# Palmas Services (San Angel Inn and Springs Food Services) (the "Company")

and

# UNITE HERE Local 737 (the "Union")

## Part-Time Bargaining Unit

***Effective:***
***Expiration: March 31, 2018***

ARTICLE 10 – OVERTIME ..... 21
SECTION 10.1. Management Responsibility ..... 21
SECTION 10.2. Division of Overtime Work ..... 21
SECTION 10.3. Involuntary Overtime ..... 21
SECTION 10.4. Time and One-Half ..... 22
SECTION 10.4. No Pyramiding of Premium Rates ..... 22
ARTICLE 11 – JOB CLASSIFICATIONS AND WAGE RATES ..... 23
SECTION 11.1. Schedule of Wage Rates ..... 23
SECTION 11.2. Rates for New Jobs ..... 23
SECTION 11.3. Night Shift Premium ..... 23
SECTION 11.4. Report Pay ..... 23
SECTION 11.5. Pay for Day When Injured ..... 24
SECTION 11.6. Payday ..... 24
SECTION 11.7. Coordinators ..... 25
SECTION 11.8. Trainers ..... 26
ARTICLE 12 – SENIORITY AND WORK STATUS ..... 27
SECTION 12.1. Definition of Seniority ..... 27
SECTION 12.2. Principles of Seniority ..... 27
SECTION 12.3. Dispute on Seniority Subject To Grievance Procedure ..... 27
SECTION 12.4. Termination of Seniority ..... 27
SECTION 12.5. Work Status and Utilization of Full-Time and Casual Employees ..... 28
SECTION 12.6. Transfer Outside of Bargaining Unit ..... 29
SECTION 12.7. Transfer Into Tipped Classification ..... 29
SECTION 12.8. Compliance with Governmental Employment Requirements ..... 29
ARTICLE 13 – VACANCIES AND TRANSFERS ..... 31
SECTION 13.1. Vacancy and Transfer Procedures ..... 31
SECTION 13.2. New Position or Transfer to Different Job Classifications ..... 31
SECTION 13.3. Transfers to Different Locations ..... 32
ARTICLE 14 – LAYOFFS AND RECALLS ..... 33
SECTION 14.1. Layoff According to Seniority in Job Classification ..... 33
SECTION 14.2. Notice of Layoff ..... 33
SECTION 14.3. Laid-Off Employees Retain Seniority for 12 Months ..... 33
SECTION 14.4. Recalls in Accordance With Seniority in Job Classification ..... 33

SECTION 14.5. Recall Procedure ..... 33
SECTION 14.6. Correct Address and Telephone Number ..... 34
SECTION 14.7. Failure to Report From Layoff ..... 34
ARTICLE 15 – INTERCHANGEABILITY OF WORK ASSIGNMENT ..... 35
SECTION 15.1. Interchangeability ..... 35
SECTION 15.2. Assignment to Two or More Different Job Classifications ..... 35
SECTION 15.3. Assignment to New Job Classification ..... 35
SECTION 15.4. Assignment, Reassignment or Transfer of Shop Stewards ..... 36
ARTICLE 16 – LEAVE OF ABSENCE ..... 37
SECTION 16.1. Temporary Leave of Absence ..... 37
SECTION 16.2. Leave for Union Business ..... 37
SECTION 16.3. Family and Medical Leave ..... 37
SECTION 16.4. Other Non-Occupational Medical Leave ..... 41
SECTION 16.5. Leave for Compensable Injury ..... 42
SECTION 16.6. Medical Leaves Exceeding One Year ..... 42
SECTION 16.7. Employee Medical Information (Confidential) ..... 43
SECTION 16.8. Administrative Leave ..... 43
ARTICLE 17 – DISCIPLINE, STANDARDS OF CONDUCT AND DISCHARGE ..... 45
SECTION 17.1. Standard of Conduct ..... 45
SECTION 17.2. Union Representative ..... 45
SECTION 17.3. Notice of Investigation ..... 45
SECTION 17.4. Disciplinary/Investigatory Suspensions ..... 45
SECTION 17.5. Discipline ..... 46
SECTION 17.6. Discharge ..... 47
SECTION 17.7. Absenteeism and Tardiness Standard: ..... 48
SECTION 17.8. Clock in/Clock out Standard ..... 50
ARTICLE 18 – GRIEVANCE AND ARBITRATION PROCEDURE ..... 52
SECTION 18.1. Grievance Settled According to Procedure ..... 52
SECTION 18.2. Definitions ..... 52
SECTION 18.3. Grievance Procedure ..... 53
SECTION 18.4. Grievance Settlements ..... 55
ARTICLE 19 – HOLIDAYS ..... 56
ARTICLE 20 – VACATION ..... 56

ARTICLE 21 – JURY DUTY/BEREAVEMENT LEAVE PAY ..... 56
SECTION 21.1. Jury Duty Pay for Regular Full-Time Employees ..... 56
SECTION 21.2. Bereavement Leave Pay ..... 56
ARTICLE 22 – INSURANCE AND EMPLOYEE BENEFITS ..... 57
ARTICLE 23 – COSTUMES, UNIFORMS, AND PERSONAL APPEARANCE ..... 57
SECTION 23.1. Costumes and Work Uniforms ..... 57
SECTION 23.2. Safety and Sanitary Clothing and Equipment ..... 57
SECTION 23.3. Laundry and Cleaning of Clothing Paid by Company ..... 57
SECTION 23.4. Penalty For Lost Clothing or Misuse of Clothing and Lost Locker Keys ..... 57
SECTION 23.5. Personal Appearance Rules Set Forth in Writing ..... 58
SECTION 23.6. Furnished Clothing Not to be Worn Off Disney World Premises ..... 58
ARTICLE 24 – SAFETY AND HEALTH ..... 59
SECTION 24.1. Company Responsibility ..... 59
SECTION 24.2. Employee Responsibility ..... 59
SECTION 24.3. Company-Union Cooperation ..... 59
SECTION 24.4. Examinations ..... 59
SECTION 24.5. Imminent Danger ..... 61
ARTICLE 25 – WORK BY SUPERVISORS ..... 62
ARTICLE 26 – EMERGENCY WORK AND RUNNING REPAIRS BY EMPLOYEES ..... 63
SECTION 26.1. Emergency Work ..... 63
SECTION 26.2. Running Repairs ..... 63
ARTICLE 27 – BULLETIN BOARDS ..... 64
ARTICLE 28 – SUBCONTRACTING ..... 65
ARTICLE 29 - ALCOHOL AND DRUG ABUSE POLICY ..... 66
ARTICLE 30 - INTERPRETATION ..... 66
ARTICLE 31 – SEVERABILITY ..... 74
ARTICLE 31 – TERMS OF AGREEMENT ..... 75
SECTION 31.1. Term ..... 75
SECTION 31.2. Complete Agreement ..... 75
ADDENDUM "A" ..... 75

## ARTICLE 1 – PREAMBLE

THIS AGREEMENT is entered into and effective this January 14, 2016, by and between Palmas Services (San Angel Inn and Springs Food Services) called "Company" and UNITE HERE Local 737, hereinafter called "Union".

# ARTICLE 1 – PREAMBLE

THIS AGREEMENT is entered into and effective this January 14, 2016, by and between Palmas Services (San Angel Inn and Springs Food Services) called "Company" and UNITE HERE Local 737, hereinafter called "Union".

## ARTICLE 2 – PURPOSE

The parties hereto have entered into this Agreement to recognize the Union, to establish fair wages, working conditions and benefits and to put into practice effective and binding methods for the settlement of all misunderstandings, disputes or grievances that may arise between the parties hereto, to the end that the Company is assured complete continuity of operation and that labor-management peace is maintained and employees are guaranteed union rights and protection as provided by this Agreement.

## ARTICLE 3 – RECOGNITION

The Company recognizes the Union as the sole and exclusive collective bargaining representative of the regular, part-time employees within the bargaining unit (See Appendix "A") of the Company at the "Mexican" attraction located in the Mexican Pavilion in the World Showcase, EPCOT Center ("San Angel Inn"), and/or Disney's Coronado Springs Resort ("Coronado Springs"), at Walt Disney World Co.'s "Vacation Kingdom Complex" in Bay Lake, Florida.

## ARTICLE 4 – MANAGEMENT RIGHTS

Except as expressly and clearly limited by the terms of this Agreement, the Company reserves and retains exclusively all of its normal and inherent rights with respect to the management of the business, including, but not limited to, its right to select and direct the number of employees assigned to any particular classification of work, which shall include "authentic" personnel, *i.e.*, foreign nationals working under a temporary permit or pursuant to a "J" or a "Q" visa in all classifications of work and in all areas covered by this labor contract; to subcontract work, to establish and change work schedules and assignments; to lay off, terminate or otherwise release employees from duty for lack of work or other just cause; to make and enforce rules for personal grooming and the maintenance of discipline; to discontinue conduct of its business or operations in whole or part; to institute technological changes and otherwise to take such measures as management may determine to be necessary to the orderly, efficient and economical operation of the business.

# ARTICLE 5 – WORK STOPPAGES AND LOCKOUTS

***SECTION 5.1. No Strike-No Lockout***

During the existence of this Agreement, there shall be no strikes, picketing, work stoppages or disruptive activity by the Union or by an employee, and there shall be no lockout by the Company.

***SECTION 5.2. Failure to Cross Picket Line Violation of Agreement***

Failure of any employee covered by this Agreement to cross any picket line established at Walt Disney World Company's Vacation Kingdom Complex is a violation of this Agreement.

***SECTION 5.3. Union's Responsibility to Prevent Work Stoppage, Strike or Disruptive Activity***

The Union shall not sanction, aid or abet, encourage or condone a work stoppage, strike or disruptive activity at San Angel Inn or Coronado Springs and shall undertake all possible steps to prevent or to terminate any strike, work stoppage or disruptive activity. No employee shall engage in activities that violate this Article. Any employee who participates in or encourages any activities that interfere with the normal operation of the Company shall be subject to disciplinary action, including discharge. The Union shall not be liable for acts of employees for which it has no responsibility. The failure of the Company to exercise this right in any instance shall not be deemed a waiver of this right in any other instances, nor shall the Company's right to discipline all employees for any other cause be in any way affected by this Section.

***SECTION 5.4. Disputes with Concessionaires***

Disputes between the Union and any other Participant or concessionaire operating in Walt Disney World or in the World Showcase, EPCOT Center or at Disney's Coronado Springs Resort, shall be so handled as not to interfere with the Company's business or the business of any concessionaire not a party to such disputes. No picketing or concerted action against any one or

more of the concessionaires will be conducted at the Company's facility or any of its entrances or exits. "Concessionaire," as used herein, includes a concessionaire and also a licensee, exhibitor, ~~participant, sponsor, contractor, subcontractor or lessee. In the event any other organization~~ pickets at or near Walt Disney World, or the World Showcase, EPCOT Center or at Disney's Coronado Springs Resort, the Union agrees that such picket line so far as it and the employees it represents are concerned shall not affect the operation of the Company.

***SECTION 5.5. Expedited Arbitration for Article 5***

Either party to this Agreement may institute the following procedure in lieu of or in addition to any other action at law or equity, when a breach of this Article is alleged.

(a) The party invoking this procedure shall notify the Walt Disney World/Service Trades Council Union Arbitrator, whom the parties agree shall be the permanent Arbitrator under this proceeding. In the event the permanent Arbitrator is unavailable, he/she shall appoint his/her alternate. Notice to the Arbitrator shall be by the most expeditious means available, with a notice by any form of electronic communication to the Business Manager of the Union.

(b) Upon receipt of said notice, the Arbitrator named above or his/her alternate shall set and hold a hearing within twenty-four (24) hours.

(c) The Arbitrator shall notify the parties by any form of electronic communication of the place and time he/she has chosen for this hearing. Said hearing shall be completed in one session with appropriate recesses at the Arbitrator's discretion. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

(d) The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred and the Arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court

proceedings, if any. The Award will be issued in writing within three (3) hours after the close of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of the Award. The Arbitrator may order cessation of the violation of this Article and other appropriate relief, and such Award shall be served on all parties by hand or registered mail upon issuance.

(e) Such Award may be enforced by any court of competent jurisdiction upon filing of this Agreement and all other relevant documents referred to hereinabove, in the following manner: Electronic notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's Award issued under Section 5.5(d) of this Article, all parties waive the right to a hearing and agree that such proceeding may be ex parte. Such Agreement does not waive any party's right to participate in a hearing for a final Order of Enforcement. The Court's Order or Orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

(f) Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure, or which interfere with compliance thereof, are hereby waived by the parties to whom they accrue.

(g) The fees and expenses of the Arbitrator shall be divided equally between the moving party or parties and the respondent party or parties.

## ARTICLE 6 – NEW EMPLOYEE SELECTION

***SECTION 6.1.***

The Company agrees to notify the Union of all needs for employees covered by this Agreement and will give the Union an equal opportunity to provide applicants for such jobs. However, the Union recognizes that pursuant to the Company's "World Showcase Agreement" with Walt Disney World Co., it must staff and employ authentic national personnel for certain positions and for selected purposes.

***SECTION 6.2.***

The Union will refer employees on a non-discriminatory basis.

# ARTICLE 7 – NONDISCRIMINATION

***SECTION 7.1.***

The Company and the Union agree that there shall be no discrimination against any employee due to Union activities or affiliation.

***SECTION 7.2.***

The Company and the Union agree there shall be no discrimination against any employee or prospective employee due to race, color, creed, sex, sexual orientation, age, national origin, religion, marital status, or disability as prohibited in federal and state legislation.

# ARTICLE 8 – UNION ACTIVITY AND CHECK-OFF

***SECTION 8.1. Union Solicitation***

Solicitation for Union purposes by the Union shall not take place on working time, in working areas or in public areas, but may be conducted in non-working areas and on non-working time in parking areas, break areas and lunchrooms.

***SECTION 8.2. Access of Union Representatives to Premises***

Representatives of the Union, designated in writing to the Company by the Union, shall be permitted to enter the non-public areas of the Company for the purpose of determining that this Agreement is being complied with by the Company and for the presentation and handling of grievances. Such representatives, who shall not be more than a total of three (3) in number at any one time, unless mutually agreed otherwise, shall comply with the access regulation and security regulation of Walt Disney World Company, as furnished to each union representative by Walt Disney World Company, and shall not interrupt the performance of employee work assignments.

The Company will coordinate with a Union Representative to arrange an opportunity to make an introductory presentation to newly hired regular full time bargaining unit employees bi-annually on unpaid time.

***SECTION 8.3. Shop Steward or Alternate***

*(a)* The Union shall have the right to designate Shop Stewards in a number mutually agreed upon by the parties. The number of Shop Stewards may be changed by mutual agreement of the parties. The Union shall, in writing, notify the Company as to the identity of the designated Shop Steward. The Shop Steward shall have the right to receive, but not to promote, complaints or differences and to discuss and assist in the adjustment of the same with the appropriate supervisor on Company property without loss of pay during his/her regular working hours. The Company will not discriminate against the Shop Steward in the proper performance of his/her

Union duties provided that such duties do not unreasonably interfere with his/her regular work or with the work of other employees and he/she shall not leave his/her work station without first notifying his/her appropriate Supervisor as to his/her intent, the reason therefore, where he/she can be reached and the estimated time he/she will be gone.

(b) Where the complaint or difference involves more than one (1) employee, it must be presented to management by the Shop Steward and one (1) employee for the employees involved unless presented outside of regular working hours, or unless the Supervisor involved gives permission for other additional employees to attend such presentation.

(c) The Company agrees to notify the employee at the time and the Union on a weekly basis of all discharges and the reason for such action. Such notification will be provided in writing.

(d) A Shop Steward or Alternate will accompany representatives of management whenever locker inspection(s) are made.

(e) The Steward shall promote harmonious relations between the Company and employees. The supervisor shall introduce all new employees to the appropriate Steward. All new employees shall be introduced to their Shop Steward and this introduction shall be documented in the employee's personnel records.

***SECTION 8.4. Check-Off***

(a) Check off. The Company agrees to withhold from the biweekly payroll wages for membership dues and initiation fees for each employee who signs and submits an authorization card. The Company shall forward such dues to the certified financial secretary or other properly designated official of the Union on or before the third (3rd) week following the last week in the month in which the dues are deducted. The Company shall also forward an electronic check-off report, in Excel format, which lists employee name,

social security number and the amount of the deduction. The Union agrees to indemnify and save the Company harmless against any and all claims, suits or other forms of liability arising out of the deduction of money for union dues from employees' pay. The Union assumes full responsibility for the disposition of the monies so deducted once they have been turned over to the certified financial secretary or other properly designated official of the Union.

(b) The company agrees to provide the Union with a monthly member/non-member list. The list shall include each employee's full name, social security number, phone number, rate of pay, address, date of hire, job title, department (location within the company, if applicable), Full-Time or Part-Time status, and email address, if available to the company. The information will be provided electronically, in Excel format, and shall indicate employee's Union or non Union status. In addition, the company agrees to provide the Union with information regarding new hires and terminations on each monthly bargaining unit list. The Union agrees to indemnify and save the Company harmless against any and all claims, suits or other forms of liability arising out of the provision to the Union of the above monthly member / non-member list and security of all the contents contained in the member / non- member list.

(c) UNITE HERE TIP Campaign Committee. The Company shall provide for payroll deduction for all employees who voluntarily authorize such a deduction as a contribution to the UNITE HERE TIP Campaign Committee, or any successor thereto. All payroll deductions to the

UNITE HERE TIP Campaign Committee shall be based on written authorization cards signed by the employee.

The Company shall make the deduction for the UNITE HERE TIP Campaign Committee for each payroll period or other designated work period worked by the employee who has authorized the deduction. The Employer shall promptly transmit the amounts deducted from employees' paychecks for the UNITE HERE TIP Campaign Committee, in a separate transmittal from dues, to Workers United for Political Power, 275 7th Ave., 7th Floor, NY, NY, 10001, accompanied by a CD or other computer-readable list of the names, addresses, and last four digits of social security numbers of all employees for whom a UNITE HERE deduction was made together with the date and amount of that deduction.

# ARTICLE 9 – HOURS OF WORK

***SECTION 9.1. Work Week***

A "work week" for part-time employees shall consist of a period of seven (7) days starting at 12:00 a.m. on each Sunday and ending at 12:00 a.m. on the same day in the following week. This shall constitute the regularly scheduled workweek but is not a guaranteed workweek.

***SECTION 9.2. Payroll Period***

The payroll period will be bi-weekly. The company will make paychecks available to employees from the start of operations to the close of operation on Friday, Saturday and Sunday.

***SECTION 9.3. Payroll Day***

A payroll day is a period of twenty-four (24) hours starting at 12:00 a.m. and ending at 12:00 a.m. the following day.

***SECTION 9.4. Work Day***

A regularly scheduled workday shall consist of a minimum of four (4) or more hours. This shall also apply to mandatory meetings employees are required to attend by the Company. However, hours spent in training or instruction required by a governmental entity or regulatory agency for work-related licensing or certificates of general applicability, and which may be provided by the Company, are not recorded or counted as "work" hours for any purpose under this Agreement and are not compensable. Company will schedule classes as closely to the beginning/end of shift as possible and employees may attend classes at either location (San Angel Inn or Springs Food Service). In the event that an employee is unable to attend a scheduled class for any reason, the employee will have thirty (30) days to obtain the applicable certification at his/her expense. Failure to comply within the thirty (30) days will result in the suspension of the employee until certification is obtained and provided to the Company.

***SECTION 9.5. Work Schedule***

Unless required to deviate for reasons of compliance with the Company's "World Showcase Agreement" (*i.e.*, authenticity of employees), dependability, skills, abilities and experience of employees, and/or for the orderly and uninterrupted operation of the Company, the Company shall adhere to seniority in establishing work schedules in a department or location. Any deviation from seniority in these areas will be discussed with the Union. The determination of an employee's qualifications as used herein shall be made by the Company. Any dispute arising under this Section shall be subject to the grievance procedure. The Company cannot guarantee the number of hours to be worked weekly for any employee. The company will determine number of employees needed and hours to be worked based on business needs and operation hours.

Schedules shall be distributed within each classification based on availability using the equitable distribution method starting with the most senior Part Time employee.

***SECTION 9.6. Lunch Period***

Consistent with operational and attraction requirements for San Angel Inn and Coronado Springs under the "World Showcase Agreement," and unless otherwise agreed between the parties, a minimum of a one-half hour unpaid lunch period as near as practicable to the mid-point of the regular eight (8) hour shift will be assigned to each employee.

***SECTION 9.7. Rest Period***

Each employee will be allowed a fifteen (15) minute rest period for each four (4) hours of work as operational needs allow. Employees who work ten (10) or more hours will receive an additional fifteen (15) minute rest period as operational needs allow. The Company may schedule the rest period in accordance with its needs. Rest periods will be provided as nearly as possible to the middle of each half of an eight (8) hour shift or near the middle of short four (4) or six (6) hour

shifts, unless otherwise agreed to by the parties. Due to the nature of operations of the dining room and the interest of the servers, rest periods for servers will not be provided or paid. However, the seating staff will continue to get rest periods, consistent with the provisions in this Section.

***SECTION 9.8. Culinary and Stewarding Scheduling***

Except when and where required for "authenticity," or when necessary to provide uninterrupted operations for the guests' experience, all available part-time Culinary and Stewarding employees within the location will be offered all hours of work prior to scheduling any non-Culinary or non-Stewarding labor.

# ARTICLE 10 – OVERTIME

***SECTION 10.1. Management Responsibility***

It shall be the responsibility of management to determine in each instance if overtime work is required, and, if so, how many employees will be required to perform the work.

***SECTION 10.2. Division of Overtime Work***

All overtime work, including special event overtime, shall normally be offered and distributed to eligible employees who work in the job classifications in the areas that normally engage in the work under the following guidelines:

(a) Offered and distributed as equitably as reasonably practical; and,

(b) Offered and distributed first to the most senior qualified and readily available employee(s) in the work area and then to other qualified and readily available employees regularly assigned to the work area before distribution outside the work area. Overtime work exceeding four (4) hours will be offered and distributed to those most senior qualified employees within their work area. Overtime work of less than four (4) hours will be offered and distributed first to the most senior qualified, readily available employee in the work area and then to any other qualified, readily available employee in the work area before distribution outside the work area.

***SECTION 10.3. Involuntary Overtime***

The most qualified and available on shift employee(s) will be required to work involuntary overtime. The Company will make every effort to give the employee as much notice as reasonably possible for the involuntary overtime. Additionally, no employee will be required to work overtime involuntary more than fourteen (14) consecutive days.

***SECTION 10.4. Time and One-Half***

(1) *Over Forty Hours in Payroll Week.* The Company will follow federal laws applicable to Over Time. Employees shall be paid one and one-half (1½) times their regular straight-time hourly rate for all hours worked in excess of forty (40) hours in any one payroll week.

(2) All Non-Tipped Full Time employees will get ALL OVERTIME before the Non-Tipped Part Time Employees.

***SECTION 10.5. No Pyramiding of Premium Rates***

Where two or more premium rates apply to the same hour of work, the higher will be paid, and there will be no pyramiding of any premium rates.

# ARTICLE 11 – JOB CLASSIFICATIONS AND WAGE RATES

***SECTION 11.1. Schedule of Wage Rates***

The rates of pay for the covered job classifications, which shall prevail, are set forth and contained in Appendix "A" attached hereto and considered in all respects to be a part of this Agreement.

***SECTION 11.2. Rates for New Jobs***

It is the Company's right to establish any new job classification. If the Company hereafter substantially changes job classifications or work operation, the Company will inform such action to the Union. The Company recognizes the Union's right to request effects bargaining over such a change. The new job classification and wage rate for such new job classification will be established by the Company. If the Union does not agree with the rate for the job classification, the Union shall submit a written grievance at the third (3rd) step of the Grievance Procedure within five (5) calendar days after installation of the new rate. In the event any higher rate is agreed upon through the Grievance Procedure or arbitration, it shall be effective retroactively as of the date the job classification was installed

***SECTION 11.3. Night Shift Premium***

If an employee is scheduled to commence work at or after 10:00 p.m. and before 4:00 a.m., he/she will be paid a premium of $.60 per hour in addition to his/her straight-time rate for his/her scheduled workday.

***SECTION 11.4. Report Pay***

(a) Employees who report for work and who were not given prior notice not to report for work, and who are not put to work, will be given two (2) hours pay.

(b) Employees who report for work and are put to work will be paid their a minimum of four (4) hours if they are sent home before the end of their regular shift. However, if an

employee voluntarily accepts an offer for early release, the employee will only be paid for hours actually worked.

(c) No report pay will be due an employee if work is not available for him due to conditions beyond the control of the Company, such as fire, flood, hurricane, or other Act of God, civil disturbances, picketing or threats of harm.

(d) The provisions of this Article apply to all scheduled shifts, including overtime, with the exception of shift extensions which will be paid at actual hours worked.

***SECTION 11.5. Pay for Day When Injured***

In the event an employee incurs a serious occupational illness or injury and medical personnel excuse the employee from further work on that day, he/she shall be paid the unworked balance of his/her scheduled shift . Pay for the unworked balance of his/her shift due to an occupational injury shall be considered as "time worked" for purposes of computing overtime and for pension contribution.

***SECTION 11.6. Payday***

Employees shall be paid bi-weekly and their pay will not be delayed more than six (6) days from the end of each payroll period, providing, however, that if a payday falls on an employee's regularly scheduled day off or a paid holiday, he/she shall receive his/her paycheck on his/her next regularly scheduled workday. An employee shall receive vacation pay in the last regularly scheduled pay check prior to the commencement of his/her vacation.

In order to reduce the potential for payroll errors, the union agrees to affirmatively encourage employees to properly use the time clock system. When a pay shortage occurs, the Company will, upon an employee's timely request, and consistent with the procedure used by the Company as may be modified from time to time, issue a check for the pay shortage that is due no

later than the next pay day if the shortage is less than $50. If the shortage is $50 or more, it will be given the next business day.

***SECTION 11.7: Coordinators***

(a) Coordinators may be designated by the Company in any of the classifications set forth in Addendum "A" and will be paid a one dollar ($1.00) per hour premium for all actual hours worked as a Coordinator. Effective October 1, 2013, the premium will increase to one dollar and twenty-five cents ($1.25) for all actual hours worked as a Coordinator. Effective October 1, 2014, the premium will increase to one dollar and fifty cents ($1.50). Coordinators are responsible for providing leadership and direction to employees in the group, operation or function and may perform the same duties as the other employees. Duties shall include, but are not limited to, promoting teamwork and assisting the location team in meeting quality and quantity standards. Coordinators have no authority to make managerial decisions such as hiring, terminations, transfers, promotions or disciplinary action.

(b) All regular Coordinator openings shall be posted as needed. Only non probationary regular employees shall be eligible for Coordinator positions. The following guidelines apply when filling positions

1. Minimum 6 months in present position.;
2. Skills to be considered: performance, experience, technical skills, initiative, teamwork, dependability and communication skills.
3. In the event that candidates are deemed to have equal qualifications seniority shall be the determining factor.

c) Employees new to the Coordinator role will be placed on a one hundred eighty (180) day qualifying period. If the company determines during the one hundred eighty (180) days in the

qualifying period that the employee's performance is not satisfactory or if the employee requests a return to within the one hundred eighty (180) days, the Company will return the employee to his/her prior job classification and location, and the Employee shall be immediately eligible to transfer again.

d) If a full time employee is regularly assigned to a work schedule that requires him/her to work for more than 60% of his/her time as a coordinator for a period of more than one hundred and eighty consecutive days, the position will be posted and filled in accordance with this article 11.

e) Employees in the coordinator role who in a rolling twelve (12) month period receive two (2) reprimands in accordance with Article 17 or any three reprimands will be returned to his/her prior job classification. If the employee's prior job classification was a Coordinator, he/she will be returned to the job classification held prior to the Coordinator role.

f) Any employee shall not be eligible for transfer to a Coordinator role if he/she has any reprimand in the prior six (6) months.

***SECTION 11.8. Trainers***

Trainers may be designated by the Company in any of the classifications set forth in Appendix "A." Trainers will be paid a one dollar ($1.00) per hour differential for all actual training hours.

# ARTICLE 12 – SENIORITY AND WORK STATUS

***SECTION 12.1. Definition of Seniority***

Seniority is defined as the period of part-time continuous service with the Company since the last day of hire. In the event of a conflict of seniority between two or more employees with the same hire date, the employee with the lowest last four social security number digits will be considered to have seniority.

***SECTION 12.2. Principles of Seniority***

The principles of seniority shall be observed on layoffs, recalls, days off, establishing work schedules by department or location, early release, promotion and transfers, unless otherwise provided herein, and, further, provided the employee possesses the necessary skills, qualifications and ability to perform the available work without additional training as determined by the Company.

***SECTION 12.3. Dispute on Seniority Subject To Grievance Procedure***

Any dispute on the application of the seniority principle shall be subject to the Grievance Procedure.

***SECTION 12.4. Termination of Seniority***

Seniority and the employee relationship shall terminate when an employee:

1. Resigns.
2. Discharged for just cause.
3. Absent for three (3) consecutive unexcused workdays.
4. Laid off for a continuous period of twelve (12) months or more.
5. Fails to report at the end of a leave of absence.

***SECTION 12.5. Work Status and Utilization of Part-Time and Casual Employees***

(b) *Probationary Employees.* All new regular part-time employees shall be considered probationary employees for a period of ninety (90) calendar days. The Company reserves the right to terminate their employment for any reason until they have completed any such probationary period. However, probationary employees shall be entitled to utilize the Grievance Procedure to grieve any matter that could be grieved by any other employee, except termination within the probationary period. Any employee who has completed the ninety (90) calendar day probationary period and subsequently converts status (Full time to Part time or Part time to Full time) in the same job classification will not have to complete another probationary period but will receive a new bargaining unit seniority date as of the date of the conversion. An employee's disciplinary record shall not be affected by the change in status.

(c) *Part-Time Employees.*

(1) Employees will be considered part-time if they customarily work less than thirty (30) hours per week on an ongoing basis, or if they customarily work thirty (30) hours per week or more but less than seven (7) months per year.

(2) During the life of this Agreement, and unless required for "authenticity" reasons, total casual employee (including part-time, seasonal, etc.) utilization shall not exceed thirty-percent (30%) of the total hours worked by full-time and casual employees in all job classifications in any calendar year.

(d) The parties acknowledge that Section 12.5(c) is the sole restriction on the Company's ability to schedule and work casual employees.

(e) *Conversion from Part-Time to Full-Time.* The Company will give consideration to Union petitions for conversion from part-time to full-time status, as long there is an open position

and a part-time employee is the most qualified based on skills, performance and experience. The Company shall notify the Union on a quarterly basis the employees whose status have changed from part-time to full-time employee status.

***SECTION 12.6. Transfer Outside of Bargaining Unit***

Any employee promoted or transferred to any full-time or part-time position outside of the bargaining unit, but within the Vacation Kingdom Complex, shall retain and accumulate seniority for a period not to exceed twelve (12) months from the date of accepting such position.

***SECTION 12.7. Transfer Into Tipped Classification***

An employee transferring into a tipped classification from a non-tipped classification will not be allowed to exercise their seniority as it relates to the selection of work schedules until the major schedule change following one (1) year of service in the tipped classification.

***SECTION 12.8. Compliance with Governmental Employment Requirements***

(a) **Government Regulations.** Should an employee fail to obtain or to maintain and continue to satisfy legal requirements or governmental regulations for employment, e.g., public certifications, etc., the employee will be placed on a personal leave without pay for a sixty (60) day period. This leave period is to allow the employee the opportunity to obtain and provide to the Company proof of such necessary authorization, permit, qualification, certification and/or other documentation as may be required by law, governmental entities or regulatory agencies for the employee to be employed and/or to perform in his/her job classification. Failure to provide acceptable evidence of compliance with all applicable laws, regulations, and/or other governmental employment requirements in sixty (60) days will result in termination of employment.

(b) **Immigration Status.** In the event that an employee is not authorized to work in the United States following the probationary period and his/her employment is terminated for this reason, the Company agrees to immediately reinstate the employee to his/her job classification without loss of prior seniority (seniority, vacation or other benefits do not continue to accrue during the period of absence) upon the employee providing proper work authorization within sixty (60) days from the date of termination.

# ARTICLE 13 – VACANCIES AND TRANSFERS

***SECTION 13.1. Vacancy and Transfer Procedures***

The Company agrees that new positions or vacancies in the bargaining unit will be posted for a period of seven (7) days, unless operational needs require a shorter period. To be eligible for consideration, a proper application or request by an employee must be received by the Company within this period. In selecting the candidate for a vacancy or in granting transfers to different locations and/or different job classifications, seniority shall prevail when candidates possess the following qualifications:

(a) *Length of Service*:

1. Six (6) months employment
2. Minimum of six (6) months in work location.

(b) *Dependability*: No reprimands in the last six (6) months.

(c) *Skill and Ability*: Demonstrated skill and ability necessary to perform the specific job.

(d) Overall Job Performance

For vacancies in full-time positions, after the Company has exhausted the procedure established in the Full-Time Collective Bargaining Agreement, the position will be offered to part-time employees following the procedure above.

***SECTION 13.2. New Position or Transfer to Different Job Classifications***

Employees selected for a vacancy or approved for transfer to a different job classification shall be placed on a qualifying period for up to forty five (45) calendar days. If the Company determines during the forty five (45) day qualifying period that the employee's performance is not satisfactory or if the employee requests a return within forty five (45) calendar days, the Company will return the employee to his prior job classification and location, if available.

***SECTION 13.3. Transfers to Different Locations***

Employees who transfer within the same job classification but to a different location shall be placed on a forty-five (45) day qualifying period. If the Company determines during the forty-five (45) day qualifying period that the employee's performance is not satisfactory or if the employee requests a return to the prior location within the forty-five (45) days, the Company shall return the employee to the next available opening in the same job classification in a different location, if available..

# ARTICLE 14 – LAYOFFS AND RECALLS

***SECTION 14.1. Layoff According to Seniority in Job Classification***

Whenever it becomes necessary to reduce the working force in a given job classification, the employee(s) permanently assigned to that job classification with the least company-wide seniority will be laid off providing the remaining employees possess the necessary skills, qualifications and abilities to perform available work as determined by the Company.

***SECTION 14.2. Notice of Layoff***

Whenever possible, one week's advance notice of layoff will be given to an employee. It is further mutually agreed that no penalty shall accrue to the Company in the event the Company fails to provide said one-week's advance notice. The Company will furnish to the Union written notice of new hires and layoffs.

***SECTION 14.3. Laid-Off Employees Retain Seniority for 12 Months***

Employees on layoff for twelve (12) months or less and who are recalled will maintain their seniority date and continuous service date for purposes of Company benefits.

***SECTION 14.4. Recalls in Accordance With Seniority in Job Classification***

Employees who have been laid off as a result of the curtailment of operations shall be recalled in accordance with their seniority in their permanent job classification, provided the employees possess the necessary skills, qualifications and abilities to perform the available work, as determined by the Company.

***SECTION 14.5. Recall Procedure***

Laid-off employees shall be notified of recall by telephone five (5) workdays prior to the required start date. If the employee is not contacted by telephone, the Company will send a certified letter to the employee's address of record notifying him/her of recall and the required start

date, which shall not be less than ten (10) workdays from the date the letter is mailed. A copy of any such letter shall be mailed to the Union.

***SECTION 14.6. Correct Address and Telephone Number***

Failure of an employee to have a current address and telephone number on record in the Human Resources Department will relieve the Company of its responsibility of notification to the employee under any Article of this Agreement.

***SECTION 14.7. Failure to Report from Layoff***

An employee who fails to report for work as scheduled on recall from layoff shall be considered to have voluntarily terminated his/her employment unless such employee has notified the Company of personal illness or a death in the immediate family prior to the date he/she was scheduled to report to work.

# ARTICLE 15 – INTERCHANGEABILITY OF WORK ASSIGNMENT

***SECTION 15.1. Interchangeability***

(a) The Company can temporarily assign, reassign, or transfer an employee to any work location or to another job classification during the workday or work week, within all of the areas included in this Agreement.

(b) In the administration of this article, involuntary work shall be required of the most qualified, available, on-shift employee.

(c) Rate of Pay. Whenever an employee is assigned or transferred to perform two (2) or more job classifications during the day, the employee will receive his permanent rate or the rate for the job to which he was transferred, whichever is higher, for all time worked in the higher classification. The only exception is when a non-tipped employee works in a tipped classification, in which case he/she will be paid the appropriate tipped rate for all hours worked in that classification.

***SECTION 15.2. Assignment to Two or More Different Job Classifications***

The Company may assign an employee to work at two (2) or more different job classifications during a workday, either temporarily or permanently, for any period of time. Whenever an employee is assigned or transferred to perform two (2) or more job classifications during the day, the employee will receive his/her permanent rate or the rate for the job to which he/she was transferred, whichever is higher, for all time worked in the higher classification when the cumulative amount of time is sixty (60) minutes or more. However, tipped employees will not be required to involuntarily work in a non-tipped job classification.

***SECTION 15.3. Assignment to New Job Classification***

An employee assigned to a job classification other than the job classification that is his/her permanent status shall have the right to request not to be assigned to such job classification. Such

employee shall not be required to work against his/her desire in the new classification for a period of time exceeding ten (10) workdays.

***SECTION 15.4. Assignment, Reassignment or Transfer of Shop Stewards***

In the administration of this Article, the Company will not involuntarily assign, reassign or transfer Shop Stewards.

# ARTICLE 16 – LEAVE OF ABSENCE

***SECTION 16.1. Temporary Leave of Absence***

An employee's request for a leave of absence, not to exceed thirty (30) days, may be granted for good cause, if the employee's services can reasonably be spared. All leaves of absence must be requested and approved in writing.

***SECTION 16.2. Leave for Union Business***

An employee accepting a full-time position with the Union shall be entitled to an unpaid leave of absence for a period not to exceed one (1) year from the date of accepting such position, during which time he/she shall retain and accumulate seniority. In the event that a union business leave exceeds sixty (60) days, continuation of the employee's health care coverage will be subject to COBRA. The Union may petition the Company on an individual basis for a yearly extension of this leave of absence.

***SECTION 16.3. Family and Medical Leave***

The Company offers family and medical leave pursuant to the provisions of the Family and Medical Leave Act of 1993. The Company and the Union acknowledge and agree that the terms and provisions of this Collective Bargaining Agreement must conform to and will be administered consistent with the requirements of the FMLA. An employee is eligible for unpaid family and medical leave as set forth below:

(a) *Eligible Employees*. Employees who have been employed for at least 12 months and have worked at least 1,250 hours during the preceding 12-month period are eligible for unpaid family or medical leave. If a leave is requested for an employee's own serious health condition, the employee must first use all of his or her accrued vacation leave, sick leave, personal leave, or short term disability leave. If leave is requested for any other reason listed below, an employee

must first use all of his or her accrued paid vacation or personal leave. The remainder of the leave period will then consist of unpaid leave.

(b) *Leave Period.* An eligible employee is entitled to take up to a maximum of 12 weeks of family or medical leave in any 12-month period. The 12-month period shall be a rolling 12-month period measured backward from the date the leave is used. Entitlement to leave for the birth or placement of a child for adoption or foster care will expire 12 months from the date of birth or placement.

(c) *Reasons for Leave.* An employee who meets with the applicable eligibility requirements will be granted a total of up to 12 weeks of unpaid leave for the following reasons:

1. The birth of the employee's child and in order to care for that child;
2. The placement of a child with the employee for adoption or foster care;
3. The care for a spouse, child, or parent who has a serious health condition; or
4. A serious health condition that renders the employee incapable of performing the functions of his or her job.

If a husband and wife both work for the Company, the aggregate leave taken by both employees is limited to a total of 12 weeks if the leave is taken for the birth or placement of a child or to care for a parent with a serious health condition. However, if the leave is taken by either spouse to care for the other who is seriously ill and unable to work, to care for a child with a serious health condition, or for his or her own serious illness, then each employee is eligible for 12 weeks of leave.

(d) Application for Leave. An employee requesting family or medical leave must complete the "Application for Family or Medical Leave" form (the employee can obtain the form

from the administrative assistant in the employee's local administration office) and immediately return it to the administrative assistant from whom the employee obtained the form. The completed application must state the reason for the leave, the duration of the leave, and the starting and ending dates of the leave.

(e) *Notice of Leave.* All employees of the Company who request FMLA leave when the need is "foreseeable" are required to give 30 days notice prior to the commencement of leave. When the need for leave is not foreseeable, the employees must provide notice as soon as practicable but normally within two business days. Notice may be given by a spouse, family member or other representative if the employee is unable to do so personally.

(f) *Intermittent or Reduced Leave.* Employees may not take intermittent or reduced leave in case of birth or placement of a child, unless the Company agrees. In the case of serious health conditions, leave may be taken intermittently or on a reduced leave schedule when medically necessary. Employees are expected to make a reasonable effort to schedule intermittent leave so as not to disrupt the operations of the Company. The Company may require an eligible employee on intermittent or reduced leave to transfer temporarily to an available alternative position for which the eligible employee is qualified if the position has equivalent pay and benefits and better accommodates the recurring periods of leave than the eligible employee's regular position.

(g) *Medical Certification of Leave.* The application for leave based on the "serious health condition" of the employee or the employee's spouse, child, or parent must be accompanied by a "Health Care Certification" completed by the health care provider (the employee can obtain the form from the administrative assistant in the employee's local administration office). The certification must state the date on which the serious health condition commenced, probable

duration of the condition, and the appropriate medical facts regarding the condition. If an employee is requesting leave to care for a spouse, child, or parent with a serious health condition, the medical certification must state an estimate of the amount of time the employee will be needed. If the employee has a serious health condition, the medical certification must state that the employee cannot perform the functions of his or her job. The Company will require medical certification to be submitted prior to or when an employee's leave begins or within fifteen (15) calendar days after the leave starting date. In addition, the Company may require subsequent re-certifications on a reasonable basis.

(h) *Notification of Leave Assignments.* After receiving notice from the employee regarding the need to take family or medical leave, the Company will provide the employee with an "Employer Response to FMLA Request."

(i) *Benefits Coverage During Leave.* During a family or medical leave, the employee will be retained on the Company's health plan under the same conditions that applied before the leave began. To continue health coverage, the employee must continue to make any contribution that he or she made for group insurance during the leave. Failure of the employee to pay his or her share of the health insurance premium may result in the loss of coverage.

An employee who is granted FMLA leave shall retain and accumulate seniority during such leave. An eligible employee will not accrue any right, benefit or position of employment other than that which they would have been entitled to had a leave not been taken and such leave will not result in the loss of any benefit accrued prior to the date on which the leave began.

If an employee fails to return to work after the expiration of the leave, the employee may be required to reimburse the Company for payment of health insurance premiums during the family

or medical leave. Reimbursement will not be required if the employee does not return to work because of a serious health condition or other circumstances beyond the employee's control.

(j) *Restoration to Employment.* An employee who completes a family or medical leave will be returned to the same position held when the leave began, if available, or to a position equivalent in pay, benefits, and other terms and conditions of the employment. The Company cannot guarantee that an employee will be returned to his or her same former job.

(k) *Return from Leave.* The Company will require an employee taking a family or medical leave to report every thirty (30) days on his or her status and intent to return to work upon completion of the leave. Employees returning from a medical leave are required to provide certification from a health care provider indicating that the employee is able to resume work with no limitations. Employees who do not return to work upon the expiration of a family or medical leave will be treated as having voluntarily terminated their employment. An employee who requests an extension of family or medical leave must submit his or her request for an extension in writing that includes the reason for the requested extension.

***SECTION 16.4. Other Non-Occupational Medical Leave***

(a) Employees not covered by the FMLA may be granted non-occupational medical leave, at the discretion of the Employer.

(b) An employee requesting a non-occupational medical leave of absence must provide a written statement from their personal physician documenting the reason for the leave and the beginning date and estimated duration of the medical leave. Failure to comply with this provision may jeopardize the employee's eligibility for a medical leave of absence.

(c) An employee who is granted a medical leave of absence shall retain and accumulate seniority during such leave. If eligible, an employee may request payment of earned sick leave

and vacation benefits. Employees who are on leave of absence for more than thirty (30) days will not receive credit toward scheduled step increases.

(d) An employee who returns from medical leave of absence within sixty (60) days or less will be placed in his/her prior job, location, and schedule. If the employee has been on leave for more than sixty (60) days, the Company will make every reasonable effort to place said employee in the employee's prior job and location.

(e) An employee who fails to return from medical leave of absence, or to seek a release to return to work from the medical leave of absence, will be considered to have voluntarily terminated.

***SECTION 16.5. Leave for Compensable Injury***

Any employee on medical leave as a result of an on-the-job compensable injury shall retain and accumulate seniority during such leave. Upon being released for return to work, if the employee has been off sixty (60) days or less or for FMLA qualifying leave, such other period as required by that law, he/she will be placed in his/her prior job, location and schedule. If the employee has been off for more than sixty (60) days, the Company will make every effort to place said employee in the employee's prior job and location.

***SECTION 16.6. Medical Leaves Exceeding One Year***

Those employees who accumulate time on occupational or non-occupational medical leave of absence totaling one (1) year will have their employment with the Company terminated. The one-year period is calculated on a cumulative, as opposed to a consecutive basis, as outlined below:

(a) If an employee returns from medical leave and works less than twenty-six (26) consecutive working weeks, and is subsequently returned to medical leave, the employee will continue to accrue time toward the one year cut-off described above.

(b) If an employee returns from medical leave and works for a minimum of twenty-six (26) consecutive working weeks, the employee will begin a new one-year period.

(c) If an employee returns to work and subsequently returns to medical leave due to an unrelated medical condition, the employee will begin a new one-year period.

***SECTION 16.7. Employee Medical Information (Confidential)***

(a) An employee who has a medical condition which requires medication of any type, or which may affect his/her ability to perform required duties, must provide a written statement from his/her personal physician documenting the reason for the medication/condition, estimated duration and any work restrictions. Any medical information or disclosure will be filed and maintained in the employee's confidential medical records. Failure to provide such information on a timely basis may result in the employee's termination.

(b) Pregnant employees must provide a written statement from their personal physician documenting any medication which is reasonably expected to affect her ability to work, work restrictions, and a designated date beyond which it is not satisfactory for her to continue working. A pregnant employee who is regularly in view of the public in a themed show area may continue employment as long as medically approved and her physical appearance in the designated costume for her particular work location does not detract from the image of the costume's original theme design. The Company will find an appropriate non-theme show job (out of costume) for an employee who is displaced due to costuming restrictions. Pregnant employees not in the view of the public in a non-theme show area may continue their employment as long as medically approved.

***SECTION 16.8. Administrative Leave***

At the request of the Union, the Company agrees to consider, on a case by case basis and in its sole discretion, allowing employees to continue working or placing employees on unpaid

administrative leave for up to one (1) year pending the outcome of civil or criminal charges. However, the Company reserves the right to take disciplinary action, up to and including termination, based on the nature of the allegations and/or information available to the Company regarding the circumstances. Disciplinary action taken by the Company shall be subject to the grievance procedure with the exception of probationary period terminations.

# ARTICLE 17 – DISCIPLINE, STANDARDS OF CONDUCT AND DISCHARGE

***SECTION 17.1. Standard of Conduct***

High standards of conduct are necessary to preserve the Company's public image and to ensure a safe, harmonious and productive working atmosphere. The Company shall administer the sections of this Article with due consideration for the employee. Such considerations shall include length of service, work record, and seriousness of violation. The Company will make every effort to ensure the consistent and timely application of the disciplinary section of this Agreement.

***SECTION 17.2. Union Representative***

The employee has the right to the presence and advice of a Shop Steward at the time of disciplinary action. In any formal questioning by the Company that could lead to disciplinary action, the employee will be informed of the purpose of the questioning and that s/he has a right to have a Shop Steward present.

***SECTION 17.3. Notice of Investigation***

In those circumstances where the Company determines that an investigation will be conducted regarding an employee's actions, and where such investigation may lead to disciplinary action but does not require that the employee be suspended from work, the Union agrees that the decision not to suspend the employee during the investigation shall not be utilized in any manner, or in any subsequent proceeding, as evidence contesting the disciplinary action.

***SECTION 17.4. Disciplinary/Investigatory Suspensions***

An employee may be suspended from work so that the Company may complete a thorough investigation and review of an alleged incident/offense. At the conclusion of the investigation, the employee will receive one of the following:

(a) No discipline and a return to work with full back pay and applicable pension contributions; or

~~(b) A reprimand in accordance with Section 17.5(a) below and a return to work with~~ no back pay and applicable pension contributions; or

(c) Disciplinary suspension in accordance with Section 17.5(b) below; or

(d) Termination in accordance with Section 17.6 below.

An employee may be suspended without pay for a period of up to two (2) weeks. The parties recognize, however, that the use of a suspension is not a mandatory component of the disciplinary progression.

In circumstances where an investigatory suspension extends beyond two (2) weeks, an employee shall be paid on a weekly basis until such time that the suspension is concluded and an employment decision is administered by the Company.

***SECTION 17.5. Discipline***

**Discipline must be for just cause.** In administering discipline, the Company will make its determination based on the factors in Section 17.1.

(a) *Reprimands*. Reprimands will be issued, in writing, on a specific subject or subjects and will be signed by the Supervisor who will present it and discuss it with the employee. Reprimands will be presented and discussed within fifteen (15) calendar days after the occurrence, or within fifteen (15) days after the immediate supervisor has had a reasonable opportunity to become aware of and complete an investigation of the occurrence, whichever is later, unless prevented by the absence of the employee or extenuating circumstances beyond the control of the Company. An employee will sign the reprimand, not in admission of the offense, but in acknowledgment that a copy of the reprimand has been received by the employee. The Company shall make copies of written reprimands available to the Union.

(b) *Disciplinary System.*

1. Any combination of four (4) reprimands within the preceding twelve (12) months shall result in the employee's termination.

- 1st: Written Verbal Warning (Coaching)
- 2nd: Written Reprimand
- 3rd: Written Reprimand
- 4th: Written Reprimand

3. The twelve (12) months period shall be a rolling 12 months period measured backward from the date of the first reprimand.

***SECTION 17.6. Discharge***

An employee may be discharged for just cause and will be advised of the reason(s) for discharge, which may include, but is not limited to, the following:

(a) Insulting, arguing, being discourteous, or using profane language in the presence of a guest.

(b) Fighting, regardless of who provokes it, may result in automatic termination for both parties involved.

(c) Falsification of records, such as medical forms, time cards, employment applications.

(d) Using, being in possession of, or being under the influence of narcotics, intoxicants, drugs or hallucinatory agents during working hours or reporting for work under such conditions.

(e) Conviction, plea of guilty, plea of no contest, or acceptance of pre-trial diversion, or other similar resolution to a felony or serious misdemeanor, such as but not limited to child abuse, lewd and lascivious behavior, or sale/distribution of controlled substances.

(f) Violation of operating rules and procedures that may or may not result in physical and/or financial damage to Company property or in bodily injury to fellow employees or guests.

(g) Gambling, sleeping while on duty, willful insubordination and theft.

(h) Dishonesty or misconduct that is detrimental to the Company.[1]

(i) Continued violation of the Company appearance guidelines.

(j) Failure to return from a leave or vacation.

(k) Excessive tardiness or absenteeism.

(l) Discrimination/harassment.

(m) Possession of dangerous or unauthorized materials such as explosives, firearms, or other similar items on Company property.

***SECTION 17.7. Absenteeism and Tardiness Standard*:**

In 2015 negotiations, the Union and the Company discussed the unique nature of the Company's business and the distinct operational needs that differ from the surrounding Walt Disney World operations. Based on those discussions, the parties agreed to the following:

[1] While it has never been the position of the Company to legislate behavior during off-duty hours, the Company does reserve the right to administer appropriate disciplinary action when flagrant actions take place on Company property by employees outside their scheduled work hours. It is understood by both parties that in the event of extremely serious infractions of this nature requiring discharge, subsection(s) (f) and/or (h) of the above referenced Article will be cited.

(a) *Absences:* Employees must call to notify the Company of their absence on the dedicated call-in line at least one (1) hour prior to the shift start time. If an employee calls absent less than one (1) hour before the scheduled start time, he/she will receive *one (1)* attendance point in addition to the list below:

1. Beginning with 3 in any 30 days = reprimand
2. Beginning with 6 in any 90 days = reprimand
3. Beginning with 9 in any 180 days = reprimand
4. Beginning with 12 in any 365 days = reprimand
5. No Call/No Show = reprimand. A No Call/No Show is defined as an absence without calling except in case of a bona fide emergency. The Company will accept calls from employees' family members if the employee is unable to call. Two (2) instances of No Call/No Show in a rolling twelve (12) month will result in termination.

When an employee calls absent one (1) hour or more before the scheduled start time, the Company will make every possible effort to call in a bargaining unit replacement by seniority (first giving preference to those employees who would not incur overtime).

(b) *Tardiness:*

A tardiness of more than one (1) hour will count as one absence. A tardiness of one (1) hour or less will count as one-half (1/2) an absence. A tardiness of five (5) minutes or less shall fall within the grace period and shall not count as tardiness.

(c) *Procedures:*

The following items shall not be counted as absences:

1. Work incurred injuries;
2. Medical Leaves;
3. ~~Release of shift for medical reasons;~~
4. Scheduled personal leaves where the Company agrees in advance to the leave as mentioned in Article 16.1 above.
5. Subsequent consecutive call-ins for the same illness or injury will not count as an additional occurrence;
6. Citizenship Ceremonial Day

(d) Any twelve (12) month period free from discipline will result in beginning again at the first step of progressive discipline.

(e) All references to time period in this Article refer to continuous work periods specifically, excluding any leaves of absence.

***SECTION 17.8. Clock in/Clock out Standard***

(a) *Failure to Either Clock in or Clock Out:*

1. Beginning with 3 points in any 30 days = reprimand
2. Beginning with 6 points in any 90 days = reprimand
3. Beginning with 9 points in any 180 days = reprimand
4. Beginning with 12 points in any 365 days = reprimand

(b) *Tracking:*

1. Failure to clock in for the start of shift = 1/2 point
2. Failure to clock out for the end of shift = 1/2 point
3. Failure to clock in and out for same shift = 1 point
4. Failure to clock out for the start of lunch period = 1/2 point

5. Failure to clock in for the end of lunch period = 1/2 point

(c) *Procedures:*

Employees must utilize the time recording clock to which they are assigned unless otherwise directed by management. It is the responsibility of the employee to inform management of a lost or stolen ID card before the end of his or her shift.

1. Failure to clock in as a result of a lost, stolen, or damaged ID card is considered ½ point. (During the time it takes the employee to replace a lost, stolen, or damaged ID card [maximum seven (7) days], the clock infractions will not be counted toward this point matrix system for disciplinary purposes.)

2. All references to time periods in this standard refer to continuous work periods specifically, excluding any leaves of absence.

3. The Company reserves the right to discipline outside this matrix when an employee habitually loses possession of or damages his/her ID card.

4. Falsification of hours worked and/or the use of an ID card by anyone other than the person issued the ID card may result in disciplinary action, not excluding termination.

# ARTICLE 18 – GRIEVANCE AND ARBITRATION PROCEDURE

***SECTION 18.1. Grievance Settled According to Procedure***

The parties to this Agreement agree that any grievance arising out of the interpretation or application of the terms of this Agreement, with the exception of terminations and policy grievances which will be expedited to Step 3, shall be settled promptly in accordance with the following procedures:

***SECTION 18.2. Definitions***

(a) *Grievance:* A grievance, within the meaning of this procedure, is defined as a dispute or difference of opinion between the parties concerning the meaning, interpretation, application or alleged violation by the Company of this Agreement.

(b) *Time Limits:* The parties recognize that it is important that grievances be processed and resolved as rapidly as possible; therefore, the number of days indicated at each step of the grievance procedure should be considered as a maximum, and every effort should be made to expedite the process. The time limits specified may be extended by mutual agreement as evidenced by a waiver, in writing, signed by an authorized representative of the Company and the Union; otherwise, the grievance shall be regarded as withdrawn.

(c) *Recording Devices:* The parties agree that no recording devices of any kind shall be permitted to be utilized during Steps 1, 2, 3, or 4 of the grievance procedure.

(d) *Back-pay Awards:* The parties agree that any Arbitrator's award of back pay shall be lessened by unemployment compensation or any other compensation received by the grievant during the period of termination prior to reinstatement.

(e) *Information Requests:* The Company will make every reasonable effort to provide any requested, relevant information regarding grievances to the Union within seventy-two (72)

hours. In circumstances where the Company is unable to provide information within seventy-two (72) hours, the Union will be provided with an estimate of the time of provision.

***SECTION 18.3. Grievance Procedure.***

*Step 1*

Any employee, believing that he/she has suffered a grievance, shall discuss the matter with his/her immediate supervisor. The employee may choose whether to discuss the matter with his/her supervisor with or without the assistance of his/her Union Representative.

In order to be deemed timely, a grievance must be discussed by the employee with his/her immediate supervisor within fourteen (14) calendar days after its occurrence, or within fourteen (14) calendar days after the employee has had a reasonable opportunity to become aware of the occurrence, whichever is later. The employee must indicate that his/her discussion with the supervisor is a grievance. Failure to observe the aforementioned time limitation shall be deemed a waiver and the grievance will be regarded as abandoned.

The immediate supervisor shall give an oral reply within seven (7) calendar days after submission of the grievance. If the immediate supervisor fails to give an oral reply within the time limits provided, the grievance may be appealed to the next Step of the grievance procedure.

*Step 2*

If the grievance shall not have been adjusted under Step 1, then within seven (7) calendar days after the reply given under Step 1, or after the date under which a reply should have been given under Step 1, the grievance shall be reduced to writing upon the accepted Grievance Form. The written grievance shall set forth the relevant information concerning the dispute, including a short description of the alleged grievance, the date on which the grievance occurred, and an identification of the Section of the Agreement alleged to have been violated. The grievance shall be submitted to the employee's Manager, who shall immediately forward copies to the designated

Company Representative. The Company Representative and the Union Representative shall meet within seven (7) calendar days after invocation of Step 2 in an attempt to settle the grievance. It shall be incumbent upon the Business Representative to request such meeting. The Company Representative shall provide the employee and the Union Representative with a written reply within seven (7) calendar days after the parties have met. If the designated Company Representative fails to give a written reply within the time limits provided, the grievance may be appealed to the next Step of the grievance procedure.

*Step 3*

If the grievance shall not have been adjusted under Step 2, then within seven (7) calendar days from the date of the supervisor's written decision or a date when the decision should have been submitted by the supervisor, the grievance shall be presented in writing to the General Manager. The General Manager and the employee's Union Business Representative shall meet within seven (7) calendar days in an attempt to resolve the grievance. The General Manager shall provide the Employee and the Union Business Representative with a written reply within seven (7) calendar days after the parties have met. If the General Manager fails to give a written reply within the time limit provided, the grievance may be appealed to arbitration.

In conducting the second and third Step meetings, the presence of the Shop Steward and/or the grievant may be requested by the Union Representative. Such request will remain the sole option of the Union.

*Step 4*

If the grievance shall have been submitted but not adjusted under Step 3, either party may, within seven (7) calendar days after receipt of the General Manager's written reply, or a date when the written reply should have been submitted by the General Manager, request in writing that the

grievance be submitted to an Arbitrator mutually agreed upon by the Company and the Union. If within seven (7) calendar days after such request the Company and the Union do not agree upon the selection of an Arbitrator, such Arbitrator shall be selected from a list of five Arbitrators furnished by the Federal Mediation and Conciliation Service. The Rules of the Federal Mediation and Conciliation Service shall govern the selection of an Arbitrator and the conduct of the arbitration hearing. The Arbitrator shall not have the authority to alter, amend, change, modify, add to or subtract from or reform any provision, article or language of this Agreement. The decision of the Arbitrator shall be final and binding on all parties with no further appeal, except for reasons of setting aside an Arbitrator's Award, as set forth in applicable Federal and Florida Statutes. Any joint expense incidental to or arising out of the arbitration shall be borne equally by the Company and the Union. Only one grievance shall be before a specific Arbitrator at one time. Either party, at their discretion, may refuse one list, which has been presented by the Federal Mediation and Conciliation Service for a pending arbitration hearing.

***SECTION 18.4. Grievance Settlements***

A grievance settlement, having been resolved at any step of the grievance procedure, will be implemented no more than seven (7) calendar days after the date of the settlement agreement

## ARTICLE 19 – HOLIDAYS

Part Time employees are not eligible for Holiday Pay.

## ARTICLE 20 – VACATION

Part Time employees are not eligible for Vacation Pay.

## ARTICLE 21 – JURY DUTY/BEREAVEMENT LEAVE

***SECTION 21.1. Jury Duty without Pay for Regular Part-Time Employees***

All regular part-time employees will be granted time off while serving on jury duty. Time off will be unpaid during the duration of his/her service.

***SECTION 21.2. Bereavement Leave***

(a) Employees bereaved by the death of a member of their immediate family are granted time off, without pay, for time necessary to travel to and from the funeral location and attendance at the funeral.

The deceased must have been a member of the immediate family household, such as spouse, child (natural or step), mother, father, brother, sister, mother-in-law or father-in-law, grandparent and grandchild. If a closer than normal relationship existed between the employee and a person other than those named, consideration will be given toward the bereavement leave.

Bereavement leave shall be granted up to a maximum of five (5) days. An employee will be entitled to receive up to three (3) days of unpaid bereavement leave to attend in-state funerals and up to five (5) days of unpaid bereavement leave to attend out-of-state funerals. Additional unpaid time may be granted where appropriate.

## ARTICLE 22 – INSURANCE AND EMPLOYEE BENEFITS

Part Time employees are not eligible for Health Insurance

## ARTICLE 23 – COSTUMES, UNIFORMS, AND PERSONAL APPEARANCE

***SECTION 23.1. Costumes and Work Uniforms***

If the Company requires an employee to wear a uniform or costume, it will be furnished at the Company's expense. Shoes shall be furnished at the employee's cost even if uniformity is required, provided they are generally accepted as street wear.

***SECTION 23.2. Safety and Sanitary Clothing and Equipment***

Where the Company, for safety purposes, requires protective clothing, shoes, or other safety devices, other than their hairnets and headbands, they will be furnished without cost to the employees. The Union agrees to require all employees in those classifications listed in Appendix "A" to use the devices furnished.

***SECTION 23.3. Laundry and Cleaning of Clothing Paid by Company***

The cost of cleaning and laundering the clothing furnished under this Article shall be paid by the Company. Such clothing and other equipment will, at all times, remain the property of the Company and the employee who is issued any of these items will be fully responsible for seeing that they are properly cared for.

***SECTION 23.4. Penalty For Lost Clothing or Misuse of Clothing and Lost Locker Keys***

Each employee will be required to sign an authorization for the Company to deduct from wages the amount of money necessary to replace the employee's company-furnished uniform in the event the uniform is not returned when required, or is defaced or willfully damaged. An unreturned or lost locker key will result in a wage deduction in the amount necessary to replace

the lock on an employee's locker. An employee who willfully defaces, destroys or misuses a company-furnished uniform is subject to disciplinary action, including dismissal.

~~*SECTION 23.5. Personal Appearance Rules Set Forth in Writing*~~

It is recognized that the Company may make and enforce rules relating to personal appearance which must be set forth in writing and must be reviewed with the Union prior to implementation.

***SECTION 23.6. Furnished Clothing Not to be Worn Off Disney World Premises***

Unless approved or otherwise authorized by the Company, company-furnished clothing is not to be worn off Walt Disney World premises outside of the employee's working hours.

# ARTICLE 24 – SAFETY AND HEALTH

***SECTION 24.1. Company Responsibility***

The Company will continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. The Company agrees that it will furnish and maintain sanitary toilet facilities, washrooms, lockers and changing quarters for all employees covered by this Agreement.

***SECTION 24.2. Employee Responsibility***

All employees shall obey the Company's safety and health rules.

***SECTION 24.3. Company-Union Cooperation***

(a) Representatives of the Company and the Union shall cooperate in the enforcement of all rules and practices to further safe and sanitary working conditions. The Company may hold safety meetings with required attendance by every employee covered by this Agreement, on work time, as a means of improving safety and educating employees in safe practices. A Union Representative may attend such meetings.

(b) There will be one joint committee for both San Angel Inn and Springs Food Service and it shall meet twice a year. The Company and the Union shall inform each other of the names of the respective committee members within one month of ratification.

***SECTION 24.4. Examinations***

(a) The Company and the Union acknowledge that the provisions of the Americans with Disabilities Act, as well as parallel state legislation, apply to employees working under this Agreement. In this regard, the Company and the Union commit to meet to resolve potential conflicts between the Americans with Disabilities Act and the Agreement.

(b) Applicants for employment with the Company may be required to undertake a post-offer, conditional-employment medical examination. Examinations will be conducted by a licensed physician designated and paid for by the Company.

(c) Employees may be required by the Company to submit to a medical or psychological examination at the Company's expense in the following situations:

(1) When the Company needs to determine whether an employee is able to perform the essential functions of a position with or without accommodation and/or whether the employee can perform the essential functions of a position, with or without reasonable accommodation, without directly threatening his/her health or safety or that of others;

(2) When the Company concludes that it must determine whether reasonable accommodation is required, or where an employee has requested accommodation, including the nature and extent of such accommodation;

(3) When the Company concludes it must acquire medical advice to determine whether a local, state, or federal health or safety standard can be satisfied;

(4) When the Company is obligated by law to assess, monitor and/or maintain a record of an employee's health status.

(d) Pursuant to Section 24.4(c)(2) above, the Company reserves the right to require an employee to undergo a physical examination by a licensed physician or certified health care provider designated by the Company at the Company's request. If the employee disagrees with the medical opinion of the Company-designated physician, the employee may select, at his/her expense, a physician or appropriate certified health care provider to conduct the Company-required medical examination. The result of that examination must be submitted to the Company-

designated physician for concurrence. In the event the two physicians cannot agree, the Company and the employee shall select a third physician from a panel of three physicians supplied by the Company. The cost of the third physician will be paid by the Company.

(e) Employees whom the Company determines are not able to perform the essential functions of a position, with or without reasonable accommodation, or who pose a direct threat that cannot be reasonably accommodated, will be considered to reassignment to vacant positions for which they meet the minimum qualifications. The Company shall not be required to create "light duty" positions for permanently disabled employees. In those instances where reassignment or other reasonable accommodation is not available, the employee may be terminated or placed on an appropriate leave of absence.

(f) An employee's rights to disability, workers' compensation, or other benefits which are administered independently of this Agreement shall be determined exclusively by the plan terms and laws governing those benefits and not by arbitration under this Agreement.

***SECTION 24.5. Imminent Danger***

No employee shall be compelled to perform work or operate equipment that poses an imminent danger to life or serious physical harm to himself/herself.

## ARTICLE 25 – WORK BY SUPERVISORS

It is recognized that the duties of a supervisor are, as the designation implies, largely of a supervisory nature. Accordingly, supervisors shall not perform work such as that performed by the employees as herein defined, except:

(a) For emergency purposes.

(b) In the instruction and training of employees or supervisors.

(c) Work of an experimental nature.

(d) Testing materials and production.

(e) Start-up and closing-down of operations.

(f) To protect Company property and/or to ensure the safety of guests and/or employees.

(g) To provide uninterrupted services in order to ensure a positive guest and/or employee experience.

# ARTICLE 26 – EMERGENCY WORK AND RUNNING REPAIRS BY EMPLOYEES

***SECTION 26.1. Emergency Work***

Any employee may be requested to perform emergency work, which includes any situation endangering other persons or which might result in property damage.

***SECTION 26.2. Running Repairs***

Running repairs may be performed by operating personnel covered by this Agreement, or by personnel regularly assigned to the department where the need for such repairs occurs. Running repairs are generally defined as minor maintenance repairs or adjustments which can be done without a cessation of normal operations, or where such repairs or adjustments can restore such equipment or unit to operation without an extended shut-down.

## ARTICLE 27 – BULLETIN BOARDS

The Company shall provide bulletin boards in all areas which are frequented by employees for the posting of official union notices. The board shall be covered with glass and under lock. The key shall remain in the possession of a supervisor. These boards shall be used for display of the following notices: union meetings, union appointments, union elections and official union social affairs and any Company-issued information. It is agreed that no union matter of any kind shall be posted in and about the premises of San Angel Inn or Coronado Springs except on said boards. It is agreed by the Union and management that it is the responsibility of each employee to be knowledgeable of notices posted. All such union notices shall bear a posting and a removal date.

## ARTICLE 28 – SUBCONTRACTING

During the term of this Agreement, the Company agrees that it will not subcontract work for the purpose of evading its obligations under this Agreement. However, it is understood and agreed that the Company shall have the right to subcontract in the following instances and will give notice of such subcontracting to the Union when possible:

(a) Where some work is required to be sublet to maintain a legitimate manufacturer's warranty; or

(b) Where the subcontracting of work will not result in the termination or layoff, or the failure to recall from layoff, any regular part-time employee qualified and classified to do the work; or

(c) Where the employees of the Company lack the skills or qualifications or the Company does not possess the requisite equipment for carrying out the work; or

(d) Where because of size, complexity or time of completion, it is impractical or uneconomical to do the work with Company equipment and personnel.

# ARTICLE 29 – ALCOHOL AND DRUG ABUSE POLICY

For purposes of this Agreement, the terms "drug" or "drug tests" shall include both drugs and alcohol, as appropriate. The Company and the Union recognize that many areas of the Company's operations involve hazardous work with the potential for personal injury or property damage and that all areas involve directly or indirectly the public at large. Therefore, it must endeavor to provide safe and efficient operations for the protection and benefit of the general public, its customers and its employees. As part of its effort to achieve that goal, it must require that its work be performed by employees who do not use illegal drugs or misuse controlled substances and/or alcohol as follows:

**SECTION 1.** The Company recognizes that employees have a right to privacy and that any adverse action taken against any employee for off-duty conduct shall take into account the employee's right to privacy and the impact of the employee's conduct on his/her job performance, the Company's reputation, or the public's perception of the Company's contract performance. Any disciplinary action for such drug-related conduct will be subject to the grievance procedure. With respect to any alleged off-duty related conduct, the arbitrator will be specifically instructed to balance the employee's right to privacy in his/her off-duty time with other legitimate job related concerns in weighing the contractual propriety of disciplinary action.

**SECTION 2.** Bargaining unit employees **will** be subject to drug and alcohol testing under the following circumstances.

(a) Where there is an objective reasonable basis that an employee has an in-system presence of any illegal drug, controlled substance or alcohol, hereinafter referred to as "substances", while on duty or on Company property immediately preceding or following the work shift. For purposes of this Agreement, the terms "employee" or "bargaining unit employee" includes not only persons employed in positions covered by the Union, collective bargaining agreement, but also persons being recalled into such positions.

(b) As part of a post-accident investigation in cases where:

1. The individual(s) subject to testing is directly linked to the accident.

2. The accident resulted in death, injury requiring medical treatment other than basic first aid, or property damage estimated to exceed $4,500.00.

Testing associated with an accident will take place as soon as possible, under the circumstances.

(c) A government agency duly concerned with (e.g., Department of Transportation, etc.) advises the Company that employees in specified classifications will be required to undergo job certification physical examinations, including drug tests as a condition of future employment. In such instances, the Union shall be given immediate notice of any such requirement or proposed requirement. Such testing shall be conducted in accordance with the government regulations and the procedures established by this Agreement and shall not commence until the Union and the Company have had a reasonable opportunity to discuss the impact of the government directive.

(d) Random testing as part of follow-up to rehabilitation and only for a reasonable period of time after rehabilitation supervised by the Company's Employee Assistance Program, or any successor thereto, not to exceed one year.

**SECTION 3.** An employee will not be tested under Section 2(a) above unless his/her actions and/or conduct or other related circumstances provide an objective reasonable basis to believe that the employee may have ingested drugs or alcohol and/or is suffering from impairment that will in some way adversely affect his/her alertness, coordination, reaction, response, safety, or the safety of others, while on duty or on Company property. Where possible, this shall be discussed with the Union Shop Steward. Such observation will be confirmed by another member of supervision wherever possible and will be documented. Employees will not be subject to such testing without the express consent of a senior member of Management different from the observation supervisor.

**SECTION 4.** Any employee directed for testing shall be advised of his/her right to the presence of a Shop steward before any pre-test meetings with Management. Provided a Shop Steward has been requested and is available, no specimen will be collected until the Shop Steward can discuss the matter with Management. The Union agrees that the procedures described in Sections 3 and 4 shall not operate in a manner that will impede timely collection of a biological specimen. Refusal to provide a biological specimen will result in immediate discharge without an opportunity at a later date to reconsider/retract the refusal.

**SECTION 5.** Any employee who tests negative to any drug test under this Agreement (other than follow-up testing to rehabilitation) shall be compensated for all lost time, at the appropriate wage rate. Time lost under such circumstances shall be treated as time worked for purposes of premium eligibility.

**SECTION 6.** Specimen collection for a drug test will be accomplished in a manner compatible with employee dignity and privacy. There will be no strip searches or opposite sex observation. In the usual case, the Company will not observe specimen production, but the Union agrees that specimen production may be closely monitored in those cases where the Company has a specific objective reason to believe that the employee may attempt to contaminate a test specimen. Any evidence of any form of tampering, altering, or diluting of a specimen will result in discharge.

**SECTION 7.** Test specimens shall be sent only to laboratory facilities certified by an appropriate federal or state agency. The drug test laboratory and the specimen collection facility must establish and maintain a forensically acceptable chain of custody. It will be the burden of the Company to establish, in any case arising from a positive test result, that the appropriate chain of custody has been maintained.

If a dispute should arise over the selection of drug test laboratories, such dispute shall be resolved by arbitration. The laboratory(s) selected must, upon request, identify the drugs tested for, the methods used, the manufacturers of the test, the analytical limits and levels used, the methods of reporting results and the chain of custody procedures used to produce forensically acceptable test results. To be qualified under this

section, the laboratory must participate in a program of "blind proficiency" testing where they analyze samples sent by an independent party.

**SECTION 8.** The drug test will be performed utilizing urinalysis to screen for the following substances:

Amphetamines Marijuana Phencyclidine Cocaine Opiates

The initial test shall use an immunoassay that meets the requirements of the Food and Drug Administration for Commercial Distribution. All specimens identified as positive in the initial test will be confirmed by a second procedure. Gas chromatography/mass spectrometry or an equivalent scientifically acceptable method of confirmation will be used. All confirmed positive test results will be verified by a Medical Review Officer prior to release to the Company. The Medical Review Officer, upon written request from the employee, will report test results to the Union Business Agent. The Union agrees that Florida Hospital Centra Care is an acceptable Medical Review Officer but reserves the right to withhold approval of Florida Hospital Centra Care with adequate notice in the event that Florida Hospital Centra Care status should change in the future.

**SECTION 9.** The standard drug test thresholds for positive screen and GC/MS confirmation tests shall be the same as those called out in the Federal Register, and may be modified whenever changed by the Department of Health and Human Services as advances in technology or other considerations warrant identification of new substances and/or concentrations.

In the event that the Company elects to utilize tests other than the EMIT screen or the GC/MS Confirmation, the Company will give the Union written notice of the test methodology used and the threshold levels employed. Positive thresholds for any other test methodologies will be reviewed with the Union before they are applied. Any dispute over the acceptability of such alternative test methodologies or the positive test threshold to be applied shall be resolved by arbitration. It will be the burden of the Company to establish the acceptability of the test and the reasonableness of the threshold.

**SECTION 10.** The laboratory shall preserve a sufficient aliquot specimen as to permit independent confirmatory testing by the employee and follow-up re-analysis at the request of the Union or the Company. Any re-analysis performed will be done on the original sample provided. The Medical Review Officer shall endeavor to notify the Company and the employee of positive test results within five (5) working days after receipt of the specimen. The employee may request, in writing, a re-analysis within three (3) working days from notice of positive test result. Additionally or as an alternative, the employee may have the sample tested at a certified laboratory of his/her choice. Should this test result be negative, the test results will be considered negative.

**SECTION 11.** Initial tests and re-analysis requested by the Company will be paid by the Company; costs of re-analysis for reconciliation will be split between the employee and the Company. In the event the initial test is proven to be a false positive the employee shall be reimbursed for cost of test procedures paid for by the employee.

**SECTION 12.** The drug test laboratory and the specimen collection facility must establish and maintain a forensically acceptable chain of custody. It will be the burden of the Company to establish, in any case arising from a positive test result, that the appropriate chain of custody has been maintained.

**SECTION 13.** Where employees are required under this policy to submit blood samples for alcohol testing, the samples will be taken in an appropriate collection facility. The collection facility and laboratory will use the same or equivalent chain of custody procedures and exercise the same or an equivalent level of professional care and scientifically accepted standards and procedures in the collection and testing of blood samples for the presence of alcohol as with urine samples for the presence of drugs. For the purposes of this policy if a test reveals the presence of alcohol at a level of .08% or more by weight, it shall be presumed that the employee has violated this policy. If the test reveals the presence of alcohol in excess of .05% by weight, but less than .08%, the results of the test will be considered along with all other relevant information (e.g. employee conduct, speech, performance, etc.) in determining whether the employee is in violation of

this policy. If a test reveals the presence of alcohol of less than .05% by weight, it shall be presumed that the employee is not under the influence of alcohol in violation of this policy. The presumption regarding the presence of alcohol of less than .05% by weight is rebuttable based on consideration of all other relevant information (e.g., employee conduct, speech, performance, etc.). The Company bears the burden of proof in rebutting such presumption. In the event an employee objects to alcohol testing by blood sample, the Company will test the employee through an evidentiary alcohol breath analyzer which conforms to the same standards as cited above.

The parties agree that use of an evidentiary alcohol breath analyzer, which is properly calibrated and which is operated by a certified technician, shall be conclusive proof of the accuracy of the results.

Furthermore, the Company reserves the right to abandon blood samples in favor of the alcohol breath analyzer referenced above.

**SECTION 14.** Any employee who has a confirmed positive test will be required to participate in the Employee Assistance Program (EAP). Failure to seek and receive EAP assistance or failure to abide by the terms and conditions or prescribed treatment will be grounds for discharge. If an employee is subject to disciplinary action under existing practices, the use of substances shall not be a defense to circumvent existing practices or to avoid disciplinary action. Participation in the EAP shall be taken into account in considering appropriate disciplinary action. No employee shall be discharged as a result of a positive drug or alcohol test pursuant to Section 2(a) (b) above, so long as he or she agrees to participate in an EAP, the cost of which will be covered by Company-provided health insurance to the extent required by the plan terms. In instances where it is necessary, a leave of absence may be granted for treatment or rehabilitation through the EAP for substances on the same basis as it is granted for other medical conditions.

**SECTION 15.** Test results shall be communicated by the Medical Review Officer, or the designated Company representative. The Company shall be responsible for maintaining confidentiality of test records and test results will be communicated to job site Management strictly on a "need to know" basis. Employee

drug test records shall not be released outside the unless required by administrative action initiated by the employee or the Union. The employee shall be entitled to written notification of positive drug test results. Copies of such reports will be provided to the Union when authorized in writing by the affected employee.

**SECTION 16.** Except in the case of a positive random test after referral to the EAP which shall be conclusive proof of just cause for termination, when and if it becomes necessary to impose discipline for drug related conduct or job performance, discipline will be judged by the contractual just cause standard and will be subject to the grievance/arbitration procedure. Except to the extent the employee(s) withholds written consent as to particular documents personal to him, the Company agrees to provide the Union, in advance, with whatever documentation or information the Union reasonably requires to process the grievance and/or arbitration. By establishing this policy, neither the Company nor the Union waives any legal rights. The parties agree that this drug policy shall not diminish the rights of individual employees under state or federal law relating to drug testing.

**SECTION 17.** The Company shall provide education for Management personnel regarding observation techniques, the availability and desirability of the Employee Assistance Programs and the need for observing strict confidentiality. Supervisors will be provided guidelines for maintaining confidentiality of all drug-related information and referring employees who may have a problem to appropriate counseling.

**SECTION 18.** The Company agrees that it shall indemnify and hold the Union harmless against any and all complaints, claims, judgments, or demands that may arise out of, or in any way are related to, the Union's negotiation or participation in the foregoing drug policy applicable to bargaining unit employees and applicants, or the Company's activities in carrying out this drug testing program.

## ARTICLE 30 – INTERPRETATION

The parties hereto may interpret, alter or amend this Agreement by mutual action in writing, and no individual employee shall have cause to complain therefore, it being understood that any interpretation or arrangement mutually satisfactory to the parties hereto shall be binding upon all individual employees, whether such action be prospective or retroactive.

## ARTICLE 31 – SEVERABILITY

It is not the intent of either party hereto to violate any laws or any rulings or regulations of any governmental authority or agency having jurisdiction of the subject matter of this Agreement and the parties hereto agree that in the event any provision of this Agreement is held or constituted to be void as being in contravention of any such laws, rulings or regulations, nevertheless, the remainder of the Agreement shall remain in full force and effect, unless the parts so found to be void are wholly in separable from the remaining portion of this Agreement.

# ARTICLE 32 – TERMS OF AGREEMENT

***SECTION 31.1. Term***

This Agreement and any further amendment or supplement hereto shall be in full force and effect from January 14, 2016 through March 31, 2018, and from year-to-year thereafter, subject to the right of either party to terminate the same as of January 14, 2016 upon the giving of written notice of termination, not later than sixty (60) days next preceding the effective date of such termination.

***SECTION 31.2. Complete Agreement***

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 referred to or covered in this Agreement, except as provided specifically in Section 2 of this Article, or with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

| | |
|---|---|
| PALMAS SERVICES, LLC | UNITE HERE LOCAL 737 |
| Richard D. Deller, President | Jeremy Cruz-Haieken, President, UH Local 737 |
| Scott Wallace, COO | Hector Jordan, Vice President, UH Local 737 |
| Christopher DeRamo, Director of F&B | José E. Castro, Organizer, UH Local 737 |

# ADDENDUM "A"

## BARGAINING UNIT: COVERED JOB CLASSIFICATIONS AND RATES OF PAY

### Non-Tipped Classifications

| Job Classification | Effective 10/01/2015 Min | Max | Effective 10/01/2016 Min | Max | Effective 10/01/2017 Min | Max |
|---|---|---|---|---|---|---|
| Chef Assistant | $12.95 | $18.12 | $13.45 | $18.62 | $13.95 | $19.12 |
| Chef Assistant Pastry/Bakery | $12.95 | $18.12 | $13.45 | $18.62 | $13.95 | $19.12 |
| Cook 1 | $11.95 | $16.76 | $12.45 | $17.26 | $12.95 | $17.76 |
| Cook 1 Pastry/Bakery | $11.95 | $16.76 | $12.45 | $17.26 | $12.95 | $17.76 |
| Cook 2 | $10.40 | $15.05 | $10.90 | $15.55 | $11.40 | $16.05 |
| Cook 2 Pastry/Bakery | $10.40 | $15.05 | $10.90 | $15.55 | $11.40 | $16.05 |
| Food Handler | $9.55 | $15.09 | $10.05 | $15.59 | $10.55 | $16.09 |
| Food Service H/H (QSR) | $9.15 | $14.50 | $9.65 | $15.00 | $10.15 | $15.50 |
| Food/Beverage Steward | $9.00 | $14.00 | $9.50 | $14.50 | $10.00 | $15.00 |

### Tipped Classifications

| Job Classification | 01/01/15 | 01/01/16 | 01/01/17 | |
|---|---|---|---|---|
| Beverage H/H (T) | $6.10 | $6.25 | $6.40 | |
| Food & Bev Assistant (T) | $6.15 | $6.30 | $6.45 | |
| Food & Bev Server (T) | $5.10 | $5.25 | $5.40 | |
| | | | | |

**NOTES:**

Note 1: Excluded from Bargaining Unit - All other employees, including, but not limited to, foreign nationals working under a temporary permit or visa; e.g., "J" or "Q" visa, office clerical employees, guards and supervisors, as defined in the National Labor Relations Act, as amended.

Note 2: Rate adjustments will be effective at the beginning of the first payroll period following the effective dates indicated. Rate adjustments will apply to all employees on the scheduled date; i.e., increases will not be administered on the employee's hire date anniversary.

Note 3: Employees, whose scheduled increase in rate of pay will exceed the "Max" amount on the applicable "Min/Max" rate schedule will receive, but not exceed, the maximum rate allowed.

Note 4: Any mistake or error(s) in rates of pay as set forth in this Appendix A will be corrected by the Company.

Note 5: If the federal minimum wage for a job class is higher than the agreed upon rate, the federal minimum wage shall prevail.

**Letter of Understanding**
**Palmas Services (San Angel Inn and Springs Food Services)**
**And**
**UNITE HERE Local 737**

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**San Angel Inn Servers' Schedules (Renewal from 2012 negotiations)**

**This Letter of Understanding is between Palmas Services ("Company") and Unite Here!, Local 737.**

**Following ratification, the parties will sign a Letter of Understanding that states the following:**

**It is the Company's intention that servers in San Angel Inn will normally be scheduled to work complete meal service periods and will not normally be scheduled to start or end a shift in the middle of a meal service period. Should the Company foresee an operational situation which requires servers to be scheduled in the middle of a meal service period, the Company will notify and meet with the Union with as much advance notice as possible. The least senior person(s) scheduled on that day will be scheduled for such a middle shift.**

**This letter of Understanding expires at the end of the term of the 2015 Agreement.**

| | | | |
|---|---|---|---|
| Scott Wallace | Date | Jeremy Cruz-Haicken<br>President<br>Unite Here! Local 737 | Date |