



EROS LABORERS NO.1 UNION

NATIONAL AGREEMENT

COVERING

SERVICE AND SUPPLY CONTRACT

THE UNITED STATES GOVERNMENT

INDEX

ARTICLE I	PARTIES	1
ARTICLE II	RECOGNITION	1
ARTICLE III	MANAGEMENT RIGHTS	1
ARTICLE IV	UNION REPRESENTATION	2
ARTICLE V	HOURS & OVERTIME RATES	2
ARTICLE VI	WAGE, FRINGE BENEFITS, VACATIONS & SHIFT SCHEDULES	3
ARTICLE VII	HOLIDAYS	4
ARTICLE VIII	BEREAVEMENT LEAVE	5
ARTICLE IX	SENIORITY & REDUCTION IN FORCES	5
ARTICLE X	PROMOTIONS	6
ARTICLE XI	SAFETY	7
ARTICLE XII	MAINTENANCE OF STANDARDS & PROTECTION OF RIGHTS	7
ARTICLE XIII	DISCHARGE OR SUSPENSION	8
ARTICLE XIV	NO STRIKES, NO LOCKOUTS	9
ARTICLE XV	GRIEVANCE PROCEDURE & ARBITRATION	10
ARTICLE XVI	EXTRA CONTRACT AGREEMENT	11
ARTICLE XVII	SEPARABILITY & SAVINGS CLAUSE	12
ARTICLE XVIII	EFFECTIVE DATE & DURATION	13
SCHEDULE A	EMPLOYER'S JOB & LOCATION	
SCHEDULE B	WAGE & FRINGE BENEFITS , WORKING CONDITIONS	

ARTICLE I

Parties

This Agreement has been entered into by, and is binding upon, Tech Systems, Inc. (hereinafter referred to as the "Employer"), and the EROS Laborers #1 Union and its affiliated Unions and/or District Councils having jurisdiction over the Employer's locations and operations covered by this Agreement (hereinafter referred to as the "Union").

ARTICLE II

Recognition

Section 1. The Employer agrees to recognize the Union as the sole and exclusive bargaining representative with respect to wages, hours, and all other terms and conditions of employment of its employees employed at the EROS Data Center.

Section 2. "Employees", within the meaning of this Agreement, shall include all employees of the Employer working at the job locations presently or hereafter covered under Article I of this Agreement who are defined as employees under the Labor-Management Relations Act of 1947, as amended.

Section 3. The employees covered under this Agreement shall constitute custodial employees.

ARTICLE III

Management Rights

The Employer shall at all times have full control of matters relative to the management and conduct of its business and shall control its operations, the direction of its working force, the methods of production, the management of its plants and buildings, the care and use of

its machinery and materials, and the right to hire, promote, and transfer employees, subject to the provisions of this Agreements.

ARTICLE IV

Union Representation

Section 1. The Union shall have the right to appoint as many shop stewards as it deems necessary. The Union shall supply the Employer, in writing and shall maintain with the Employer on a current basis, a complete list of all authorized stewards, together with the designation of the group of employees each is authorized to represent.

Section 2. A chief steward shall be permitted to furnish information and/or process grievances relating to matters of mutual concern to the Employer and the employee.

Section 3. The Employer agrees that in the event it is planned to transfer a steward, officer, or representative from one work shift and/or shop to another, it will inform the Union five (5) days prior to taking such action.

ARTICLE V

Hours and Overtime Rates

Section 1. The regular schedule of hours shall be eight (8) hours in one day, excluding the lunch period, and forty (40) hours per week. All overtime hours worked in excess of the employee's regular work day or in excess of forty (40) hours in the employee's regular work week shall be paid for at time-and-a-half, including any applicable shift differential or premium. There shall be no pyramiding of overtime.

Section 2. The hours of work shall be established to meet the requirements of the Employer's contract with the applicable Government agency.

Section 3. Any employee scheduled to work or called in to work by the Employer shall receive at least two (2) hours pay if he reports for work at the required time and no work is available, unless the Employer shall have taken reasonable steps to notify such employee that there will be no work.

Section 4. No employee scheduled to work or called into work by the Employer shall be required to stand by for an assignment unless he is paid his regular straight-time rate during such waiting period, unless the Employer has taken reasonable steps to notify such employee that there will be no work or that his starting time has been changed.

Section 5. Lunch period shall be not less than one-half (1/2) hour and not more than one (1) hour.

ARTICLE VI

Wages, Fringe Benefits, Vacations and Shift Schedules

Section 1. The employees shall receive wages, be provided with health and welfare coverage, and be subject to shift schedules and vacation rights as set forth in Schedule B, attached hereto. Unless otherwise agreed upon by the parties, the Employer agrees to make pension contributions to the IRA Pension Fund on behalf of each full time employee covered in this Agreement. The amounts and frequency of such contributions are set forth in Schedule B, attached hereto.

Section 2. Unless otherwise agreed upon by the parties, the terms and conditions set forth in Schedule B are to be separately negotiated between the Employer and the Union having jurisdiction over such Employer operation.

Section 3. Unless otherwise agreed upon by the parties, the terms and conditions set forth in Schedule B shall be reopened on each anniversary date of this Agreement, and all terms and conditions set forth therein shall be the subject of renegotiation. If the parties are unable to reach agreement upon changes in the aforementioned terms and conditions by such anniversary date, they shall be free to resort to economic recourse and the no-strike, no-lockout provisions of Article XVI herein shall be inapplicable thereto.

ARTICLE VII

Holidays

Section 1. All employees shall be entitled to the following ten holidays with pay: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veterans Day, Columbus Day, Thanksgiving Day, and Christmas Day; provided, however, that any employee who is absent without an acceptable excuse on the work day immediately preceding or the work day immediately following a holiday shall forfeit his right to be paid for such holiday. If an employee is prevented from working on the work day immediately preceding or the work day immediately following a holiday because of illness attested to by a physician, or death in his immediate family, such fact shall constitute an acceptable excuse. (The immediate family shall include spouse, parent, child, grandchild, mother-in-law, father-in-law, brother, and sister.)

Section 2. The Employer may substitute for any of the named holidays another day off with pay, in accordance with a plan communicated to the employees involved and agreed to by the Union.

Section 3. Holidays, as determined above, will be observed as non-work days. Whenever such holidays fall on Saturday or Sunday, and the Employer's operation is closed on the preceding Friday or the succeeding Monday, then such Friday or Monday shall be deemed to be such holiday.

ARTICLE VIII

Bereavement Leave

In the event of a death in the family (spouse, parent, child, brother, sister, grandchild, mother-in-law, father-in-law), a regular employee shall be entitled to three (3) days off as bereavement leave. The compensable days must fall within the employee's regularly scheduled work week.

ARTICLE IX

Seniority and Reduction in Force

Section 1. Seniority rights of employees covered by this Agreement are hereby fully recognized by the Employer. Such seniority rights shall exist on a job-location-wide basis.

In the event of a reduction in force by the Employer, the employee last hired, by classification, shall be the first laid off.

Section 2. The Employer agrees to notify the Union as promptly as possible concerning pending reductions in force and provide probably impact information.

Section 3. When an employee is discharged for cause, or laid off, he shall be paid, to date, after he has turned in his keys, government identification card, and government driver's license. When an employee terminates his employment voluntarily, he shall be paid at the conclusion of the current pay period. A person absent for three (3) days without notifying his Employer is considered to have voluntarily terminated.

Section 4. In recalling employees, the Employer shall contact each employee by telephone, or telegram, at his last known address. The employee shall be required to respond and to be available for work within seventy-two (72) hours. Seniority rights apply only to full-time permanent employees.

ARTICLE X

Promotions

In affecting a promotion, the employer shall give first consideration to employees presently employed at the job location involved. All jobs and the minimum requirements for each shall be posted with a time limit for those candidates meeting the requirements to respond. If there are no bidders, or those who did bid cannot meet the requirements, outside applicants will be considered. The applications of all candidates will be reviewed by the employer with full regard given to each candidate's skills, abilities, and experience.

ARTICLE XI

Safety

In order to provide safety controls for protection to the life and health of the employees, for prevention of damage to property, materials, supplies, and equipment, and for avoidance of work interruptions under this agreement, the Employer shall comply with the pertinent provisions of the Government Manual entitled, "General Safety Requirements", FM 385-1-1, as revised.

ARTICLE XII

Maintenance of Standards and Protection of Rights

Section 1. The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differentials, and general working conditions shall be maintained at not less than the highest standards in effect at the time of the execution of this Agreement; and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement.

Section 2. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, in the event an employee refuses to enter upon any property involved in primary labor dispute, or refuses to through or work behind any primary picket line, including the primary picket line of the Union party to this Agreement and including primary picket lines at the Employer's places of business.

Section 3. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, if any employee refuses to perform any service which the Employer undertakes to perform as an ally of an employer or person whose employees are on strike, and which service, but for such strike, would be performed by the employees of the employer or person on strike.

ARTICLE XIII

Discharge or Suspension

Section 1. The employer shall not discharge or suspend any employee without just cause; and with respect to any discharge or suspension, the Employer shall give at least two (2) warning notices to the employee of the complaint against such employee, in writing and a copy of the same to the Union and job steward affected.

On receiving the second warning notice (reprimand) in a six month period, that employee will be subject to a three (3) day suspension. However, no warning notice need be given to an employee before his is discharged if the cause of such discharge is one of the following:

(1) Failure to observe safety rules and regulations (2) Failure to maintain Company property in a safe and operational manner; (3) Gambling on Company or Government property; (4) Drinking or possessing intoxication liquor on Company or Government property; (5) Fighting on Company or Government property; (6) Acts of indecent or immoral conduct on Company or Government property; (7) Willful damage or unauthorized removal of property belonging to the Company or Government; (8) Deliberately falsifying or punching another person's timesheet or card; (9) Insubordination; (10) Sleeping during duty hours. However, when an employee is guilty of one of the above mentioned infractions, he or she can be discharged or receive a three (3) day suspension. The warning notice as herein provided shall not remain in effect for a period of more than six (6) months from the date of said warning notice. Discharge must be by proper written notice to the employee and the Union affected.

Section 2. No employee shall be discriminated against, suspended, or discharged on the basis of sex, race, religion, national origin, creed, union affiliation, or political belief. Nor shall any employee be discriminated against, suspended, or discharged for exercising rights under the National Labor Relations Act as amended, the Equal Employment Opportunities Act, or any other federal or state law regulation.

ARTICLE XIV

No Strikes, No Lockouts

Section 1. It is the intent and purpose of the parties hereto to set forth herein the basic agreement covering wages, hours of work and other terms and conditions of employment to be observed by the parties, and to provide a procedure for the prompt and equitable resolution of disputes and grievances arising between the parties. Accordingly, it is agreed that there shall be no interruptions in or impediments to Employer's operations, or any stoppages, strikes, or lockouts during the life of this Agreement arising out of usual disputes and grievances. Instead, such disputes and grievances shall be peacefully resolved under the grievance procedure provided for herein.

Section 2. It is agreed that in all cases of any strike, slowdown, walkout, or any other unauthorized cessation of work, the Union shall not be liable for damages resulting there from. The Union shall undertake to encourage employees to return to their jobs during any unauthorized stoppage of work mentioned above. The Employer has the right to permanently replace economic and sympathetic strikers.

ARTICLE XV

Grievance Procedure and Arbitration

All disputes or grievances involving the interpretation or application of this Agreement shall be settled in the following manner.

Step 1. The first attempt to settle any such dispute or grievance shall be made at the job level between the representatives of the Union involved in such dispute and the Employer's representative.

Step 2. If such dispute or grievance is not settled at the job level within one week, it shall then be referred to the Employer or his designated representative and the Labor Relations Director of the Employer or his designated representative. If the dispute or grievance is not settled on this level within five (5) days, the parties to the dispute may extend the period for the settlement to another fixed date, mutually agreed upon; and if a settlement is not affected by such date, the dispute or grievance may be submitted for arbitration under the provisions of Step 3 hereinafter set forth.

Step 3. If after referral to Step 2, the dispute or grievance remains unresolved, the matter may then be referred to arbitration by either party upon written notice to the other. After service of such notification, in the event the parties are unable to agree upon an arbitrator, application shall be made to the Federal Mediation and Conciliation Service for a panel of five arbitrators from which list both parties shall alternately strike names until the last name remains, which person shall be designated as the arbitrator. The procedure for soliciting the arbitrator shall be completed within two (2) weeks of receipt by the parties of the list of names from the Federal Mediation and Conciliation Service.

The decision of the arbitrator shall be final and binding on the Employer and on the Union and its members.

With respect to any dispute, complaint, or grievance arising out of the interpretation or application of Article II, S-2 of this Agreement, the Employer here acknowledges that the Union may, at its option, by-pass Steps 1 and 2 of this grievance procedure and proceed immediately to Step 3.

Employee and the Employer shall bear their respective costs of the arbitration procedure separately. The fees of the arbitrator shall be shared equally between the Employee and the Employer.

In the event that either party fails to comply with the decision of the arbitrator, the terms and conditions of Article XIV shall not apply.

ARTICLE XVI

Extra Contract Agreement

The Employer agrees not to enter into any agreement or contract with its employees, individually or collectively, which in any way conflicts with the terms or provisions of this Agreement, or which in any way affects wages, hours, or other working conditions of said employees, or any individual employee, or which in any way may be considered a proper subject for collective bargaining. Any such agreement shall be null and void.

ARTICLE XVII

Separability and Savings Clause

Section 1. If any Article or Section of this Agreement is held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement, or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

Section 2. In the event that any Article or Section of this Agreement is held invalid or enforcement of or compliance therewith has been restrained, as set forth above, the parties affected thereby shall enter into immediate collective bargaining negotiations for the purpose of arriving at a mutually satisfactory replacement provision. In such event, the parties shall be permitted all legal or economic recourse in support of their demand, notwithstanding the provisions of Article XIV of this Agreement.

ARTICLE XVIII

Effective Date and Duration

This Agreement, entered into this day of October 1, 2016 shall be binding upon the parties hereto, their successors in the employing industry, and their administrators, executors, and assigns, and shall remain in full force and effect until and through September 30, 2021, and from year to year thereafter unless written notice is given by the Union or the Employer ninety (90) days prior to the expiration date of its desire to modify, amend, or

terminate this Agreement. The parties shall commence good faith bargaining negotiations within fifteen (15) days after receipt of such notice.

Employer

Company: Tech Systems Inc.

Name and Title: Scotty R Martin, President and CEO

Address: 6420 Grovedale Drive, Suite 300, Alexandria, Virginia 22310

Date Signed: 21 June 2016

This Agreement is applicable with respect to the following employer job location(s) and operation(s).

EROS Data Center, Custodial Employees.

ADDRESS:

Tech Systems Inc.

6420 Grovedale Drive, Suite 300

Alexandria, Virginia 22310

Classification 10-1-16 10-1-17 10-1-18 10-1-19 10-1-20 (Schedule B)

Foreman	17.65	17.65	17.65	17.98	18.31	Per	Hr
Custodian	16.40	16.40	16.40	16.73	17.06	Per	Hr
Temp/Student	11.44	11.44	11.44	11.77	12.10	Per	Hr

CLASSIFICATION AND WAGES

[Schedule B]

Students

A student shall be anyone who is returning to school at the beginning of the fall term of school. Employment is not to exceed ninety (90) calendar days.

FOREMAN AND LEADMEN

If the Employer assigns any employee as foreman or leadman of any employees on any project, he shall receive \$1.25 per hour above the highest rate being paid to any employee under his supervision, regardless of his or her craft. No Foreman or Leadsman shall supervise over more than ten (10) employees.

SHIFTS

<u>First Shift:</u>	6:30 A.M. through 3:00 P.M.	8 hours work for 8 hours pay
<u>Second Shift:</u>	9:30 A.M. through 6:00 P.M.	8 hours work for 8 hours pay
<u>Third Shift:</u>	12:00 P.M. through 8:00 P.M.	7-1/2 hours work for 8 hours pay

Straight time shift work will run from 0.0 Hr. Monday to 0.0 Hr. Saturday.

Employees shall be entitled to overtime for any time worked in excess of eight (8) hours per day or forty (40) hours in any week; provided however, that there shall be no pyramiding of overtime. There shall be no split shifts. For all hours worked on Saturdays, employees shall be paid time and one half. Sundays and Holidays shall be paid at double time. If the holidays fall between Monday and Friday, overtime shall be computed after thirty-two (32) hours of straight time pay. Where two or more shifts are employed, the first shift shall work eight (8) hours and receive eight (8) hours pay, and the third shift shall work seven (7-1/2) hours and receive eight (8) hours pay. All work performed on the sixth shift day of the work week shall be paid for at time and one half of the regular straight time hourly rates, and work on the seventh shift day shall be paid for at double time. A shift shall be defined as one crew of workmen replacing another crew.

WAGE PAYMENTS

All employees covered by this Agreement shall be paid before the end of their shift every other Thursday, the week following the two weeks for which the pay has been earned.

When an employee quits, he or she shall be paid the next pay day in full. When an employee is discharged, or laid off, he or she shall be paid in full immediately after turning in keys, government identification card, and government driver's license.

SICK LEAVE

Each full-time employee shall be granted up to 9 days (72 hours) sick leave for each year of continuous employment. Payment will be paid upon notice of an absence if notice is given two hours after shift starting time. Telephoning is acceptable. Sick leave in excess of three consecutive working days will require a medical certificate. Payment shall be made

for unused sick leave, and paid at the close of the contract year. Accrued sick leave may be applied for as personal business.

SHORT TERM DISABILITY SICK LEAVE

Each full-time employee shall be granted up to 10 days (80) hours short term disability sick leave for each year of continuous employment. Payments will be paid upon notice of an absence of three or more consecutive working days and the presentation of a medical certificate. Any short term disability sick leave not used during the year will accrue each year thereafter, and be transferred to the succeeding contract. Short term disability sick leave will not be paid off at the end of the contract year, nor upon termination of employment. Accrued short term disability sick leave may not be applied for as personal business. Short term disability sick leave has been in effect since October 1, 1988 and shall be transferred from contractor to contractor.

JURY DUTY

The Employer will reimburse an employee who has worked for the employer from the start of the contract or more for the difference between his normal earnings for the time absent on jury service and the amount received for such jury duty, on a showing that the employee has returned to work everyday of said period when employee was excused from jury duty for two (2) hours or more during the regular working hours thereof, and upon a showing of satisfactory evidence of the amount received for jury service. For those employees working shifts other than day time, said employees will be required to work their assigned shift if they have a 10-hour rest period prior to or immediately following

jury service. Employer must be notified immediately following employee's receipt of notification of jury duty selection.

HOLIDAYS

The following ten (10) paid holidays shall be observed: New Year's Day, Martin Luther King Jr.'s Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day. The Employer may substitute for any of the above holidays, another day off with pay, acceptable to employees involved, at double time rate. No work shall be performed on Labor Day except in case of any emergency. If the Federal Government recognizes more holidays than the ones listed, they shall apply.

VACATION

(7 days) of vacation with pay (56 hours) shall be given each employee upon completion of one year's continuous employment. (12 days) vacation with pay (96 hours) shall be given each employee upon completion of two, three, and four year's continuous employment, to be used in the year in which they are earned. (17 days) vacation with pay (136 hours) shall be given to each employee after five, six, seven, eight, and nine years continuous employment, to be used in the year in which they are earned. (20 days) vacation with pay (160 hours) shall be given to each employee after 10 or more consecutive years of continuous employment, to be used in the year in which they are earned. (22 days) of vacation with pay (176 hours) shall be given to each employee after 15 years of continuous

employment, to be used in the year in which they are earned, thereafter. Employees must use all accrued vacation before the end of Gov't contract.

GROUP INSURANCE

The contractor will provide a group health insurance plan for all permanent full time employees and any eligible dependents, upon acceptance by the contractor's insurance carrier. The contractor will pay the negotiated amount per regular hour for health insurance. Should actual cost of health insurance be more than negotiated per regular hour, the additional cost shall be incurred by the employee. Should the actual cost of health insurance be less than negotiated per regular hour amount, the difference will be paid to the employee. However, if an employee wishes not to be on the contractor's health insurance plan, he or she may, upon proof of coverage under another health insurance plan, receive negotiated amount per regular hour on their paycheck labeled H&W (Health and Welfare). Social Security tax and income tax will be deducted as for regular pay. Employees will not be without coverage due to a change in insurance carrier. Insurance carrier cannot be changed without all employees who want to receive coverage are accepted by the insurance carrier.

Negotiated amounts are as follow:

- **Negotiated amount for year starting 10-1-2016 is \$2.00 per/hour.**
- **Negotiated amount for year starting 10-1-2017 is \$2.50 per/hour.**
- **Negotiated amount for year starting 10-1-2018 is \$3.00 per/hour.**
- **Negotiated amount for year starting 10-1-2019 is \$3.50 per/hour.**
- **Negotiated amount for year starting 10-1-2020 is \$4.00 per/hour.**

INDIVIDUAL RETIREMENT ACCOUNT

The Employer agrees to make contributions to the IRA in accordance with the requirements of Article XIV, Section 1 of this Agreement. After three (3) months of employment the Employer will contribute 15 percent of each employee's Regular Wages (excluding wages paid for Health and Welfare) to the IRA. Only permanent full time employees are eligible for IRA benefits.

NONDISCRIMINATION CLAUSE

The Employer and the Union agree not to discriminate against any employee or applicant for employment because of race, color, creed, age, sex or national origin. This includes, but is not limited to hiring, placement, upgrading, transfer, demotion, layoff, or termination.

DISCHARGE

Each employee shall be issued a list of rules on minor and major offenses for disciplinary action or dismissal. Minor offenses shall have two warning notices in writing. Major offenses can be reason for dismissal. The warning notices shall be issued in writing to the employee and to the Union; except that no warning notice need be given to any employee before he is discharged, if the cause of discharge is major. This Article shall apply to the grievance procedure. Minor offense notices shall be removed from the file after six (6) months from the date the notice was issued.

ADMINISTRATIVE LEAVE

All approved administrative leave by the Federal Government shall be paid to employees by the contractor, subject to approval by the Contracting Officer Representative (COR).

SEVERANCE PAY

Two weeks severance pay will be paid to an employee if not notified two weeks in advance of a layoff. Excluding current contractor losing bid for contract.

REOPENER CLAUSE

[Schedule A]

This agreement is to become effective October 1, 2016 and to continue in effect until SEPTEMBER 30, 2021 and each year thereafter it shall be reopened for wage rates set out hereinbefore. Notwithstanding any other language in the Contract, the Union specifically reserves the right to strike if no agreement is reached on reopening of wages.

*Tech Systems, Inc
Scotty N. Martin*

Scotty N. Martin President/CEO

6/21/14

Name and Title

Date

LABORERS #1 UNION

EROS Data Center

Sioux Falls, SD

Saurel Lamb Rep.

6-14-16

Name and Title

Date

Dennis Brennan Rep.

6-14-16

Name and Title

Date