall bear their own attorneys fees and costs. Parties shall share equally the costs of the arbitrator, the meeting room, court reporter's fee, and JAMS administrative fees.

ARTICLE 7

MANAGEMENT RIGHTS

7.1 The Management of the Company retains the rights to manage its operations: to direct, control and schedule its operations and work force and to make any and all decisions affecting the operation, whether or not specifically mentioned herein. Such prerogative shall include, but not be limited to, the exclusive rights to: hire, promote, lay off, assign, suspend, discharge and discipline employees; select and determine the number of its employees, including the number assigned to any particular work; to increase or decrease that number; direct and schedule the work force; determine the location and type of operation; determine and schedule when overtime shall be worked; install or remove equipment of a security nature; determine the methods, procedures, materials and operations, in whole or in part and to discontinue their performance by employees of the Company; transfer or relocate any or all of the operations, in whole or in part at any time; determine the work duties of employees; promulgate, post and enforce rules and regulations governing the conduct and acts of employees during working hours; required duties other than normally assigned to be performed; select supervisory employees; train employees; discontinue, reorganize or combine any department or branch of operation with any consequent reduction or other change in the work force, introduce new and improved methods or facilities regardless whether or not such may cause a reduction in the work force; establish, change, combine, or abolish job classifications; determine reasonable work pace, work performance levels and standards of performance of the employees and in all respects carry out in addition the ordinary and customary functions of management, all without hindrance or interference by the Union except as specifically altered or modified by the express terms of this Agreement.

7.2 It is recognized and acknowledged that the Company is in the business of providing a service, through its employees, to the Government and to other customers. It is therefore essential and expected that all employees will act in a highly professional, courteous manner and will be held accountable for their duties, functions and job requirements. Except for those matters specifically addressed in this Agreement, the Company reserves the sole and exclusive authority to draft, issue, implement, revise, enforce and withdraw reasonable rules of conduct and reasonable regulations, as the Company deems necessary. The Company will provide copies of such rules and regulations, and any changes thereto, to the Union.

ARTICLE 8

DISCIPLINE AND DISCHARGE

8.1 The Company has the right to discipline or discharge any employee for incompetence, disobedience, disorderly conduct, negligence, or any other just and sufficient cause.

For purposes of this provision, the term "cause" shall include, but not be limited to: (i) a request by an authorized government representative that the Company cease using an employee at the worksite, (ii) the failure of an employee to meet job requirements as imposed on the Company by the Government or to maintain all required certifications and (iii) the refusal of a full time employee to work overtime when, in the Company's good faith judgment, such a request is necessary to assure that the Company meets its contractual obligations and the Company has followed the provisions of Article 15, subpart 15.3, (iv) a violation of the Company's Drug and Alcohol policy. Nothing herein shall preclude the Union or the employee from pursuing any claims it/he/she may have against the government. In addition, the term "cause" shall include Company policy as explained in the Employee Handbook. Nothing herein shall preclude the Union or the employee

from contending that the underlying infraction did not occur or from the Company contending that the Company rules and progressive discipline was not appropriate in any particular circumstance as set forth in the policy.

8.2 The Company shall notify an employee of its intention to impose disciplinary action, which may include termination of employment, within five (5) days after management has actual knowledge of the incident on which the proposed disciplinary action is based. Written notice (a copy of the disciplinary action form) will subsequently be furnished to the affected employee and Union steward (with the employee's consent) within five (5) working days after the Company completes its investigation of the incident.

8.3 Upon taking of discharge action against an employee, the Company will permit the employee to contact his Union representative, if he/she so desires, before leaving the premises. As soon as practicable following the discharge, the Company will notify the Union representative of the action taken (with the employee's consent).

8.4 Any employee interviewed concerning discipline, if he/she so desires, may request the presence of his/her Union representative to represent him/her during such interview.

8.5 During his/her probationary period, an employee may be discharged or disciplined at the Company's option without recourse to the grievance procedure.

8.6 In imposing any discipline on a current charge, management will not take into account any infractions, which occurred more than one (1) year, prior.

ARTICLE 9

PART-TIME EMPLOYEES

9.1 A Part-time employee is defined as one who is regularly scheduled to work less than thirty-two (32) hours per workweek. Part-time employees will have seniority only among part-time employees. Part-time employees shall be placed full-time in the order in which they were hired unless the Company can show just cause regarding why the employee is being bypassed. Any part-time employee who is offered a full-time position and refuses it shall be placed at the bottom of the list for the next full-time vacancy. Any part-time employee who becomes full-time shall be placed on the seniority roster for full-time employees on the date the employee is reclassified as full-time providing the employee has completed the probationary period.

9.2 Part-time employees are entitled to receive fringe benefits to include pro-rated vacation and holiday pursuant to the Service Contract Act. Full-time employees, after completing the probationary period who are thereafter voluntarily placed on part-time work, will retain their full-time seniority; however, they shall not accumulate full-time seniority while working as part-time employees. If they later return to full-time employment, they will return to a position on the seniority roster to which their full time seniority entitles them. The Company further agrees to prepare a part-time seniority list; a copy will be furnished monthly to the Union and a copy will be posted on the bulletin board.

ARTICLE 10

UNION SHOP AGREEMENT / CHECK OFF OF UNION DUES

10.1 It is hereby understood and agreed by and between the Company and the Union that:

a. This Union Shop agreement shall become effective upon execution and shall remain in full force and effect concurrently with the basic collective bargaining agreement between the parties hereto.

b. All security employees subject to the Agreement between the Company and the Union shall with in thirty (31) days from the effective date of this agreement and/or hire date become members or agency fee payers, as a condition of continued employment. Employees meet this requirement of being a member in good standing of the union within the meaning of this article, by tendering the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union, or, in the alternative, by tendering to the Union Agency fees, as defined by the United States Supreme Court in *NLRB v. General Motors Corporation*, 373 U.S. 734 (1963); and *Beck v. Communications Workers of America*, 487 U.S. 735 (1988). Upon notice from the Union, employees who fail to pay such dues or agency fees shall be subject to discipline up to and including termination. Any discipline for failure to pay appropriate dues or service fees shall not be grieved or arbitrated. No termination will take place while an employee's dues status in controversy.

c. When a member of the Union executes such Check-Off Authorization Card in a manner suitable to the Union, the Union shall forward an original copy to the designated Company accounting official. Any Check-Off Authorization Card, which is incomplete or executed in a manner not suitable to the Company, will be returned to the Union for correction. Dues and/or agency fees will not be deducted until such time as a legible, signed and dated Union Check-Off card is received by the Company.

10.2 Any notice of revocation as provided for in the NLRA, as amended, must be in writing, signed by the employee and delivered by registered mail, addressed to the appropriate Company accounting official, with a copy to the Union.

10.3 Check-Off Authorization Cards and notices received by the Company accounting officials will be stamp-dated on the date received and will constitute notice to the Company on the date received and not when mailed.

10.4 When a Check-Off Authorization Card is received by the appropriate Company accounting official on or before any given payday, deductions will commence with the first regular paycheck following said payday, and will continue thereafter until revoked or canceled as provided in this Agreement. The Company will remit to the Union a check, in payment of all dues and/or agency fees collected, not later than the 15th day of the month following the month in which such dues and/or agency fees are collected. These remittances will be subject to normal accounting practice with respect to the adjustments necessary because of the methods involved in the deduction procedure. The Company remittances of Union membership dues and/or agency fees to the Union will be accompanied by a list of names of the employees for whom deductions have been made in that particular period and individual amounts deducted.

10.5 An employee who has executed a Check-Off Authorization Card and who resigns, or is otherwise terminated from the employ of the Company, shall be deemed to have automatically revoked his/her assignment and if he/she is recalled or reemployed, further

deductions of Union dues or agency fees will be made only upon execution and receipt of a new Check-Off Authorization Card.

10.6 Deduction of Union dues shall be made in a flat sum provided there is a balance in the paycheck sufficient to cover the amount after all other deductions authorized by the employee, or required by law, have been satisfied. In the event of termination of employment, the obligation of the Company to collect Union dues shall not extend beyond the pay period in which the employee's last day of work occurs.

ARTICLE 11

UNION REPRESENTATION

11.1 The Union shall designate no more than one (1) Chief Steward and two (2) Stewards per shift. The Union shall notify the Company in writing of the selection of Stewards.

11.2 Stewards and Union officers shall not interfere with the management of the Company's business or the work of any employee, but may advise the Company of any alleged violations of the Agreement. Stewards and Union officers may not interview any employee or otherwise conduct Union-related business with any employee while such employee is on duty, nor shall any employee conduct Union-related business while on duty without permission. Company property, equipment and office facilities shall not be used to conduct any form of Union-related business without permission. Employees who violate this article will be subject to disciplinary action.

11.3 The Company will provide bulletin board space for the Union upon which Union representatives may post notices pertaining to business of the Union. The Company prior to posting shall be provided a copy all notices prior to it being posted on the bulletin board.

11.4 It shall be the responsibility of the Union to advise the Company in writing of all changes in the designation of Union Representatives and alternates.

11.5 For purposes of this section, an employee may not leave his/her post in order to perform his duties as a Union officer/steward or alternate unless adequate replacement coverage has been arranged or unless approved by the Project Manager.

ARTICLE 12

SENIORITY

12.1 Seniority under this Agreement shall commence with the employee's start date on the contract.

12.2 When a permanent vacancy occurs on a shift, the position will be posted on the bulletin board for a period not less than seventy- two (72) hours before the position is permanently assigned. If more than one employee request is on file, preference will be given to qualified employees with the greatest seniority. Such shift changes on request shall be limited to one per calendar year per employee. An employee temporarily transferred to another shift at the Company's request will be returned to the shift from which transferred within thirty (30) days, unless he/she agrees to remain on the new shift.

12.3 A seniority list giving name and date of employment under this Agreement shall be furnished to the Union one (1) month after signing this Agreement. A list of additions and separations will be furnished to the Union monthly as applicable. The Company will post a corrected seniority roster during the months of March and September of each year.

12.4 An employee covered by this Agreement who accepts a position outside the bargaining unit, shall retain the seniority he/she had as of the date of his promotion or transfer but shall not accrue additional seniority while so employed. If he/she is later returned to the bargaining unit, he/she will return to a job to which his/her seniority entitles him/her. If he/she does not return within six (6) months, he/she shall lose all seniority rights.

12.5 An employee who is discharged for cause, or who resigns from the service of the Company, or who transfers out of the positions covered by this Agreement, except for the provisions of paragraph 12.5 above, shall lose all seniority rights.

12.6 If a reduction in force is necessary, employees will be laid off on a reverse seniority basis. Employees laid off, if qualified, shall be considered for any existing vacancies within the Company not covered by this Agreement. Any expense incurred as a result of accepting such vacancies will be paid for by the employee.

12.7 Laid off employees shall have call back rights for a period of time equal to their length of service, but not to exceed one year. In the case of a recall, employees who have been laid off shall be notified at their last known address to report to work. The notice shall be by telegram or registered mail return receipt. In the event a former employee so notified fails to report for work within five (5) days after receipt of such notice, the employee shall forfeit his/her seniority and all reemployment rights associated therewith. However, if the employee is prevented from reporting because of sickness or an emergency involving him/herself or immediate family, or other legitimate reason, and so notifies the Company within the initial five (5) day period and presents documented proof, the employee, at the discretion of the Company, shall be allowed an additional ten (10) days in which to return to work. If he/she is unable to return at this time, he/she will be given an opportunity to return at the next opening.

12.8 An employee, who is unable to report to work because of a non-occupational injury or illness, shall continue to accumulate seniority except that he/she shall be subject to layoff according to his/her seniority. An employee who is unable to work because of illness or injury, which is occupational in origin, shall continue to accumulate seniority during the term of the disability.

12.9 In addition to the reasons outlined in Article 13, employees shall lose their seniority rights if:

a. The employee resigns, quits or retires.
b. The employee is discharged for just cause.

12.10 Each employee on a layoff status must notify the Company in writing, advising of any changes of address and their availability for work.

12.11 For the purpose of layoff and recall, seniority of employees hired on the same date shall be determined by the lowest of the last four digits of their social security numbers to be the most senior employee.

ARTICLE 13

VOLUNTARY QUITS

13.1 An employee shall be deemed to have voluntarily quit employment with the Company and will lose
his/her seniority rights if:

a. The employee fails to report for work three (3) consecutive working days without telephoning or otherwise notifying the Company, unless there were circumstances, which would reasonably have prevented the employee from properly notifying the Company.
b. The employee fails to report for work within forty-eight (48) hours of the beginning of his/her scheduled shift or expiration of a leave of absence without telephoning or otherwise notifying the Company, unless there were circumstances, which would reasonably have prevented the employee from properly notifying the Company.
c. The employee accepts a position in a management or supervisory capacity with a competitor of the Company at the same time he/she is employed by the Company, or otherwise fails to report for duty as scheduled by the Company while simultaneously remaining an employee of a competitor of the Company.
d. The employee fails to respond within five (5) days of the Company sending a notice of recall, unless there were circumstances, which would reasonably have prevented the employee from properly notifying the Company.

ARTICLE 14

WORKWEEK

14.1 The normal workweek shall be from 0001 hours Sunday until 2400 hours Saturday. Wages shall be paid bi-weekly on the second Friday following the end of the pay-period.

14.2 The Employer shall schedule the hours of work of Employees at least two (2) week in advance, except in circumstances beyond the Employer's control. Nothing shall preclude the Employer from scheduling employee to work ten (10) hours or twelve (12) hours shifts.

14.3 The Company will give notice of employee's regular scheduled days off. When an employee has two days or more scheduled off in the workweek, such days off will be scheduled consecutively, whenever practicable.

14.4 Nothing in this Agreement shall be construed as a guarantee of any number of hours of work per day or days per week and nothing in this agreement shall be construed as a limitation upon the Company's right to schedule hours in excess of, or less than those in the normal work week.

ARTICLE 15

OVERTIME COMPENSATION

15.1 No overtime work shall be required or permitted except by direction of proper supervisory personnel of the Company, except in cases of emergency where prior authority cannot be

obtained. Once an employee turns in their equipment and signs out, the Company has no right to force them to stay, except in government declared emergencies.

15.2 The Company shall have the right to holdover employees until relieved and/or to require an available employee to provide coverage of the post. Whenever practical, the Company will attempt to provide two (2) hours notice to employees on duty that will be required to work overtime. Employees shall not be held over past 12 hours, unless mandated by emergency conditions.

15.3 Except as required to maintain operations, employees shall not be required to work overtime against their wishes. If required, the following will apply:

a. Prior to requiring an employee to work overtime against their wishes, all available and qualified employees shall be given the opportunity to voluntarily work the overtime assignment.

15.4 Overtime pay will be paid at one and one-half (1 ½) times the employee's basic hourly straight time rate for all hours worked in excess of forty (40) hours in a workweek.

15.5 The payment of overtime premium pay for an hour excludes that hour from consideration for premium or overtime payment on any other basis. There shall be no pyramiding or duplication of premium or overtime pay. In the event more than one premium or overtime payment is due under this Agreement, only the higher rate shall apply.

ARTICLE 16

GENERAL WAGE PROVISIONS

16.1 All employees shall receive not less than the minimum wage rates as set forth in the scheduled job titles and wage rates reflected in Appendix B attached hereto and made a part hereof.

ARTICLE 17

HOLIDAYS

17.1 All eligible full-time employees receive 8 hours holiday pay for each of the following holidays:

New Years Day
Martin Luther King Day
President's Day
Memorial Day
Independence Day
Employee's Birthday
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

Holiday pay is calculated based on the employee's straight-time pay rate as of the date of the holiday.

When any of the above holidays fall on a Saturday or Sunday, the holidays will be observed on the same day that the Government observes them. In addition, any holiday declared by Presidential

Proclamation or government closure as ordered by OPM or GSA, that specifically includes contractors and the services they provide, will be observed as instituted.

17.2 In order to be paid for holiday pay, a full time employee must work the last scheduled workday preceding and the first scheduled workday following the holiday, unless the Company excuses his/her absence.

17.3 An employee scheduled to work on any of the holidays listed in paragraph 17.1 who fails to report for work shall not receive payment for that day unless his failure is occasioned by circumstances beyond his/her control, or by excused absence.

17.4 If a recognized holiday falls during an eligible employee's paid absence (such as vacation or personal leave), holiday pay will be provided instead of the paid time off benefit that would have otherwise applied.

17.5 Holiday pay shall not be used for the purpose of computing overtime.

17.6 The following provision shall govern the assignment of employees working a holiday whether it is a celebrated or actual holiday: The Company shall determine the number of employees by shift, by seniority, required to work in order to meet operational requirements.

17.7 An employee who is on lay off, or who is on a leave of absence, shall not be eligible to receive holiday pay.

17.8 An employees who works a twelve hour shift as a regular schedule and the holiday falls on their regular schedule work shift will received holiday paid equal to the amount of hours that their would have work that day.

ARTICLE 18

VACATIONS

18.1 Accrual of vacation is based upon vacation earned by the employee with continuous service, without a break in service, in accordance with the Service Contract Act as shown in the following schedule:

Service Completed	Vacation Period	Vacation Pay	Semimonthly Accrual Ra
After 1 Year	2 Weeks	80 Hours	3.33 hours
After 5 Years	3 Weeks	120 Hours	5 hours
After 10 Years	4 Weeks	160 Hours	6.67 hours

The length of eligible service is calculated on the basis of a "benefit year". This is the 12 month period that begins with the employee's date of hire with the Company, in the case of incumbent employees from a predecessor contract, the employee's date of hire with the predecessor contractor (seniority date).

18.2 Vacation pay shall be computed at the employee's straight time base rate at the time of vacation, and shall be limited to those hours the employee has earned on the date of eligibility for such vacation. Vacation pay shall not be used for the purposes of computing overtime. Part-time employees' vacation benefit hours will be prorated in accordance with the Service Contract Act.

18.3 Vacation preference will be given weight by the submittal date of each request. If there is more than one vacation request submitted on the same date, preference will be given to the most senior employee.

18.5 No more than five percent of the work force may be on vacation at any time.

ARTICLE 19

LEAVES OF ABSENCE

19.1 Upon written request, a leave of absence without pay for a period not to exceed ten (10) days in any calendar year shall be granted to not more than four (4) employees at a time to attend Union conventions and conferences without loss of seniority rights and benefits. The Company reserves the right to disapprove such leaves of absences, or reduce the number of attendees, due to emergencies or as client/contract operations demand.

19.2 Any employee who is a member of the United States Army, Navy, Air Force, Marine Corps, Coast Guard, Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, Coast Guard Reserve, Army National Guard, Air National Guard, or any other category of persons designated by the President in time of war or emergency, may be granted leaves of absence to fulfill their uniformed services obligations. All such leaves of absence are governed by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). This law prohibits discrimination against and provides reemployment/reinstatement rights to persons who serve in the uniformed services.

19.3 Employees will receive partial pay for eighty (80) hours of uniformed service per calendar year. Any hours over eighty (80) will be unpaid. Employees may opt to use accrued paid leave time to cover any unpaid hours. When leave is completed, a Military Pay Voucher must be submitted to establish the period of uniformed service leave and military pay received. Employees will be paid the difference between their regular base pay, exclusive of premiums, and military base pay, provided regular earnings are greater.

19.4 The provision of the Family and Medical Leave Act of 1993 (FMLA), and/or the District of Columbia Family Medical Leave Act, as appropriate and as amended, will be complied with by the Union and Company. Employees will follow the Company's procedures regarding application for FMLA.

19.5 Employees may be eligible for a Leave of Absence for personal or non-FMLA related medical reasons; contract operations permitting. Employees must have completed their 90-day probationary period prior to the requested leave. The maximum amount of Leave of Absence time an employee is allowed to take is eighteen (18) weeks in a 12-month period. Any combination of non-FMLA and FMLA leave may not exceed this maximum limit. Employees will follow the Company's procedures regarding application for a Leave of Absence.

ARTICLE 20

DRUG AND ALCOHOL

Coastal is committed to maintaining a safe and productive work environment. The use or abuse of alcoholic beverages, controlled substances, inhalants, prescription drugs and over-the-counter medications, and the illegal use of drugs can impair performance, jeopardize safety, and expose Coastal to the risk of injury, property loss and damage.

It is the policy of Coastal to keep the work environment free from these substances and their adverse effects on job performance and safety. The company reserves the right to randomly screen any employee for violation of this policy. Random and reasonable suspicion drug testing will be conducted onsite by Supervisors using urinalysis kits. Employees who test positive will be removed from the contract (pending the outcome of an investigation) and permitted to take a second test (within 24 hours) at a Coastal-designated third party clinic/lab. If the second test reveals another positive reading OR if any employee refuses to submit to a drug test, disciplinary action will result up to and including termination of employment.

The possession, consumption, distribution, exchange, delivery, dispensation, sale or use of alcoholic beverages, controlled substances, inhalants, or the illegal use of drugs is prohibited on Coastal property, in Coastal vehicles, in personal vehicles used for business purposes, or while employees are engaged in company business.

Coastal employees are prohibited from reporting for work or working while impaired by controlled substances, drugs or inhalants, or while under the influence of alcohol.

The normal use of over-the-counter medications and the legal use of prescription drugs as ordered by a physician is not prohibited, providing such medication does not interfere with the individual's ability to perform the job. Employees taking over-the-counter medications or prescription drugs must inform their immediate supervisor before commencing work if their doctor or pharmacist indicates that the medication may impair work abilities or physical/mental faculties, or if the employee has knowledge that the medications may create such problems. Coastal supervisors will make the determination regarding whether employees can work while taking any medications. Individuals taking over-the-counter medications and/or prescription drugs must have the medication in the original container, which identifies the drug, the dosage, the prescription date and the prescribing physician. All employees must observe restrictions on the use of over-the-counter medications and prescription drugs.

Coastal reserves the right to give a drug test if an employee is injured while on the job, or to an employee who is involved in an accident, which causes bodily injury or damage to Coastal property. Any violations of this Drug and Alcohol policy will subject the employee(s) to discipline up to and including immediate termination of employment.

ARTICLE 21 PENSION PLAN

21.1 The Employer agrees to contribute such amounts as are set forth in the Appendix C for pension benefits for its covered employees.

ARTICLE 22

BEREAVEMENT LEAVE

22.1 In the event of a death in the immediate family of a full-time employee, the employee will be granted bereavement leave of up to three (3) work days with pay. Bereavement pay will not be used for the purposes computing overtime and will be paid at the employee's straight-time pay rate at the time the leave was taken. For those employees having to travel 400 miles or more, the bereavement allowance is five (5) days paid leave. These three (3) or five (5) days are to be taken consecutively within a reasonable time of the day of the death or day of the funeral, and may not be split or postponed without prior approval from the Corporate office.

For this purpose of this article, immediate family is defined as:

- Spouse
- Parents (including in-laws)/step-parents/foster parents
- Son-in-law/daughter-in-law/brother-in-law/sister-in-law
- Siblings/step-siblings
- Child/step-child/foster child
- Grandparents
- Grandchildren

After the granting such leave, the Company may require the employee to substantiate the need for the leave.

ARTICLE 23

PERSONAL/SICK LEAVE (PSL)

23.1 Full-time employees shall accrue 1.538 hours (40 hours per year) PSL per pay period. PSL pay will not be used for the purposes of computing overtime. PSL pay is calculated based on the employee's straight-time pay rate on the date the PSL hours are taken. Unused accrued PSL will be paid out to the Employee at the Employee's straight-time pay rate once each year..

23.1 Paid PSL may be used in minimum increments of four (4) hours. Employees may use PSL for an absence due to their own illness or injury or that of an immediate family member (See Article 22 for definition of immediate family member) or for other personal appointments or matters.

23.2 Employees unable to report to work due to illness/injury or other personal related matters must telephone the on-duty supervisor directly, each day of their absence, as far in advance as possible, but no later than three (3) hours before their scheduled arrival time regardless of whether the employee seeks PSL pay for the absence. The supervisor must be contacted each day of absence unless an exception has been made for a particular absence, and a written memo to this effect has been provided to the supervisor.

23.3 An Full-time employee who is absent due to illness or injury for three (3) consecutive work days or two (2) consecutive scheduled shifts for Part-time employees, regardless of whether the employee seeks PSL pay, shall be required to provide to the Company a physician's statement supporting the employee's absence and certifying that the employee is able to return to work. Upon reasonable request, the Company reserves the right to require a physician's statement for an

illness of any period of time. If the Company questions the physician's statement submitted by the employee, the Company may require the employee to obtain a second opinion by a physician designated by the Company, at the Company's expense. Where an employee fails to provide medical certification, or where medical certification does not support the employee's absence, the employee will not be entitled to sick pay, and may be subject to disciplinary action. An employee who does not provide medical certification that he/she is able to return to work, when required or reasonably requested, will not be permitted to return to work.

23.4 Where an employee takes leave pursuant to the Company's Family & Medical Leave Act Policy, the provisions of that policy will supersede any provisions of this Article, which may be inconsistent with said policy.

ARTICLE 24

HEALTH AND WELFARE

Effective in accordance with the schedule below each employee will receive the amount per hour worked per work week.

Effective Date	H&W
10/1/08-09/30/09	$3.40

Effective Date	H&W
10/1/09-9/30/10	$3.55

Effective Date	H&W
10/1/10-9/30/11	$3.70

ARTICLE 25

UNIFORM AND UNIFORM ALLOWANCE

25.1 The Company will furnish to employees all uniform and equipment as required by the Company's contract with its client, or as deemed necessary by the Company, at no cost to the employee.

25.2 Employees shall maintain such uniforms and equipment in accordance with Company standards. A uniform maintenance allowance as stipulated in Appendix B to this Agreement will be provided to all employees.

25.3 Uniforms and equipment issued by the Company are to be worn and/or used by employees only in the performance of their assigned duties and in accordance with the Company's contract with its client. The wearing and/or use of Company issued uniforms and equipment in the course

of any other employment or activity will be cause for discipline up to and including termination of employment.

25.4 Upon termination of employment, the issued clothing and equipment shall be returned to the Company. The Union agrees that all employees, at the time of hire, shall give written authorization allowing the Employer to deduct from the employee's final paycheck the cost of all unreturned issued clothing and equipment and/or the cost of cleaning clothing not returned in a clean condition. The deduction for such missing, un-cleaned, or damaged items will be equivalent to the cost to the Company.

ARTICLE 26

MISCELLANEOUS PROVISIONS

26.1 Each employee covered by this Agreement will be furnished personal relief as provided in the Company's contract with its government client. Supervisory personnel normally will not perform the duties of bargaining unit employees but may, without prior notice, be temporarily assigned to cover unit work where deemed necessary by the Company. In no event shall such temporary assignment exceed five (5) days per occurrence.

26.2 The Company will comply with applicable state and federal laws concerning payment for jury duty.

26.3 Duty assignments will be rotated equitably among employees and in accordance with the shift to which they are assigned. The Company will make reasonable efforts consistent with its business needs to assign employees in such a manner to accommodate established child care arrangements or the like. Special accommodations will not be made to assist with meeting other work obligations. Assignments will be made in an unbiased manner and in accordance with seniority to the extent possible.

ARTICLE 27

TRAINING AND QUALIFICATION

27.1 It is the mutual responsibility of the employee and the Company to track the expiration of any certifications/qualifications required per the Company's contract with the Department of the Interior and keep each other informed of such in order to schedule required training and/or insure completion of necessary paperwork in a timely manner. The Company agrees to keep the Union appraised of employees' certification expiration dates so that the Union may assist with assuring employees' certifications remain current.

27.2 All training and associated qualifications/certifications will be conducted by the Company. Employees may not go to an outside training provider unless specifically authorized and coordinated by the Company. Any employee scheduled for training who fails to attend, will be subject to disciplinary action unless such failure to report is the result of a documented emergency circumstance.

27.3 Employees attending training presented by or coordinated at the direction of the Company will be paid their normal base hourly rate of pay, excluding shift differential, for all hours spent in said training. Overtime compensation will be in accordance with Article 15, part 15.3.

The Company shall afford employees the opportunity to have at least two (2) practice sessions prior to any formal weapons re-qualification testing. If an employee is scheduled for and fails to attend a practice session, the employee will be deemed to have forfeited one practice session unless such failure to report is the result of a documented emergency circumstance. If an employee is unable to successfully pass the weapons safety test and/or qualify with his/her contract specific weapon prior to his/her certification expiration date, the employee shall be suspended without pay. Such employee shall be reinstated after qualifying, providing such qualification takes place within thirty (30) days of his/her certification expiration date. An employee failing to successfully qualify or report for scheduled training within this thirty (30) days period (unless such failure to report is the result of a documented emergency circumstance or inability of the Company to get the training scheduled), shall be terminated. An employee suspended pursuant to this provision shall not accrue seniority or fringe benefits.

27.4 If an employee does not successfully complete any other government contract mandated training having specific recertification requirements prior to his/her certification expiration date, the employee shall be suspended without pay for a maximum of thirty (30) days. If the employee fails to successfully meet the recertification requirements or fails to report for scheduled training within the thirty (30) days time frame (unless such failure to report is the result of a documented emergency circumstance or inability of the Company to get the training scheduled), the employee shall be terminated. An employee suspended pursuant to this provision shall not accrue seniority or fringe benefits.

27.5 The Company is obligated to abide by the provisions of the government contract as it relates to training and certification issues. As such, the thirty (30) days time frame specified in 27.5. and 27.6 above is only as it relates to the employee's obligation to take the appropriate action necessary to renew his/her affected expired certification(s) before being terminated. If the employee complies within this time frame, they remain employed; however, his/her subsequent reinstatement onto the contract is specifically tied to the employee's credentials being updated and approved.

27.6 Employees scheduled for training blocks of five (5) hours or more will have an eight (8) hour break prior to having to report for such training. In no event will an employee be required to work in excess of twelve (12) hours, including training hours.

ARTICLE 28

SEPARABILITY OF THE CONTRACT

It is not the intent of the parties to this Agreement to violate any Federal, State or Local laws governing the subject matter contained herein. All parties who are signatory to the terms of this Agreement agree that if any provisions contained herein are finally held or determined to be illegal or void by a court of final and competent jurisdiction, the parties shall promptly enter into negotiations concerning the affected clauses for the purpose of achieving conformity with the new requirements of the applicable law. It is the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect.

ARTICLE 29

DURATION OF AGREEMENT

Except as otherwise provided in this Article, this Agreement shall be in full force and effect from October 1, 2008, and shall remain in effect until (and including) September 30, 2011. On the first anniversary of this Agreement, either party will elect to re-open the agreement with respect to fringe benefits (including health and welfare, sick leave, uniform allowance, vacations and holidays); the applicable provisions of the Agreement shall take effect as specified in the attached Appendix. Provided, however, that the party seeking to re-open the Agreement, must notify the other party between the ninetieth (90) and sixtieth (60) day prior to the anniversary date of the Agreement. With respect to fringe benefits (including health and welfare, sick leave, uniform allowance, vacations and holidays), the applicable provisions of the Agreement shall take effect as specified in the attached Appendix.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals to this Agreement, this 8th day of September, 2008.

SIGNATURE OF PARTIES

IN WITNESS WHEREOF, the Company and the Union have caused this Agreement to be signed by their duly authorized representatives.

FOR: Coastal International Security, Inc.

Director Labor Relations — Date 9/8/08

Date

FOR: National Association of Special Police and Security Officers (NASPSO)

Caleb A. Burris — Date Sept 8, 2008
Executive Director

Union Representative — Date Sept 8, 2008

Union Representative — Date 09/08/2008

APPENDIX A

This Agreement covers the Company's operations under the

Department of Interior Headquarters

The Union and the Company agree that any new permanent posts ordered by the Government for the localities covered by this Agreement will be adopted and covered by this Agreement.

WAGE AND HOUR ISSUES

SECTION 1: WAGE SCHEDULE: The Department of Interior Headquarters

Classification	Current	10/1/08 through 09/30/09	10/1/09 through 09/30/10	10/1/10 through 9/30/11
Security Officer – Unarmed	$15.77	$17.50	$18.20	$18.93
Security Officer- Armed	$18.00	$20.50	$22.14	$23.69
Supervisor Security - Armed	$19.78	$22.00	$23.76	$25.42

Wages will be paid bi-weekly. In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

SECTION 3: BREAK PERIODS

Employees who work 4 hours or less receive a 15 MINUTE PAID BREAK.
Employees who work more than 4 hours but less than 8 hours receive a 30 MINUTE PAID BREAK AND TWO (2) 15 MINUTE PAID BREAKS.
Employees who work a 12-hour shift receive a 30 MINUTE PAID BREAK AND THREE FIFTEEN (15) PAID BREAKS.

SECTION 4: LIMITATIONS ON MAN HOURS

No employee shall provide more than twelve (12) hours of service in any twenty-four (24) hour period, unless the work periods are separated by an eight (8) hour non-duty period. The limitations on hours may be verbally waived by the Government representative in emergency situations, which are beyond the control of the Company (i.e., weather conditions that prevent the relieving shift officers from getting to the building, civil disturbances, natural disasters, emergency, etc.).

SECTION 5: CALL-IN PAY

An employee called in to work and who reports for duty will be guaranteed a minimum of two (2) hours of work or pay at the regular hourly rate. The provisions of Article 15, part 15.3, will apply.

SECTION 6: UNIFORM ALLOWANCE

A uniform maintenance allowance will be paid to each employee as follows. This allowance will not exceed forty (40) hours in any week, and will include hours worked on holidays.

Current	10/1/08 through 09/30/09	10/1/09 through 09/30/10	10/1/10 through 9/30/11
$0.25	$0.30	$0.35	$0.40

401(K)

In addition, all employees will receive the following 401(k) benefits, for each hour worked per week, limited to 40 hours per week.

For each eligible employee, the Company will make a separate contribution to the Company's 401(k) plan in the amount indicated above for each hour worked, limited to forty (40) hours per week.

Current	10/1/08 through 09/30/09	10/1/09 through 09/30/10	10/1/10 through 9/30/11
$0.90	$1.00	$1.10	$1.10

FOR: Coastal International Security, Inc.

Sean J. Engelin
Director, Labor Relations

7/8/08
Date

FOR: National Association of Special Police and Security Officers (NASPSO)

Caleb A. Burris
Executive Director

8/2008
Date