MAINTENANCE

CONTRACTORS

LOS ANGELES/ORANGE COUNTY AGREEMENT

WITH

SEIU LOCAL 1877, UNITED SERVICE WORKERS-WEST, SEIU, CTW

May 1, 2008 through April 30, 2012

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AGREEMENT

,	THIS AGREEMENT is entered into the 1st day of May 2008 by and between
SEIU L	Local 1877, United Service Workers-West, SEIU, CTW ("Union"), and
	("Employer") employing workers in all classifications under the
jurisdic	etion of the Union.

It is recognized by this Agreement to be the duty of the Employer and the employees to cooperate fully, individually and collectively.

The general purpose of the Agreement is that it is in the mutual interest of the Employer and the employees to provide for the efficient maintenance and operation of the Employer's maintenance operations. The parties hereto agree as follows:

ARTICLE I - RECOGNITION

- A. <u>Covered Locations.</u> Subject to the provisions of Section B below, the Employer recognizes the Union as the sole collective bargaining agency for all employees working in the classifications covered by this Agreement at the Employer's janitorial-maintenance operations located in the following California counties: Orange, Los Angeles and those counties referenced in the areas of Appendix G to this Agreement.
 - B. Non-Covered Locations. This Agreement will not apply to:
 - 1. Any retail establishments in Orange County, regardless of size, with the exception of: South Coast Plaza (Costa Mesa) and Fashion Island (Newport Beach).
 - 2. Janitorial-maintenance operations which are subject to any other collective bargaining agreement(s) between the Employer and the Union.
- C. <u>Malls in Los Angeles County</u>. It is the intention of the parties to cover the major malls in LA County under the applicable provisions of this Agreement. Said Los Angeles County malls for purposes of this Agreement shall be considered as single tenant locations.
- D. <u>Malls Outside of Los Angeles and Orange Counties</u>. Malls located in counties covered by this Agreement other than Orange or Los Angeles Counties are subject to the appropriate provisions of Area 4 and Area 5.

ARTICLE II - UNION MEMBERSHIP

A. <u>Membership in Good Standing</u>. Membership in good standing in the Union not later than the thirty-first (31st) day following the beginning of employment or not

later than the thirty-first (31st) day following the effective date of this Agreement, whichever is later, shall be a condition of employment for employees covered by this Agreement. Membership in good standing in the Union shall not, under any circumstances, be a condition of employment until the employee has completed thirty (30) days of employment. For purposes of this Section only, tender of the initiation fees not later than the thirty-first (31st) day following the date of employment or not later than the thirty-first (31st) day following the effective date of this Agreement, whichever is later, and tender thereafter of the regular monthly periodic dues uniformly required as a condition of retaining membership shall, for the purpose of this Agreement, constitute membership in good standing in the Union.

B. <u>Suspended or Expelled Members</u>. Upon receipt of written notice from the Union that any employee is not in good standing, and the reasons therefor, the Employer shall, to the extent permitted by law, discharge such employee, provided that the Employer has given the employee a seven (7) calendar day notice period within which to establish good standing, and the employee has failed to do so.

C. Check-Off.

- 1. The Employer agrees to a check-off for the payment of Union dues, initiation fees, C.O.P.A. (Committee on Political Action) check-off, and to deduct such payments from the wages of all employees and remit same to the Union in accordance with the terms of signed authorization of such employees. According to the method set forth below, the Employer shall be the agent for receiving such monies and the deduction of said dues by the Employer shall constitute payment of said dues by the employees.
- 2. The regular monthly dues for regular employees shall be deducted from the first paycheck of each calendar month. For newly hired regular employees, the full initiation fee shall be deducted from employee's first full paycheck in the second month of employment. The first month's dues shall be deducted from the employee's first paycheck in the third owing month. In the event an employee terminates his/her employment before his/her initiation fee has been deducted, said fee shall be deducted from the employee's final paycheck.
- 3. All sums deducted for monthly dues and initiation fees shall be remitted to the Union not later than the 20th day of the month following the month in which such deductions are made together with a list specifying the following:
 - a. The names and Social Security Numbers of all employees for whom deductions are made.
 - b. The amount of deduction for each employee.

- c. An application for membership, which shall include an address, on all employees whose names are listed on the check-off for the first time during that month.
- d. The names and Social Security Numbers of all employees whose names are listed on the check-off for the first time during that month or who have terminated employment during that month.
- 4. The Union hereby indemnifies and holds the Employer harmless from all claims, demands, suits or other forms of liability that may arise against the Employer because of the enforcement of the provisions in this Article II.
 - a. On a one-time basis, the Employer shall in the first pay period of June 2008 request the employees to correct their addresses on their paychecks. The Employer shall submit this list to the Union by July 15, 2008.
 - b. The Employer agrees that the list set forth in this Article shall be submitted in an Excel format or a form which is mutually acceptable to both parties.

ARTICLE III - HIRING AND EMPLOYMENT - ORANGE COUNTY

A. <u>Union Referral</u>. When new or additional employees are needed, the Employer may notify the Union of the number and classifications of employees needed. Applicants for jobs shall be referred by the Union to the Employer for employment on a non-discriminatory basis, without reference to Union membership or lack of such membership, provided that such referral shall not be affected in any way by Union rules, regulations, by-laws, constitutional provisions or any other aspect or obligation of Union membership, or policies requirements.

The Employer shall be the sole judge of the competency of all applicants and reserves the right to reject any applicant referred by the Union.

In hiring, the Employer shall give preference to applicants previously employed in the Building Service Industry in the local market area, which shall be defined to mean the County of Orange.

B. <u>Hiring From Other Sources</u>. The Employer may hire persons from other sources, provided the Employer on the thirtieth (30th) day following hire in accordance with the checkoff provisions of this Agreement, shall notify the Union of the names and addresses of each person hired, and where they are working. This information shall be submitted as a separate list.

- C. <u>Posting of Referral Procedure</u>. A copy of this referral procedure covering all provisions relating to the functioning of the hiring arrangement shall be posted in the office of the Union.
- D. <u>Notice to New Employees</u>. The Employer shall, at time of hire, inform each new employee who comes under the scope of this Agreement of the existence and terms of this Agreement and of such employee's obligations of Union membership. The Union will provide the Employer with a new member packet for distribution to new employees.

The Employer shall have each new employee fill out the Union application for membership card and payroll deduction authorization form for withholding of Union dues, at the time of hire. Said forms shall be sent to the Union in accordance with the check-off provisions of this Agreement. The Union agrees to provide the aforementioned forms. In the event the new hire refuses to sign, the Employer will refer the new hire to the Union and notify the Union immediately.

- E. <u>Disputes</u>. Should any dispute arise concerning the rights of the Employer, the Union, or employees under this Article, the dispute shall be submitted to advisory mediation through the Federal Mediation and Conciliation Service ("FMCS"). The decision of the Federal Mediator, shall be non-binding upon the Parties. Furthermore any such dispute is expressly prohibited from the arbitration provisions contained in Articles XXV ("Grievance and Arbitration") and XXVI ("Expedited Arbitration") of this Agreement. The Parties expressly agree that the provisions of Article XXVII ("No Strikes and Lockouts") remain in full force and effect for the term of this Agreement.
- F. <u>New Buildings</u>. The following has been agreed to by the Employer and the Union with regard to facilities subject to Article I of this Agreement and within the geographical area of this Agreement not currently covered by a collective bargaining agreement with the Union:
 - 1. The Employer agrees to recognize the Union as the bargaining agent for the employees at the facility from the first day of its operation of the facility.
 - 2. The Employer agrees that all terms of the Phase-In Agreement listed in Appendix D-1 with the Union will be applicable.
 - 3. Excluded are guards, supervisors, clerical employees, management employees, and sales personnel as defined in the National Labor Relations Act.
 - 4. Supervisors shall not perform bargaining unit work except in emergencies. Building Forepersons may perform work as long as they are members of the bargaining unit and in good standing.

- 5. The Employer agrees that all employees who are not, or who hereafter may become employed in any of the classifications listed hereunder, or any related janitorial classifications, shall, as condition of employment, become and remain members and be subject to the jurisdiction of the Union as provided in Article II hereof.
- 6. A list of all accounts in effect on May 1, 2008 as defined in Article I of this Agreement shall be furnished to the Union. Any new locations coming under the jurisdiction of this Agreement shall be added to the list. Locations lost will be dropped off the list.
- G. <u>Laid-Off Employees</u>. Full time employees on lay off and regular part time and extra employees shall receive preference over all new hires in the event the Employer hires employees.
- H. <u>Inspection of Records</u>. The Union shall have the right to conduct an investigation, limited to the inspection and auditing of payroll records, timecards for covered locations of the Employer at the job location, building, or establishment, in order to determine whether any provisions of this Article have been violated.
- I. <u>Notices</u>. The Employer agrees to give at least four (4) hours' dismissal notice to anyone employed on the night shift and two (2) hours' dismissal notice to anyone employed on the day shift, and the employee shall give equal notice to the Employer in the event of quitting or absenteeism. The employee must supply the Employer with a day time phone number if he/she works, as well as his/her home phone number.
- J. <u>Indemnification</u>. The Union hereby indemnifies and holds the Employer harmless from all claims, demands, suits, grievances or other forms of liability that may arise against the Employer because of the enforcement of the hiring and/or job- related provisions in Articles III and IV.
- K. <u>Posting of Referral Procedure</u>. A copy of this referral procedure covering all provisions relating to the functioning of the hiring arrangement shall be posted in the office of the Union.

1. Temporary and Permanent Placement.

a. The Employer shall maintain lists of casual employees that will consist of new hires and employees on recall for both temporary and permanent employment. Temporary/casual employees shall be called for temporary placement, but recall employees shall be given preference for temporary or

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- permanent assignments over direct hire employees, regardless of seniority.
- b. The Employer shall post with the Union regular/permanent positions, and the Union shall dispatch according to seniority from the lists provided by the Employer according to this paragraph 1 of Section K the most senior employee for placement. The Union shall have five (5) business days to fill said position.

ARTICLE IV - HIRING AND EMPLOYMENT – LOS ANGELES COUNTY

A. <u>Inform New Employees</u>. The Employer shall, at the time of hire, inform each new employee who comes under the scope of the Agreement of the existence and terms of the Agreement and of such employee's obligations of Union membership. Further, the Employer shall, at the time of hire, give each new employee a copy of the NOTICE TO NEW EMPLOYEES. The Union agrees to provide the Employer with copies of this notice written in Spanish and English.

B. <u>Referral for New Employment Procedures.</u>

- 1. In the interest of maintaining a fair and nondiscriminatory system of referrals of applicants for employment that will protect the interest of employees in their employment status, the Employer and the Union agree to the following system of referral of applicants for employment:
 - a. When new or additional employees are needed, the Employer shall first call upon the Union for such employees requesting the number and classification of employees needed. All applicants for "jobs" shall be referred by the Union to the Employer without reference to their Union membership or lack of such membership.
 - b. The Union shall maintain a register of applicants for employment established on the basis of the groups listed below. Each applicant for employment shall be registered in the highest priority group for which he/she qualifies:
 - Group 1. All applicants with experience in the trade who are residents of the local labor market, and who have had prior employment with the Employers in the local area.

- Group 2. All applicants with experience in the trade who are residents of the local labor market.
- Group 3. All applicants with experience in the trade.
- c. The Union shall refer applicants to the Employer upon the Employer's request by first referring applicants from Group 1, in order of the dates they register their availability for employment, then from Group 2, and then from Group 3, except that employees in Group 1 who are on Recall status, pursuant to Article VIII, Sections H and I, from an Employer covered by this Agreement shall be referred to an Employer seeking new or additional employees prior to other applicants for employment regardless of date registered.
- d. The Employer shall be the sole judge of the qualifications of all applicants and retains the right to reject any applicant for employment referred by the Union.
- e. If the Union is unable to refer applicants to the Employer within forty-eight (48) hours after a request, the Employer may then hire persons from other sources.
- f. In the event Employer uses an employment agency under this Article, all fees charged will be paid by the Employer.

C. Referral System for Temporary and Permanent Job Assignments

1. Overview of the System.

The goal of the Referral System for Temporary and Permanent Job Assignments is to ensure a fair dispatch of job assignments to all Downtown/Century City buildings. Its goal is also to ensure a fair method of filling permanent positions throughout Los Angeles County.

2. List Used.

There shall be one (1) master list for each company that will be kept and used and the list shall clearly indicate employees on recall status. Each party will notify the other party of changes to this list at least once a month, or sooner if needed. The Union must have the Employer's approval before the Union can add employees to the master list. Wages for all temporary employees shall be the minimum wage rate for Downtown/ Century City. In addition to the recall status of employees, the employees on the list shall be designated as:

a. Regular Temporary Employees.

The name and company seniority of each temporary employee regularly assigned to buildings in Downtown/Century City, as well as the employee's corresponding building name and address.

b. <u>Extra Temporary Employees</u>.

The name and company seniority of each temporary employee not assigned to a building in Downtown/Century City.

This list will be used to refer employees to permanent positions.

3. Temporary Job Assignment.

- a. Buildings in Downtown/Century City.
 - i. Buildings in Downtown/Century City will have a sufficient number of temporary employees determined by the Employer, regularly assigned to them by the Union, according to seniority. These will be referred to as 'Regular Temporary Employees.'
 - ii. Building Supervisors in this area will offer temporary job assignments only to the Regular Temporary Employees assigned to their specific building. Assignments will be offered by seniority.
 - iii. If a building in this area requires a temporary employee assigned to it on a regular basis, the Employer will notify the Union in writing and the Union will offer the position to the most senior employee on the Extra Temporary Employee list. If the most senior employee chooses not to accept the position, the Union will offer it to the next most senior and follow the same procedure. The Union will then notify the Employer in writing of which employee will fill that position.

b. Record Keeping.

i. The Employer is responsible for calling the employee at least two hours before the beginning of the shift, or

- as soon as the Employer becomes aware of the need for temporary coverage.
- ii. The building supervisor, or other representative of the Employer, will keep a written record of the time and date that an offer was made and the response by the temporary employee to each job offer. This information will be available fore review by the Union or building shop steward, upon request.

4. <u>Long Term Temporary Job Assignments.</u>

Long-term temporary job assignments will be offered in the same manner that regular temporary coverage is offered: by seniority. If a long-term temporary coverage is needed in this area, the Employer shall offer it by seniority to its Regular Temporary Employees.

5. Permanent Job Assignments.

- a. Employees on recall status have priority for permanent positions, at their respective buildings, under the conditions set forth by this Agreement. The Employer shall be responsible for respecting the right of the employee on recall status.
- b. The Master List of Temporary Employees will be used to refer employees to permanent positions. Seniority will be used. The Employer shall be the sole judge of the employee qualifications and may disqualify for cause.
- c. The Employer will notify the Union, in writing, of all permanent positions available in Los Angeles County. The Union will have two (2) working days to notify the Employer, in writing, of the employee dispatched for interview. (This time limit will be met even if a different employee is dispatched.) If the Union cannot dispatch a person suitable to the Employer, the Employer may then use an outside source.
- d. An employee referred for a permanent position will receive a standard written authorization from the Union. The referred employee will present this authorization to the Employer. This authorization will become part of the employee's personnel file. A copy of this authorization will be made available to the Union or building steward upon request.

6. Laid-Off Employees.

- a. A permanent employee that is laid-off has the right to the following:
 - i. A permanent employee in this area that is laid-off and has more seniority than the least senior regular temporary employee assigned to his/her building, shall become a regular temporary employee at his/her building, if he/she chooses to do so. This employee will be referred to work according to seniority.
 - ii. Any laid-off employee who cannot or does not choose to become a regular temporary employee at his or her building, may be added to the list of Extra Temporary Employees.

7. Paychecks.

The Employer will provide paychecks to Downtown/Century City temporary employees at a central location for paychecks to be disbursed.

8. Day Crew Temporary Coverage.

The Employer shall fill emergency one-day positions on its own. However, longer-term temporary positions shall be filled, when applicable, by temporarily shifting a qualified night crew employee by seniority to cover the vacant day crew position. The Referral System will be used to cover the created night crew vacancy.

9. Indemnification Clause.

The Union shall indemnify the Employer, and hold it harmless against any and all suits, claims, demands, grievances or other forms of liabilities, including claims of discrimination that shall arise out of or by reason of any action that shall be taken by the Employer or the Union for the purpose of complying with the foregoing provisions of this Article.

10. <u>Pilot Project on Dispatch and Referral of Employees in Areas Other Than Century City and Downtown.</u> (Outlying Geographical Areas).

The parties agree to the establishment of a Joint Labor-Management committee composed of representation of the Employees and the Union, chosen by each party, shall meet within sixty (60) days of the implementation of this Agreement to discuss the

problems and attempt resolutions regarding dispatching and referral of the Employer's employees in the outlying geographic areas.

D. <u>Disputes</u>. Should any dispute arise concerning the rights of the Employer, the Union, or employees under this Article, the dispute shall be submitted to advisory mediation through the Federal Mediation and Conciliation Service ("FMCS"). The decision of the Federal Mediator, shall be non-binding upon the Parties. Furthermore any such dispute is expressly prohibited from the arbitration provisions contained in Articles XXV ("Grievance and Arbitration") and XXVI ("Expedited Arbitration") of this Agreement. The Parties expressly agree that the provisions of Article XXVII ("No Strikes and Lockouts") remain in full force and effect for the term of this Agreement.

ARTICLE V - UNION REPRESENTATIVES

- A. <u>Visitation by Union Representatives</u>. Union representatives shall be permitted to visit any and all operations of the Employer, provided such visits shall not interrupt the work of any employees and the Employer is notified by the Union via fax or e-mail of any visitation, at least twelve (12) hours prior to said intended visitation.
- B. <u>Advance Notice</u>. It is agreed that the Union will notify the Employer in advance of any site visitation. It must be understood that clients' rights and business must be protected and that they and they alone control access to the site, unless they release control to the Employer.
- C. <u>Stewards</u>. The Union may appoint or elect one (1) Steward per job site. In job sites with multiple locations in one complex, Stewards shall be selected by building. The number of Stewards shall be limited to a maximum of three (3) Stewards per such complex. It is understood that there may be one (1) Steward per shift for sites that have more than one shift (excluding regular day crews) and at co-located job sites where there is a full-time supervisorial or management representative on site. Such Steward will not be harassed for performance of his/her Union responsibilities. Stewards will be allowed, when practicable, extra work time, if necessary, to complete their work due to the performance of their Union duties, at the discretion of the building or site supervision. It is understood that time spent by the Steward in the performance of his/her duties will not be compensated for by the Employer.
- D. <u>Co-Located Job Sites</u>. The parties agree to continue the current practice at co-located job sites concerning the number of stewards per co-located job site.
- E. <u>Bulletin Boards</u>. The Employer shall provide at all times a bulletin board at a place in the building which will be accessible to all employees for the purpose of posting notice of official business of the Union or the Employer. Boards will be used only in buildings where practical and space permits.

ARTICLE VI - STANDARDS

No working conditions, hours of work, benefits, or rates of pay in effect as of the date of the execution of this Agreement shall be diminished, discontinued, or curtailed because of this Agreement.

ARTICLE VII - WORKING CONDITIONS

- A. <u>Uniforms</u>. If uniforms/smocks or special work shoes are required by the Employer, the Employer will furnish said uniforms and employee will be responsible to maintain same. It is understood that those persons required to wear uniforms will sign for all uniforms/smocks issued and be responsible for them if they are lost or damaged beyond use. Except for accidental damage or normal wear and tear, a payroll deduction will be made for all lost/damaged items (not due to normal wear and tear) at a predetermined cost as established with the supplier.
- B. Work in Higher Classifications. Whenever an employee is required by the Employer to perform duties in two (2) or more classifications listed in this Agreement, he/she shall receive the higher rate of pay for the time so employed. Such change in classification shall require the higher pay only if the employee works in excess of increments of more than four (4) hours in the higher classification in any one shift.
- C. <u>Lounge</u>. Employer agrees to make every effort to provide a suitable area for employees to care for their clothing and valuables. It is also agreed that the Employer will secure, within the building, a suitable place for the lunch periods.
- D. <u>First Aid</u>. The Employer agrees to maintain an emergency first aid kit in each job site.
- E. <u>Workers Compensation and Unemployment Insurance</u>. It is hereby agreed that the Employer shall carry Workers Compensation and Unemployment Insurance on each employee coming under the terms and provisions of this Agreement and comply with the laws of the State of California.
- F. <u>Training</u>. The Company shall maintain the current policies regarding the employees who are assigned to train new employees.

G. <u>Sub-Contracting</u>.

1. The Employer shall not subcontract any work as described by the classifications set forth in this Agreement to any employee, person, or company, except under the provisions of paragraphs 2 and 3 below.

- 2. The Union agrees to negotiate with the Employer in order to reach a mutually satisfactory arrangement permitting the Employer to subcontract under the following conditions:
 - a. The work to be subcontracted is not as described in the classifications of this Agreement; or
 - b. The location where the subcontracted work (including covered classifications) is part of a group of locations to be awarded as a single contract and specific locations are as noted in Subparagraphs i or ii below.
 - i. The location where the subcontracted work (including covered classifications) to be performed is in a geographical location which is not effectively covered by the Employer or is a situation, in which the Employer is not geared to provide adequate supervision because of unusual hours or scheduling; or
 - ii. The location where the subcontracted work (including covered classifications) is specifically requested at the location because of an existing relationship with an incumbent contractor or individual. In the event that such location requires two or more full-time employees, such employees will be covered by this Agreement.
- 3. If the Employer's request to subcontract meets the above criteria, the Union will not withhold permission to subcontract. Should there be any dispute regarding permission being withheld, both parties agree to submit the matter to the Expedited Arbitration procedure of this Agreement and be bound by the decision thereof.
- H. <u>Accidental Breakage</u>. Employees shall not be liable for accidental breakage provided such breakage is reported as soon as possible but not to exceed one (1) hour beyond the end of their shift. It is also agreed that as long as the janitor exercises reasonable care he/she will not be held liable for damage.
- I. <u>Travel Time</u>. Any employee required to move from job to job in the course of his/her duties shall be paid for such time as spent traveling unless otherwise provided for by both parties in writing. If an employee is obligated to use his/her own vehicle to transport equipment or supplies at the specific request of the Employer, then the

employee shall be compensated for the mileage driven according to the IRS rate for reimbursement.

- J. <u>Supplies</u>. The Employer agrees to supply, maintain, and replace all tools, equipment, cleaners, polishes, rags, brushes, brooms, mops, wax, etc., necessary for the employees to perform their duties. The Employer shall furnish rubber gloves upon request from employees assigned to the restrooms and those using caustic materials.
- K. <u>Translation</u>. Meetings and written communications wherein work rules and similar instructions are being given to employees, whenever possible, will be translated into Spanish and/or one additional language, if warranted, subject to the condition that such additional language is the primary language of a reasonable number of employees covered by this Agreement. All disciplinary notices or proceedings such as warning slips, shall likewise be provided in translation under the same conditions if the affected employee(s) are not fluent in English.
- L. <u>Warning Notices</u>. In the event a warning notice is issued, and if after twelve (12) months there are no further problems of a similar nature, then such warning notice shall not be used for disciplinary purposes or to affect an employee's promotional opportunities. Warning notices are not transferable between Employers.
- M. <u>Transfers</u>. Employees may be transferred from a job site to another job site pursuant to the Employer's client's request. Said employees will be transferred to another job location at the contract scale rate with no loss of seniority. The Union is free to grieve the wage rate of Los Angeles County-based employees whose wage rate is lowered as a result of such transfer. The affected employees will be transferred to a similar geographic region to a vacant position. If there is not a vacant position, or a voluntary swap in not feasible, the least senior person in the building to which the affected employee is being assigned to shall be required to take the position of the employee being transferred.

ARTICLE VIII - BUILDING SITE SENIORITY

- A. <u>Seniority and Work Records</u>. The basis for determining seniority is an employee's continuous length of service with the Employer and predecessor contractors. A work record shall be maintained for each employee showing employment dates, time spent in various job classifications, and any other information pertinent to this Agreement.
- B. <u>Building Seniority</u>. Once an employee is located at a building or site, the length of service will be used for building seniority. Provided that the employee in question is qualified, seniority as defined above shall be the criterion governing shifts, layoffs, rehires, promotions, and vacation preference at the building or site. Assignments

will be awarded by seniority where there is the opportunity for greater permanent hours. At work sites with multiple buildings with common property management, the term "building or site" as used in this Section B. shall mean the entire complex of buildings at that work site.

- C. <u>Promotion</u>. Where an opportunity for promotion exists at the job site, and excepting supervisory jobs, the employee credited with the most seniority at the site where the promotion occurs shall be given first consideration for such promotion, provided the employee meets the job requirements.
- D. <u>Transfers</u>. Building or site employees have the first option over new hires in filling jobs that may become vacant or that are newly created. Preference for filling such job openings will be given to all existing employees of the Employer.
- E. <u>Probationary Employees</u>. Employees shall not attain seniority until they have completed a probationary period of ninety (90) workdays, with a minimum of 720 hours. This probationary period may be extended by mutual agreement between the Union and the Employer. Termination for any cause during this period shall not be subject of the Arbitration provisions (Articles XXV and XXVI) of this Agreement.
- F. <u>Discharge and Discipline</u>. Discharge or other discipline shall be for cause only. When an employee is discharged or suspended, the Employer shall give the employee a written statement as to the reasons for such termination or suspension. Such notice shall be delivered to the employee within twenty-four (24) hours after his/her termination or suspension. The Union, upon request, shall have the right to receive a copy of such notice.
- G. <u>Job Posting</u>. The Employer will post all known job promotions and vacancies at all job sites where the Employer has an on-site supervisor, for a period of three (3) working days, so that employees may bid on the openings.
- H. <u>Recall</u>. In the event a job is lost to a non-Union employer, the laid off workers, on the basis of seniority, will be recalled to vacancies and be paid the appropriate pay rate, based on seniority, for the job site they are assigned to.
- I. <u>Eligibility for Recall</u>. An employee who has been laid off shall be eligible to be recalled to the job location from which he/she had been laid off for a period of six (6) months from the effective date of layoff, provided that the laid off employee must register with the Union for work as an extra or regular part-time employee for an Employer covered by this Agreement within the six (6) month period. Employees on recall status shall retain their original date of hire for purposes of seniority.
- J. <u>No Inter-Building Bumping</u>. Except as provided in Section M of Article VII, seniority shall not be used for inter-building bumping purposes.

- K. <u>Employees on Layoff.</u> The Employer agrees to accrue an employee's seniority and concomitant benefits while on layoff as follows:
 - a. Employees with less than five years of seniority shall be entitled up to thirty (30) days.
 - b. Employees with five or more years of seniority shall be entitled to up to ninety (90) days.

ARTICLE IX - HOLIDAYS – ORANGE COUNTY

A. <u>Paid Holidays</u>. The following days shall be observed as holidays with pay for all regular full time or regular part time employees employed by the Employer.

New Year's Day

Labor Day

Presidents' Day (5/1/10) Thanksgiving Day

Memorial Day Day after Thanksgiving

(5/1/09)

Independence Day Christmas Day

- B. <u>Holidays Not Worked</u>. Pay for holidays not worked shall be at the employee's regular rate of pay. Any employee who works a forty (40) hour weekly schedule shall receive not less than eight (8) hours' pay for the holiday, regardless of the number of hours the employee would have been scheduled to work on the day the holiday is observed.
- C. Rate of Holiday Pay. Pay for holidays worked shall be at the rate of time and one half (1½) for all hours worked, in addition to the employees regular day's pay. Any employee who is called into work on a stated holiday shall be guaranteed a full work day. Such employee shall not be required to work less than his/her regular shift and shall be paid in accordance with the provisions of this Section C.
- D. <u>Observance of Holidays</u>. It is the purpose of this Article to provide the aforementioned holidays each year. If a holiday falls on a Saturday, it shall be observed on the preceding Friday. In the event a holiday falls on a Sunday, it shall be observed on the following Monday.
- E. <u>Holiday Qualification</u>. The employee must work his/her scheduled shift before and after a holiday to be eligible for holiday pay. The foregoing sentence does not apply for one (1) holiday per calendar year. The employee shall not forfeit his or her holiday pay if such absence is due to a bona fide illness. The Employer may require a

doctor's certificate or other reasonable proof of illness. The Employer shall exercise good faith discretion in acquiring such proof.

- F. <u>Holiday Days Off</u>. In the event a holiday falls on an employee's regular day off, the employee shall be granted an additional day's pay or an additional day off with pay for said holiday. The Employer shall have the right to determine whether the employee receives an additional day's pay, or an additional day off with pay.
- G. <u>Alternate Schedule</u>. In order to provide employees with three (3) day weekends when Holidays fall on Saturday, Sunday or Monday, the Employer agrees to meet and negotiate an alternate work schedule.

H. Observance of Holidays Not Listed in This Agreement.

- 1. Where an employee is denied access to his/her job location because it is closed for a holiday that is not listed in the geographical appendix covering his/her job location, the employee shall receive that holiday with pay.
- 2. Where a job location is closed for a holiday that is not listed in its appendix and one or more employees are denied access to their job location, but a partial crew is called into work, then each employee called in to work shall receive not less than five (5) hours' work at the rate of time and one-half (1½) in addition to his/her regular day's pay.
- 3. Where a job location is closed for a holiday, but no employee is denied access to his/her job, that holiday shall be treated as a regular work day, and each employee shall work his/her regular shift.

ARTICLE X - HOLIDAYS – LOS ANGELES COUNTY

A. Holiday Observance.

1. Except as otherwise specified in Geographical Appendix G for certain exempted Areas, the following holidays shall be observed as holidays with pay for each employee:

New Year's Day Labor Day

Presidents' Day Thanksgiving Day

Memorial Day Day after Thanksgiving

Independence Day Christmas Day

Any employee receiving more holidays than listed above as of April 30, 2003, will continue to receive those additional holidays for the life of this Agreement.

- 2. In the event a holiday falls on Sunday, it shall be observed on the following Monday. In the event a holiday falls on Saturday, it shall be observed on the preceding Friday.
- 3. In the event a holiday falls on an employee's regular day off, the employee shall be granted an additional day's pay or an additional day off with pay for said holiday. The Employer shall have the right to determine whether the employee receives an additional day's pay, or an additional day off with pay.
- 4. In order to provide employees with three (3) day weekends when Holidays fall on Saturday, Sunday, or Monday, the Employer agrees to meet and negotiate an alternate work schedule. The alternate work schedule shall recognize customer needs and not increase Employer costs.
- 5. Each employee entitled to receive a "Floating Holiday" with pay shall be granted the day off of their choice unless the time requested by the employee cannot be met by the Employer due to operational difficulties. In such case the employee shall be permitted to take such floating holiday within one (1) week prior to or one (1) week after the time originally requested.
- 6. The work shift beginning on the holiday observed shall be considered the holiday shift for all purposes, including the payment of premium pay.
- 7. The employee must work his/her scheduled shift before and after a holiday to be eligible for Holiday Pay. The foregoing sentence does not apply for one (1) holiday per calendar year. The employee shall not forfeit his or her holiday pay if such absence is due to a bona fide illness. The Employer may require a doctor's certificate or other reasonable proof of illness. The Employer shall exercise good faith discretion in acquiring such proof.

B. <u>Holiday Pay.</u>

1. Pay for holidays not worked shall be at employee's regular rate of pay. Any employee who works a forty (40) hour weekly schedule shall receive

not less than eight (8) hours' pay for the holiday, regardless of the number of hours the employee would have been scheduled to work on the day the holiday is observed.

- 2. Pay for holidays worked shall be at the rate of time and one-half (1½) for all hours worked, in addition to the employee's regular day's pay. Any employee who is called in to work on a stated holiday shall be guaranteed a full work day. Such employee shall not be required to work less than his/her regular shift, and shall be paid in accordance with the provisions of this Paragraph 2.
- 3. The Employer shall not substitute an additional day off for any holiday where the intent or effect is avoid paying any employee at the premium rate for all hours worked on a holiday.
- 4. Non-worked holidays shall be counted as time worked for the purpose of computing overtime, unless the holiday falls on the employee's regular day off.

C. Observance of Holidays Not Listed in this Agreement.

- 1. Where an employee is denied access to his/her job location because it is closed for a holiday that is not listed in the geographical appendix covering his/her job location, the employee shall receive that holiday with pay.
- 2. Where a job location is closed for a holiday that is not listed in its appendix and one or more employees are denied access to their job location, but a partial crew is called into work, then each employee called in to work shall receive not less than five (5) hours' work at the rate of time and one-half ($1\frac{1}{2}$) in addition to his/her regular day's pay.
- 3. Where a job location is closed for a holiday, but no employee is denied access to his/her job, that holiday shall be treated as a regular work day, and each employee shall work his/her regular shift.

ARTICLE XI - VACATIONS – ORANGE COUNTY

A. <u>Vacation Benefits</u>. Employees shall accumulate prorated vacation benefits in accordance with the following schedule:

0-24 months of employment: .417 of a day per month
25-84 months of employment: .833 of a day per month
Over 84 months of employment: 1.25 days per month.

The Union hereby indemnifies the Employer on all pending or future grievance(s) related to vacation accumulation prior to May 1, 2008. This shall not apply to pending issues related to vacation cash out when there was a change of contractors.

- B. <u>Vacation Periods</u>. Vacation periods shall be rotated between employees and shall be taken at such time as will least interfere with the operation of the Employer's business in the opinion and within the discretion of the Employer, employee, and the Union, but preference will be in line with building seniority. Subject to the approval of the employee, Union, and the Employer, the employee may take vacation pay in lieu of vacation leave. When approved, such pay shall be due and payable within thirty (30) days.
- C. <u>Effect of Absence From Work</u>. In the case of leave of absence granted an employee, his/her anniversary date, for the purpose of determining eligibility for vacation, shall be changed by adding to it the period of his/her leave of absence. An employee who is laid off through reduction of forces and recalled within thirty (30) days shall, on no more than one (1) occasion within one (1) year, be considered as having been continuously employed as to vacation rights.
- D. <u>Vacation Pay</u>. Employees shall have the option of receiving full vacation pay prior to starting annual vacation.
- E. <u>Vacation Credits</u>. Vacation credits shall be based on the employee's regular scheduled hours. However, in the event an employee's work schedule is permanently changed, then the vacation shall be based on the average hours worked or credited on an annual basis.
- F. <u>Eligibility</u>. The last hiring date of the individual employee shall determine his/her eligibility for vacation. Vacations shall be taken or paid at any time after the employee's anniversary hiring date, but prior to his/her next anniversary of hiring date. Vacations shall not be cumulative.
- G. <u>Effect of Holidays</u>. Whenever a holiday falls during an employee's vacation period and such holiday would be paid to the employee in the event he/she was not on vacation at the time it occurred, the employee will be given an extra day's pay or an additional day of vacation with pay at his/her option.
- H. <u>Change of Employers</u>. When the Employer takes over a Union contractor's account it agrees to recognize seniority, past service, and vacation accrual. The outgoing contractor shall pay the pro-rated vacation pay that is due with the last payroll check. The successor employer shall pay the balance due at the time the vacation is accrued and taken, and shall further recognize and grant the full time off that is due, as per this

Article. It is agreed that at no time will the employee receive more vacation time than what he/she is entitled to under the provisions of this Article.

ARTICLE XII - VACATIONS - LOS ANGELES COUNTY

A. <u>Vacation Benefits for Continuing Employees.</u>

1. Except as may be otherwise specified in Appendix G, Geographical Areas, each employee shall receive vacation benefits, with pay, in accordance with the following schedule:

Months of Employment	Days of Paid Vacation per Month
0-12	.417
13-48	.833
Over 48*	1.25

*Area 1 employees will, after 168 months of employment, earn vacation at the rate of 1.67 days for each month of service.

Any job location providing more vacation than listed above, or provided for in the applicable geographic area's vacation benefits, effective April 30, 2008, shall continue to provide such additional benefits, with pay, for the life of this Agreement.

- 2. In the event a holiday falls during the employee's vacation period, the employee shall receive an additional day's vacation with pay.
- 3. Any employee receiving vacation benefits more favorable than those provided for in this Article at the time this Agreement is signed shall not have such vacation benefits reduced.
- 4. For the purposes of this Article, employment shall mean the employee's total months of employment from his/her original date of hire as defined in Article VIII.
- 5. All time lost from employment due to reasonable cause, such as illness, or emergency, shall, subject to Article XIII, be considered as time worked for the purpose of determining the employee's total months of employment.

B. Vacation Period.

1. Employees may take vacations at any time during the calendar year, provided mutual agreement is reached between the Employer and the employee making such request.

- 2. Employees may take their vacation in nonconsecutive weeks of the employee's choice provided mutual agreement is reached between the Employer and the employee.
- 3. All request for vacation shall be made in writing to the Employer and verified in writing to the employee within ten (10) working days after the employee submits his/her request.

C. <u>Vacation Pay.</u>

- 1. All employees shall receive vacation benefits in accordance with the provisions of this Article.
- 2. All employees shall receive their vacation paycheck on the payday immediately preceding the day on which such employees start their vacation.
- 3. Each week of vacation pay shall be equal to the employee's normal weekly earnings at the time the vacation is taken. For the purpose of this paragraph, normal weekly earning shall be defined as the hourly rate of pay, plus any shift differentials and/or premium pay which the employee is receiving based on the number of hours the employee regularly works at the time such employee receives his/her vacation paycheck. In the event an employee has not maintained a regular work schedule during the month preceding that in which he/she receives his/her vacation, vacation pay shall be based upon the employee's average number of hours worked over the period since his/her last employment anniversary date.
- 4. Vacation pay for extra employees shall be based upon their average number of hours worked over the period since their employment anniversary date.

D. <u>Pro Rata Vacation for Terminated Employees.</u>

- 1. Any employee whose employment relations with the Employer terminate after thirty (30) days of employment for any reason shall receive pro rata vacation benefits as follows:
 - a. <u>The Employee's Length of Service Shall be Determined</u>. For the purposes of this Article, service shall mean the employee's total months of employment with the Employer or from his/her original date of hire as defined in Article VIII.
 - b. The Employee's Rate of Vacation Accrual Shall be

 Determined. Depending upon the amount of vacation with
 pay that an employee may be entitled to based upon the
 geographical appendix under which they work, the rate of

accrual shall be as a percentage one (1) year's work, from the employee's previous anniversary date of employment.

- 2. All payments for an employee's vacation benefit shall be paid in accordance with the provisions of this Article.
- 3. All time lost from employment due to reasonable cause, such as illness or emergency shall, subject to Article XIII, be considered as time worked for the purpose of determining the employee's pro rata vacation benefit.
- 4. Each employee shall receive his/her pro rata vacation benefits at the time he/she receives his/her final paycheck. Such payment shall be made in accordance with the Labor Code, State of California.
- 5. In the event of the transfer of an account to another Employer, the first Employer shall pay each employee who remains at the job location his/her pro rata vacation benefit. Such payment shall be computed in accordance with the provisions of this Section up to the date of transfer of the account, and in addition, the first Employer shall give to each employee a written statement of his/her original date of employment, as defined in Article VIII.
- 6. In the event the Employer sells his/her business, such Employer shall pay each employee his/her pro rata vacation benefit. Such payment shall be computed in accordance with the provisions of this Section, up to the date of the sale of the business.
- 7. In the event the Employer loses a job, the Employer shall report in writing to the Union the names of all employees terminated as a result of such job loss and the fact that the terminated employees have been paid their accrued vacation by the Employer at the time of termination. In the event the Employer willfully fails to report or pay accrued vacation as required, a penalty of 25% of the total unpaid accrued vacation shall be assessed against said Employer and an added penalty of 5% per month shall be charged until such accrued vacation is paid.

E. Health and Welfare and Pension Contributions for Vacationing Employees.

- 1. The Employer shall make the appropriate payment into the California Service Employees Health and Welfare Trust Fund on behalf of all employees who are on vacation. Payments to this Trust Fund shall be based on the hours the employee normally works.
- 2. The Employer shall make the appropriate payment into the SEIU National Industry Pension Trust Fund on behalf of all employees who are on

vacation. Payments to this Trust Fund shall be based on the number of hours for which the employee has received vacation pay.

ARTICLE XIII - TIME LOST

All time lost from employment due to reasonable cause, such as illness or emergency, up to ninety (90) days shall be considered as time worked for the purpose of determining the employees total months of employment provided the affective employee has five (5) years of seniority.

All time lost from employment due to reasonable cause, such as illness or emergency, up to sixty (60) days shall be considered as time worked for the purpose of determining the employees total months of employment provided the affective employee has two (2) years of seniority.

All time lost from employment due to reasonable cause, such as illness or emergency, up to thirty (30) days shall be considered as time worked for the purpose of determining the employees total months of employment provided the affective employee has one (1) year of seniority.

ARTICLE XIV - HOURS

- A. <u>Workday</u>. Eight (8) hours within nine (9) consecutive hours shall constitute a day's work, except where other arrangements have been mutually agreed upon in writing between the Union, the employee, and the Employer. Five (5) days work in seven (7) consecutive days will constitute a week's work. It is agreed that such days will be consecutive. However, alternative schedules may be created by mutual agreement, provided they are discussed on a case by case, non-precedent setting basis. The rule of reason shall apply to both parties with respect to agreement on those occasions.
- B. Overtime. Any time worked in excess of eight (8) hours in any day or forty (40) hours in any week shall constitute overtime and shall be paid for at the rate of time and one-half. Overtime shall be assigned on the basis of seniority whenever possible.
- C. <u>Job Hours Conversions</u>. The Employer and the Union agree to establish a mutually agreeable policy for each Employer by April 1, 2001 for the purpose of establishing by attrition, eight (8) hour work days for bargaining unit employees. Said conversions will be governed by seniority with the goal of establishing eight (8) hour job slots when feasible with the Employer's clients' cleaning requirements.
- D. <u>Rest Periods</u>. Each employee shall be allowed a rest period of not less than ten (10) minutes in each four (4) hour work period. These rest periods shall be included within the employee's regular shift and no deductions shall be made from wages. Each employee shall be entitled to a one-half (½) hour lunch period, which shall be unpaid.

E. Reporting Pay. Employees who are scheduled to work by the Employer and who report to work the scheduled hours but are not allowed to work them by the Employer, shall be paid fifty percent (50%) of the hours of the shift that he/she was scheduled to report for.

ARTICLE XV - WAGES - ORANGE COUNTY

- A. <u>Minimum Rates</u>. Minimum rates of pay for all persons covered by the Agreement shall be those rates set forth in the Schedule of Wages set forth in Appendix F. In the event a minimum rate of pay for any classification of work is not specifically provided for in the Schedule of Wages, then the wage shall be the rate set by mutual agreement between the Employer and the Union.
- B. <u>Pay for Time Worked</u>. Any employee working less than eight (8) hours in any one day shall be paid only for such time as he/she actually works except a minimum of four (4) hours is guaranteed on one (1) call if called by the Employer for special work or emergency.
- C. <u>Payment of Wages</u>. All disbursements for wages shall be made on the sixth (6th) work day following the close of the pay period by voucher check, which shall show the total number of hours worked and an itemized list of all deductions made therefrom. In the event the sixth (6th) working day falls on a weekend, checks will be disbursed the following Monday.
- D. <u>Inspection of Wage Payment Records</u>. The Employer shall make the current time cards, payroll records, and sign-in sheets not older than six (6) months available to the Union Representative upon reasonable request.
- E. <u>Increments of Time</u>. Work time (except for overtime) shall not be computed in units of less than one quarter (1/4) hour per shift. Overtime will be computed on the basis of actual time worked.
- F. <u>Vehicles Provided</u>. All vehicles used for the purpose of carrying tools and equipment for wax crews shall be furnished by the Employer except as hereinafter provided.

ARTICLE XVI - WAGES – LOS ANGELES COUNTY

A. Minimum Wage Scales.

1. The wage scales and economic benefits in each of the geographical appendices of this Agreement are minimum wage scales and economic benefits for each geographical area. Nothing in this Agreement shall be interpreted to prohibit

an Employer from paying higher wage rates or additional benefits than are set forth in this Agreement.

- 2. Where the Employer takes over employees who are already covered under the terms of this Agreement but who are working at a job location at which there are wage rates, premium shift differentials or other benefits granted in excess of those provided in this Agreement, either by virtue of existing practices or under some other collective bargaining agreement, such employee shall continue to receive such wage rates, premium shift differentials and/or other benefits.
- B. Start Rates. The Employer and the Union agree that all employees hired after May 1, 2008, shall start at the appropriate start rate for their Area as provided in Appendix G, Geographical Areas and shall receive the scheduled wage increases for that Area for a period of twelve (12) months from their date of hire, at which time their wage rate will be brought up to the appropriate Area minimum hourly wage rate for their classification, to the extent that such minimum hourly wage may exceed the start rate.

C. <u>Small Buildings and Size Exclusions</u>.

- 1. Effective May 1, 2008, job locations which are not complexes or multiple buildings, which are less than 100,000 square feet of net cleanable space and where employees are scheduled a total of 26 hours or less of night work per shift, shall be covered under the provisions of the Greater Los Angeles County Area 3 of Appendix G, regardless of their actual location.
- 2. Effective May 1, 2008, job locations which are single tenant job locations, which are less than 150,000 square feet of net cleanable space and where employees are scheduled a total of 40 hours or less of night work per shift, shall be covered under the provisions of the Greater Los Angeles County Area of Appendix G ("Greater Los Angeles, Area 3"), regardless of their actual locations.
- 3. At work sites with multiple buildings with common property management, the terms "job location" as used in this Agreement shall mean the entire complex of buildings at that work site for purposes of this Section. A single tenant user may be defined as self managed or third party managed, with one tenant using all cleanable space.
- 4. In the event the Employer utilizes the small building exclusions, employees working as permanent employees at the affected job locations described herein, as of April 30, 2008, shall be "grandfathered" and continue to receive the wage and benefit levels originally required of their geographical area for the term of this Agreement. This shall include all wage increases and all minimum wage rate increases called for in Appendix G (e.g., an Area 2 employee

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would continue to receive Area 2 wages and benefits) for the actual geographical area of their job locations.

- 5. The Employers agree to provide the Union with a list of current Union job locations affected by the above. The Parties agree that this list is not intended to be all inclusive.
- D. <u>Shift/Sunday Premiums</u>. All current and new job locations in Geographical Area 1, or any job location in other Geographical Areas that provided premium pay for work on Sundays and/or a shift differential as of April 30, 2008, shall provide those premiums and/or differentials, for the life of this Agreement, under the following conditions:

Any employee who works fifty percent (50%) of his/her hours, or more, between midnight and 8:00 a.m. shall receive a shift premium of twenty cents (20¢) per hour for his/her entire shift.

Lunch period, even though unpaid, shall be considered as time worked for the purpose of determining whether an employee has worked fifty percent (50%) of his/her hours, or more, between midnight and 8:00 a.m.

This Shift Premium, where applicable, shall be included in the employee's base rate of pay for the purpose of computing overtime.

Any employee other than a watchperson or a retail store employee who works on Sunday shall receive a Sunday shift premium of fifty cents (50ϕ) per hour for all hours worked on Sunday, or for his/her entire shift if the shift starts on Sunday.

E. Payment of Wages.

- 1. All wages shall be paid by check. Such check shall specify the total number of hours worked, and contain an itemized list of all deductions.
- 2. Wages shall be paid either weekly or biweekly, but in no event shall wages be paid on a semi-monthly basis.
- 3. In no event shall any pay period be changed where either the intent or effect is to avoid the payment of overtime.
- F. <u>Unit of Work Time</u>. The minimum unit of work time shall be one-quarter (1/4) hour. Any time worked by an employee which is less than fifteen (15) minutes shall be considered as a full one-quarter (1/4) hour.

G. Availability of Paychecks.

- 1. Paychecks shall be made available at the job location or mailed to the employee or the employee may, at employee's option, pick up his/her own check on his/her own time at the Employer's place of business. In the event the employee elects to pick up his/her own check on his/her own time at the Employer's place of business, then the Employer agrees to post a schedule of check pick-up and to provide both the employee and the Union with a copy of the check pick-up schedule.
- 2. Paychecks shall be made available to the employee, or placed in the mail no later than four (4) office work days after the close of the pay period. Each employee shall be notified when his/her pay period ends.
- 3. Newly hired employees shall have the right to request and receive up to one (1) week's wages, for all hours worked before completing his/her first scheduled pay period.
- 4. Upon notification by the Union of an error in any paycheck which results in the employee receiving less than all of the wages he/she is entitled to: the Employer shall pay all monies owed to the employee or notify the Union of a dispute within three (3) working days. The Employer agrees to advance employees, up to the amount of wages in dispute, until the disputed amounts can be verified.

H. Payment for Travel.

- 1. Any employee who is required to move from location to location in the course of performing his/her work assignments shall be paid for all time spent in traveling between such locations, in addition to the hours actually spent working at the various job locations.
- 2. Travel time, as defined in Paragraph 1 of this Section H, shall be counted as time worked for purposes of computing the total daily and weekly hours worked and any overtime premium, where applicable.
- 3. In determining time worked for the Employer, the period of employment shall begin at the time the employee is required to report either at the Employer's office or at the job location, whichever is earlier, and shall include time traveled from a job location back to the office, if so required by the Employer.

I. Payment for Use of Employee's Own Vehicle.

- 1. Each employee who is required by the Employer to furnish his/her own vehicle to carry any equipment or supplies between locations shall be reimbursed for use of the vehicle for each required mile driven at the rate set by the Internal Revenue Service of the U.S. Department of the Treasury (IRS). Whenever the IRS increases the amount of mileage reimbursement exempt from declaration as income, the Employer shall increase the rate of mileage reimbursement equal to the new IRS guidelines, effective January 1st of the year in which the adjustment is made.
- 2. All payments made to the employee to reimburse him/her for the use of his/her own vehicle shall be paid at each pay period, either by separate check or together with the payroll check with the amount of such reimbursement itemized on the payroll check stubs.
- 3. The Employer shall carry non-ownership liability insurance on the vehicle of each employee who is required by the Employer to use his/her own vehicle in connection with his/her work. In the event the Employer fails to secure such insurance, the Employer shall assume full responsibility for all damage to the vehicle and agrees to pay and be responsible for all legal fees, court costs, or damages incurred by the employee through the use of his/her own vehicle during the course of his/her work.
- 4. Should an employee receive a traffic citation while using his/her own vehicle at the requirement of the Employer, the circumstances of the citation will be investigated by the Union and the Employer. Whether the Employer or the employee will be responsible for any payments will be determined by mutual agreement between the Union and the Employer.

J. <u>Inspection of Records</u>.

- 1. The Union shall have the right to inspect the paycheck of any employee covered by this Agreement after the same has been returned to the Employer by the bank.
- 2. The Union shall have the right to inspect and audit, at the Employer's premises where such records are customarily maintained, all payroll records and time sheets and all other records, papers, or documents of the Employer which relate to the terms and conditions of this Agreement. In the event the results of such inspection or audit reveal that the Employer has violated any term or condition of this Article, the Employer shall be liable for the cost of such

audit, including legal fees, such costs not to exceed fifteen percent (15%) of the obligation or liability.

- 3. The Employer shall have available records setting forth the number of hours worked, job location, and complete individual payroll information for each employee on a quarterly basis.
- 4. The Employer shall provide the Union annually a list as to each employee's sick leave and vacation accrual.
- 5. The Employer further agrees that, upon a written request from an employee, the Employer will provide employment and other work related information of references formally requested by commercial or government organizations or individuals or prospective Employers.
- K. Changes in Minimum Wage. An amount equal to any increase in wages or benefits which is mandated by a change in the California or Federal Minimum Wage Law shall be credited against any increases which would thereafter come into effect as a result of this Agreement. For example, on 1/1/01 an employee's wage would have increased by 50¢ per hour as a result of a change in the California minimum wage. Effective 4/1/01 that employee was eligible to receive a 60¢ per hour increase under the terms of the agreement then in effect between the Union and the Employer. The employee's wage rate on 4/1/01 would have been increased 10¢ per hour. Notwithstanding any other provision of this Agreement, employees shall make at least 30¢ per hour over California or Federal minimum wage rates. This provision shall not apply to any "Living Wage" law or ordinance adopted by any political subdivisions of the State of California.

ARTICLE XVII - SICK LEAVE – ORANGE COUNTY

- A. <u>Eligibility</u>. Each employee with twelve (12) months of service or more shall be granted one (1) day sick leave with pay per year. Effective May 1, 2009, each employee with twelve (12) months of service or more shall be granted two (2) days sick leave with pay per year. Effective May 1, 2011, each employee with twelve (12) months of service or more shall be granted four (4) days sick leave with pay per year. Unused sick leave benefits shall be cumulative from year to year to a maximum of three (3) days.
- B. <u>Total Employment</u>. The Employer will recognize the employee's total employment as defined in Article VIII of this Agreement for all purposes under this Article XVII.
- C. <u>Accumulation</u>. Sick leave benefits shall be paid for a bona fide illness or injury at any time after an employee has completed twelve (12) months of service.

- D. <u>Doctor's Certificate</u>. Sick leave with pay shall be applicable in cases of bona fide illness or injury. The Employer may require a doctor's certificate or other reasonable proof of illness. The Employer shall exercise good faith discretion in requiring such proof. The Employer shall not require that employees bring such doctor's certificate to the Employer's main office and it is understood that the delivery of such certificate to the employee's foreperson or supervisor at the job location shall be sufficient to satisfy the employee's obligation under this Section.
- E. <u>Commencement of Sick Pay.</u> All employees shall receive sick leave benefits with full pay commencing with the first workday's absence and shall receive full pay for each workday's absence until the sick leave benefit is depleted. For the purpose of this Section, full pay shall mean pay for the scheduled working hours for those days which the employee would have worked had the disability not occurred.
- F. <u>State Disability Payments</u>. In the event an employee who is ill or injured is entitled to receive State Disability Insurance payments or Workers Compensation payments, the sick leave due such employee from the Employer shall be paid in such a manner that does not interfere with the employee's receipt of full benefits due him or her from State Disability Insurance or Workers Compensation Insurance.

The Employer shall compute the money value of all sick leave benefits due such employee at the time he or she becomes disabled and shall pay to the employee each week an amount equal to the difference between the employee's State Disability weekly benefit or Workers Compensation weekly benefit and the employee's normal weekly pay until the money value of the employee's sick leave benefits is exhausted.

In the event the employee returns to work before the money value of his sick leave benefits has been exhausted, any remaining money value shall be converted back to days and restored to the credit of the employee for future use of accumulation.

G. <u>Transfers</u>. In the event of the transfer of an account to another employer, the outgoing employer shall pay each employee who remains at the job location his/her paid sick leave balance.

ARTICLE XVIII - SICK LEAVE – LOS ANGELES COUNTY

- A. <u>Continuation of Benefits</u>. Except as otherwise provided in Appendix G, Geographical Areas, any job location providing sick leave benefits as of April 30, 2008, shall continue to provide the same level of paid sick leave benefits for the life of this Agreement.
- B. <u>Total Employment</u>. The Employer will recognize the employee's total employment, as defined in Article VIII, for all purposes under this Article. Sick leave

benefits, including accumulated benefits, shall become the responsibility of the Employer for whom the employee is working at the time an illness or injury occurs.

- C. <u>Prior Accumulation</u>. Sick leave accumulated under the prior Agreement by an employee with five (5) years of service shall remain in full force and effect as of the execution date of this Agreement.
- D. <u>Availability of Benefits</u>. Sick leave benefits shall be paid for bona fide illness at any time during an employee's employment year (i.e., from one anniversary of employment to another). An employee's sick leave benefits become available to him/her immediately upon the first day of his/her employment year.
- E. <u>Proof of Illness</u>. Sick leave with pay shall be applicable in cases of bona fide illness or injury. The Employer may require a doctor's certificate or other reasonable proof of illness. The Employer will exercise good-faith discretion in requiring such proof. The Employer shall not require that employees bring such doctor's certificate to the Employer's main office and it is understood that the delivery of such certificate to the employee's foreperson or supervisor at the job location shall be sufficient to satisfy the employee's obligations under this Paragraph.
- F. <u>Separate Check</u>. Sick leave shall be paid promptly, on a separate check, and the check stub, as well as the payroll record, shall be clearly marked "Sick Leave." In no event shall the Employer require the employee to return to work before receiving his/her sick leave pay.
- G. <u>First Day's Absence</u>. All employees shall receive sick leave benefits with full pay commencing with the first work day's absence and shall receive full pay for each work day's absence until the sick leave benefit is depleted. For the purpose of this Paragraph, full pay shall mean pay for the scheduled working hours for those days which the employee would have worked had the disability not occurred.
- H. <u>Listing of Payments</u>. Sick leave cash payments for all employees shall be as listed in each geographical appendix of this Agreement.
- I. <u>Transfers</u>. In the event of the transfer of an account to another employer, the outgoing employer shall pay each employee who remains at the job location his/her paid sick leave balance.

ARTICLE XIX - MAINTENANCE OF WORKING CONDITIONS

A. <u>Current Agreement</u>. The Employer shall not reduce the number of employees or the man hours worked or rates of pay, or change the starting or quitting time of any employee at any job location because of the execution of this Agreement.

B. Layoff and Reduction of Staff.

- 1. In the event the Employer desires to lay off, speed up or change the hours or starting and quitting time of any employee or employees or reduce staffing, the Employer will submit the following information to the Union, in writing, before any action is taken on the proposed layoff, speed up or change in the hours or starting and quitting time:
 - a. The job location and affected suite numbers at which the proposed layoff, speed up or change in the hours or starting and quitting time is to occur;
 - b. A list of the employees working at the job location, and the length of employment and classification of each employee;
 - c. A list of the employees the Employer desires to lay off, speed up or change the hours or starting and quitting time of, or positions the Employer desires to eliminate;
 - d. The date and reason for the proposed layoff, speed up or change in the hours or starting and quitting time, or reduction in staffing.
- 2. The Union agrees to consent to the Employer's proposed changes pursuant to this Article when the Employer has complied with the provisions of this Article and demonstrated that its proposed changes are necessary to:
 - a. Respond to changes required in customer's specifications to the extent they directly affect current staffing. The Employer agrees to provide the Union with copies of the changes in specifications in situations relating to changes in customer specifications.
 - b. Respond to vacancies occurring in a building at which the Employer conducts cleaning operations to the extent such vacancies directly affect current staffing;
 - c. Return staffing in a building where the crew was increased due to special needs to the levels customarily maintained by the Employer at said building, provided there has not been a material increase in required customer specifications that led to, or followed, the increased staffing;

- d. Adjust staffing to its customary levels of production, provided that the Employer does not impose an unreasonable workload.
- 3. Where the Employer proposes to layoff or make other changes pursuant to this Article in order to respond to competitive bids from contractors who do not provide terms and conditions of employment equivalent to those contained in this Agreement, the Union agrees that it will not unreasonably withhold consent to reduce staffing, lay off, speed up or change the hours or starting and quitting time of employees so that the Employer may responsibly respond.
- 4. In the case of a layoff where the Union has agreed to a layoff pursuant to this Agreement, the Employer shall give a minimum of six (6) days' notice to the Union and five (5) days' notice to the affected laid off employee or pay the employee an amount equivalent to the employee's wages for one (1) week, based on the employee's normal wage, in lieu of such notice. The Employer shall, within thirty (30) days after the date of execution of this Agreement, submit to the Union a list of all jobs in which the Employer's services can be terminated with less than five (5) days' notice.
- 5. No regular full-time employee shall be laid off or have a speed up or change in the hours or starting and quitting time while there is a part-time or extra employee working on the job location and where the Union has consented to a layoff, speed up or change in the hours or starting and quitting time.
- 6. Employees on layoff, and regular part-time and extra employees, shall receive preference over all new hires in the event the Employer hires new employees, as provided in Articles III and IV.
- 7. An employee laid off from a job location pursuant to this Article shall retain recall rights at said job location pursuant to Article VIII, Section 1.
- C. <u>Registration of Job Location</u>. The Employer shall furnish to the Union, in writing, the names and addresses of all jobs, the number of employees on each job and classification, wage rates and hours employed per week. This information shall be submitted to the Union by the Employer within thirty (30) days after the execution of this Agreement, on a standard form approved by the Union.

D. <u>Termination of Employer's Services.</u>

1. The Employer shall furnish to the Union, in writing, on a standard form approved by the Union, the name and address of any job where the Employer's services are being terminated, together with the number of employees, job classification, number of man hours worked per day and per week, starting and

quitting time of each employee and the wage rate of each employee at the job location.

- 2. The above information shall be submitted to the Union in the required form at least two (2) weeks prior to the date the Employer's services are to be terminated.
- E. New Jobs. The Employer shall notify the Union, in writing, on a standard form approved by the Union, of the name and address of any new job the Employer obtains which is covered by this Agreement, within five (5) days of the acquisition of such job. Such notice shall include the number of employees to be used on the job, by classification, and wage rates and hours employed.
- F. <u>Sale or Transfer of Business or Jobs</u>. In the event the Employer purchases, sells or transfers its business or any job location or accounts, the Employer shall notify the Union in writing of the names and addresses of any jobs purchased, sold or transferred and the names of the employees employed at such job locations or accounts.

G. <u>Job Bidding Information.</u>

- 1. The Employer shall provide in writing, on a standard form approved by the Union, the following information for any job location covered by this Agreement within forty-eight (48) hours (excluding weekends and holidays) upon receipt of a request from the Union:
 - a. The number of employees and the name of each employee;
 - b. Job classifications;
 - c. Number of man hours worked per day, and per week;
 - d. Starting and quitting times of each employee;
 - e. The wage rate and fringe benefit costs specifically, but not limited to, health insurance, sick days, and pension (if applicable) of each employee;
 - f. The original hire date of each employee with the Employer, other employers or at the job location, whichever is earlier;
 - g. The original hire date of each employee at the job location.
- 2. The Union agrees that it will designate an authorized person(s) to request the stated information. Upon receipt of such information, the Union will treat the information on a confidential basis and will release it to another

Employer in accordance with Section H of this Article only when it has been determined that bona fide bids are being requested.

- 3. It is the entire responsibility of the incumbent Employer to provide correct and timely information pursuant to this Section. The incoming Employer shall be fully responsible for employing all employees at the job location at their correct number of hours worked and paying all wages and benefits the employees at the job location are entitled to. The incumbent Employer agrees to indemnify upon verification the incoming Employer at 150% of all employee costs associated with providing inaccurate information.
- 4. The Employer agrees that it will only contact the authorized person(s) as designated by the Union when complying with the provisions of Section H of this Article.
- H. <u>Job Bidding Procedure</u>. Whenever the Employer bids or takes over the servicing of any job location where the present employees are working under the terms of a collective bargaining agreement to which a local of the Service Employees International Union ("SEIU") is signatory, the Employer agrees to do the following:
 - 1. Contact the Union for the number of employees, all job classifications, number of man hours worked per day and per week, starting and quitting time of each employee and the wage rate and fringe benefit costs of each employee at the job location.
 - 2. Observe all of the existing conditions at the job locations and, specifically, employ all existing employees, not reduce the wage rate or fringe benefits of any employee, the number of employees, the total number of man hours worked per day and per week, not change the starting or quitting time of any employee.

I. <u>Change of Employer.</u>

- 1. The Employer shall not enter into an agreement, written or verbal, direct or indirect, that will prohibit or limit in any manner, any person's or company's right to hire the employees of the Employer, or the right of any employee to accept any such employment following the termination of the services of the Employer at any job location, building or establishment.
- 2. In the event of any change of Employer at any job location, the original date of hire of each employee at the job location or of any other employment with the displaced Employer or Employers, in the event of more than one change of Employer, shall constitute the beginning of the seniority of such employee and shall apply to all benefits set forth in this Agreement.

- 3. In the event of a change of Employer at a job location, the new Employer shall be liable for any holiday benefits due to employees on the job location involving any holidays that may fall during the transition period between Employers, regardless of the employee's date of hire by the employer taking the job.
- J. <u>Inspection of Records</u>. The Union shall have the right to conduct an investigation, including the inspection and auditing of payroll records of the Employer and at any job location, building or establishment, in order to determine whether any provision of the Agreement has been violated. The Union shall have the right to conduct such investigation of the books and records of the Employer at the office of the Employer where such books and records are customarily maintained.

K. Other SEIU Local Agreements; SEIU Industry Standard Agreement.

- 1. In the event the Employer employs employees in an industry where there is an Industry Standard Agreement with the Union, then the Employer shall be bound by the wages, terms, benefits and conditions for that Industry location only as set forth in such Industry Standard Agreement.
- 2. When an Employer employs employees at a job location in an area where the Union has an agreement with the Employer or other employers performing work as set forth in this Agreement, and such other agreement contains higher wages, benefits or conditions than this Agreement, then such Employer shall be bound by the terms and conditions of the agreement containing the higher wages, benefits, or conditions for that job location only.
- 3. In the event the Employer fails to give proper notice, as required by this Article and/or fails to provide the proper wages, benefits and conditions as set forth in this Section, the Employer shall be liable in full for the difference in wages, fringe benefits and other benefits of employment that the Employer failed to pay.
- 4. When an Employer bids or takes over the servicing of any job location, the Employer shall, in writing, request from a designated person at the Union information as to whether any other agreement or agreements are in existence at such job location, in order to comply with this Section. The Union, upon receiving such written request, shall notify the Employer in writing within two (2) days after receiving such a request as to whether any other agreement or agreements are in effect at that location. In the event the Employer fails to make such a request, in writing, the Employer shall be fully liable for wages and fringe benefits as set forth in Paragraph 3 of this Section.

L. Non-Covered Locations.

- 1. Upon assumption of work at any job location not currently (as of May 1, 2008) serviced by a signatory Employer to this Agreement, the Employer, provided the Employer's client has no objections, shall employ existing employees up to the number in the Employer's contract proposal for the job location, with wages and benefits as specified in paragraph 3 of this Section. In the case of taking over a location serviced by a non-signatory Employer where the Union has an active organizing drive, the Employer shall maintain the current wages and benefits for existing employees and employees hired subsequent to the Employer's assumption of work shall be covered by the provisions of paragraph 3 below.
- 2. Additionally, the Employer shall employ existing employees up to the number in the Employer's contract proposal and shall contact the Union prior to any actual reduction of the number of employees and discuss fully the effects of such reduction, in good faith, with the Union.
- 3. This Section L shall apply to work (job sites) previously not serviced by a contractor signatory with the Union (Local 1877). As to such locations, the language of this Agreement shall apply except as modified in Appendix D-1 (Orange County) or Appendix D-2 (Los Angeles County) to this Agreement.
- NOTICE The Employer shall provide the Union with written notice of each new job which shall be subject to this paragraph 3.
- M. <u>Union Enforcement</u>. The Union agrees to fairly and equitably enforce this Article and will audit, when necessary, Employers who have submitted the information as required by this Article and will investigate, including the visiting of job locations, in order to verify the information provided by the Employers. All information received by the Union shall be used only for the purposes of enforcing the terms and conditions of this Agreement.
- N. <u>Remedy</u>. In the event of a grievance or dispute regarding any violation of this Article, and the dispute proceeds to arbitration in accordance with Article XXV or Article XXVI of this Agreement, the Arbitrator shall have the right, jurisdiction and the authority to grant all appropriate relief, including an order for specific performance and/or injunction.

ARTICLE XX - LEAVES OF ABSENCES

A. Illness or Injury Leave.

1. Any employee with at least six (6) months service shall be granted a leave(s) of absence up to a period of one (1) month for a bona fide illness or

injury, and shall be restored to his/her regular job upon presentation of a doctor's certificate that he or she is able to return to work. For all purposes under this Article, service shall mean the employee's total months of employment with the Employer.

- 2. An employee with at least one (1) year service shall be granted a leave(s) of absence up to a period of ninety (90) days under the conditions set forth in paragraph 1 of this section.
- 3. An employee with at least five (5) years of service will be granted leaves of absence up to a period of one year under the conditions set forth in paragraph 1 of this section.
- 4. The Employer will not unreasonably deny requests for leave extensions which are for good cause.
- 5. The Employer will comply with the provisions of the California and Federal Family and Medical Leave Acts. Wherever benefits pursuant to this Agreement are superior to benefits provided under either such California or Federal law, those superior benefits shall prevail.
- B. <u>Industrial Illness or Injury Leave</u>. Any employee who suffers an industrial illness or injury shall be granted a leave of absence during his total period of industrial temporary disability.
- C. <u>Military Leave</u>. The Employer and the Union agree to observe the provisions of applicable laws, including the Selective Training and Service Act (Title 50, Appendix 308, U.S. Code Annotated), which provide for the re-employment of veterans.
- D. <u>Union Leave</u>. Employees designated by the Union will be allowed to take a leave of absence without any loss of rights, including their current work assignment, not to exceed thirty (30) days. This leave will be limited to no more than two (2) employees at a time unless the Employer agrees to release more employees. Such leave may be renewed for additional thirty (30) day periods upon approval of the Employer. Notice of such leave must be made at least five (5) working days in advance and approved by management. Such approval will not unreasonably denied. The employee will notify the Employer at least twenty four (24) hours prior to returning to his/her regular job.
- E. <u>Accrual of Seniority While on Leaves of Absence</u>. Subject to Article XIII, leave(s) of absence of ninety (90) days or less shall be considered as time worked for the purposes of seniority, including vacation accrual and sick leave benefits. It is agreed that such leave will not be used for the purposes of accepting other employment.

In the event such leaves of absence exceed ninety (90) days, the employee's former seniority shall be restored upon his/her return to work but no seniority shall have accrued during the period of absence in excess of ninety (90) days, except for employees on industrial illness or injury leave. Subject to Article XIII, employees shall receive credit for seniority purposes for the period of absence while on an industrial illness or injury leave.

- F. <u>Unpaid Personal Leave</u>. Employees with twelve (12) months of employment shall be granted unpaid personal leave of absence up to thirty (30) days per year, upon the employee's written request, in addition to other leaves provided in this Article.
- G. <u>California Family School Partnership Act</u>. Employer and employees agree to the provisions of the California Family School Partnership Act, which appears at Section 230.8 of the California Labor Code.

ARTICLE XXI - DEATH IN THE FAMILY

A. <u>Orange County.</u>

All employees covered by this Agreement who have been continuously employed by the Employer for a period of at least twelve (12) months shall be entitled to two (2) days of paid leave of absence, if necessary, upon the death of any person in his/her immediate family. If death mentioned in this paragraph occurs outside of Orange County, the employee may request an additional three (3) days of bereavement leave. This additional three (3) days leave on request of the employee, may be granted from his/her accumulated vacation, sick leave, or if the employee wishes, such additional leave may be without pay. For the purpose of this Agreement the immediate family of any employee shall be considered to be the employee's mother, father, spouse, and children. In the event of the death of a brother, sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, or employee's grandparents, the employee may be granted the leave above from vacation, sick leave, or unpaid leave.

B. <u>Los Angeles County</u>.

Effective May 1, 2009, all employees in Areas 1 and 2 shall be granted one (1) day's paid leave of absence upon request when such leave is due to a death in the employee's immediate family. Effective May 1, 2010, all employees in Areas 1 and 2 shall be granted one (1) additional day's paid leave of absence upon request when such leave is due to a death in the employee's immediate family. The immediate family shall be defined as: mother, father, brothers, sisters, husband or wife, and sons or daughters.

Beyond the benefit above, an employee on such leave of absence may, at the employee's option, receive up to five (5) days' vacation pay while on leave by drawing

from his or her approved vacation benefit. Such benefit shall be deducted from the employee's vacation pay at the time he or she receives his or her scheduled vacation.

The Employer may require reasonable proof of death. The Employer will exercise good faith discretion in requiring such proof.

ARTICLE XXII - NON-DISCRIMINATION

The provisions of this Agreement shall be applied to all employees without regard to race, color, religion, sex, age, national origin, disability, veteran status, sexual orientation, or pro union activity. The Employer and the Union agree to comply with all applicable federal, state, and local laws intended to prevent discrimination against any employee or applicant for employment because of race, color, religion, sex, age, national origin, disability, veteran status, Shop Steward and/or Union activity.

ARTICLE XXIII - HEALTH AND SAFETY

The Employer agrees to provide proper safety appliances and equipment to safeguard the health and safety of employees. The Employer agrees to observe state laws regarding working conditions for employees and will comply with all applicable Federal and State OSHA laws and regulations pertaining to occupational health and safety including the Hazardous Substances Information and Training Act.

ARTICLE XXIV - MANAGEMENT RIGHTS

Subject to provisions of this Agreement, the Employer shall have the exclusive right to direct the employees covered by this Agreement. Among the exclusive rights of management, but not intended as a wholly inclusive list of them, are the right to plan, direct, and control all operations performed at the various places of business serviced by the Employer; the right to determine the working force as well as the right to direct the work force; to transfer; to hire; to demote; to promote; to discipline; suspend or discharge for proper cause; and to relieve employees from duty because of lack of work or other legitimate reason; and the right to subcontract services normally performed by the employees covered by this Agreement, subject to the sub-contracting provisions of Article VI. Prior to any changes by management, the Union shall be consulted. If the Union is not consulted, then the Union shall have recourse to Articles XXV and XXVI.

ARTICLE XXV - GRIEVANCE AND ARBITRATION

A. <u>Written Grievances</u>. Any grievance or dispute concerning the interpretation or application of this Agreement may be submitted as a grievance, but such grievance need not be considered unless notice in writing is served upon the other party setting forth the nature of the grievance. Probationary employees do not have recourse to the Arbitration Procedure.

- B. <u>Procedure</u>. When such notification is served upon the other party, the following procedure shall be observed:
 - 1. The Employer or his/her representative shall meet with a representative of the Union and attempt to resolve the issue in dispute; if then they are unable to resolve the dispute, it shall upon request of the moving party:
 - 2. Be referred to a committee composed of two representatives designated by the Union and two representatives designated by the Employer; if this committee is unable to resolve the dispute to the satisfaction of both parties within five (5) days, the moving party may:
 - 3. Submit its grievance to an impartial arbitrator for arbitration. In the event the parties are unable to agree upon the selection of an arbitrator within twenty-one (21) calendar days after the referral to arbitration, the parties shall then exchange lists of five arbitrators each within the following seven (7) days. An arbitrator whose name appears on both lists shall be considered mutually acceptable. If the initial exchange does not result in the selection, the parties shall exchange additional lists within succeeding seven (7) day periods until an arbitrator is selected.
- C. <u>Arbitrator's Decision</u>. The arbitrator's decision shall be final and binding on both parties hereto. The Arbitrator shall have the jurisdiction and authority to grant all appropriate relief, including an order for specific performance and/or an injunction. Notwithstanding any other provision in this Article XXV, the Arbitrator shall not have authority to grant a remedy involving pay or benefits which shall exceed one hundred sixty (160) working days with respect to any arbitration conducted under this Article XXV.
- D. <u>Fees</u>. The arbitrator's fee and all incidental expenses of the arbitration shall be borne equally by the parties hereto.
- E. <u>Legal Actions</u>. Nothing contained in this Article shall prevent an employee or the Union, in the event that the Employer fails to comply with the applicable grievance and arbitration provisions of this Agreement, from taking legal action that may be required to enforce any terms or conditions of this Agreement.
- F. Other Claims. Nothing contained in this Article shall prevent an employee or the Union from submitting claims for alleged wage shortages, or improper contributions to the Health and Welfare Trust Fund or the Pension Trust Fund to the appropriate governmental agency for determination and enforcement without proceeding through the grievance and arbitration procedure.

G. <u>Time Limits</u>. No grievance shall be considered unless the grieving party files a complaint with the other party, in writing, not more than thirty (30) days after the date the grieving party knew or should have known of the alleged action which gave rise to the complaint. Any grievance not submitted within the time limits provided for in this Article shall be deemed waived. This waiver shall not be construed to limit back-pay awards or settlements to 60 days for continuing wage violations exclusive of classification wage claims.

ARTICLE XXVI - EXPEDITED ARBITRATION

- A. <u>Arbitration Period</u>. In order to provide for the timely and informal resolution of disputes, grievances filed pursuant to Article XXV of this Agreement may be filed pursuant to this Expedited Arbitration Procedure. There shall be a panel of not more than three permanent arbitrators on a rotating basis. If the parties cannot agree on the number of panelists, then the panel shall consist of three (3) arbitrators. The initial panel shall be selected as provided in Section B. Either party may remove a member of the panel by serving written notice of its intention to do so on the other party within thirty (30) calendar days preceding May 1, 2008, or any subsequent May 1st during the term of this Agreement. Neither party may remove more than two (2) members of the panel during the term of this Agreement. In the event that a member of the panel is removed by one of the parties, or a position on the panel becomes vacant due to death, disability or resignation, the parties shall meet within ten (10) days of such removal, or the creation of such vacancy, for the purpose of selecting a replacement as provided in Section B.
- B. <u>Selection of Arbitrators</u>. The procedure for selecting the members of the initial panel and for filling vacancies shall be as follows:
 - 1. The parties shall meet promptly to select mutually acceptable arbitrators.
 - 2. If they are unable to agree within thirty (30) days of the date of ratification of this Agreement, or the opening on the panel, they shall then exchange lists of five (5) arbitrators each within the following seven (7) days. An arbitrator whose name appears on both lists shall be considered mutually acceptable. If the initial exchange does not result in the selection, the parties shall exchange additional lists within succeeding seven (7) day period until the required number of arbitrators has been selected.
- C. <u>Time Requirements</u>. The Arbitrator shall be the sole arbitrator to hear and determine the matter. Such hearing shall be held within ten (10) days after the arbitrator receives notification of the dispute. The arbitrator shall consider and decide the grievance and shall render a decision immediately after hearing and consideration of all evidence presented. The arbitrator may request and upon mutual agreement of both

parties to the dispute receive additional time to deliberate on the matters presented but in no case shall the decision be delayed beyond the forty-eight (48) hours following the close of the hearing.

- D. <u>Arbitrator's Decision</u>. The Arbitrator shall orally advise the parties of his/her decision with a brief explanation of the basis thereof. The Arbitrator shall make a brief, signed note upon the written grievance stating his/her disposition of the matter. Such decision shall be final and binding on all parties to the dispute and the aggrieved employee, but shall not be considered as a precedent in any future proceeding. Notwithstanding any other provision in this Article XXVI, the Arbitrator shall not have authority to grant a remedy involving pay or benefits which shall exceed one hundred (100) working days with respect to any arbitration conducted under this Article XXVI.
- E. <u>Informal Procedures</u>. Any arbitration held under the provisions of this Article shall be conducted as informally as possible, consistent with a full and fair hearing of the issues. The parties to the proceeding shall be permitted to participate only through full-time operating officials who are not lawyers. The Arbitrator shall establish appropriate informal arbitration procedures and have the authority to exclude any representative of either party who does not meet the qualifications set forth in this Section.
- F. <u>Expenses</u>. Any expense incurred for the production of witnesses, or other evidence, shall be borne by the party seeking to produce such evidence or testimony. For the purposes of this Section, time spent as a witness shall not be construed as working time under the provisions of this Agreement.
- G. <u>Arbitrator's Authority</u>. The Arbitrator shall have no authority to modify, add to, or subtract from any of the terms of this Agreement. Any expenses incidental to the conduct of the hearing, and the fee of the Arbitrator, shall be borne equally by the parties.
- H. <u>Time Limits</u>. No grievance shall be considered unless the grieving party files a complaint with the other party, in writing, not more than thirty (30) days after the date the grieving party knew or should have known of the alleged action which gave rise to the complaint. Any grievance not submitted within the time limits provided for in this Article shall be deemed waived. This waiver shall not be construed to limit back-pay awards or settlement to 60 days for continuing wage violations exclusive of classification wage claims. Probationary employees do not have recourse to the Expedited Arbitration Procedure.
- I. <u>Election of Formal Arbitration</u>. In the event either party believes the matters raised by a grievance are of such importance as to override the desirability of the expedited and informal arbitration procedures contained in this Article, such party shall

advise the other in writing of its desire to proceed to arbitration under the provisions of Article XXV of this Agreement, wherein the parties are not limited to representation by any person of their choice.

ARTICLE XXVII - NO STRIKES AND LOCKOUTS

For the duration of this Agreement, the Union, its agents, and its members agree, both individually and collectively, that they shall not authorize, sanction, aid or engage in any strike, slowdown, or stoppage of work for any reason, including honoring an unsanctioned picket line of another union, that has not been properly sanctioned by the appropriate Labor Council, nor shall they attempt to prevent access of any person to any job site. Furthermore, for the duration of this Agreement, the Union, its agents, and its members agree, both individually and collectively, that they shall not authorize, sanction, aid or engage in any strike, slowdown, or stoppage of work for any reason, including honoring a sanctioned or unsanctioned picket line(s) of any union including SEIU, that relate to security officers nor shall they attempt to prevent access of any person to any job site. The Employer agrees that during the same period it will not engage in, cause, or aid in a lockout of Union employees.

The Union, its agents, and its members, and the employees further agree that they will not distribute, within the building at any time, handbills, posters, signs or other printed and/or electronic matter which is addressed to any occupants of the building. The prohibition in this paragraph shall have no force and effect 90 days prior to the expiration of this Agreement. The failure or refusal of any employee to comply with the provisions of this Article shall be cause for immediate disciplinary action.

<u>Picket Lines</u>. It shall not be a violation of this Agreement and it shall not be cause of discharge or disciplinary action for any employee covered by this Agreement to refuse to go through any picket lines established because of a strike authorized by the Central Labor Council of Orange County. In addition, no employee covered by this Agreement shall be required by the Employer to pass picket lines established by any local of the Service Employees International Union in an authorized strike.

ARTICLE XXVIII - SAVINGS CLAUSE

If any provision of this Agreement or the application of such provision to any person or circumstances is ruled an "unfair labor practice," or in any other way contrary to law, by any Federal or State Court or duly authorized Agency, the remainder of the Agreement or the application of such provision to other persons or circumstances shall not be affected thereby, and the parties will negotiate to replace such provision.

ARTICLE XXIX - SUCCESSION

If the Employer sells, transfers, or otherwise disposes of its Company or causes it to be merged or consolidated with that of any other person or business, such other person or business thereafter operating the Company shall assume all the terms and conditions of this Agreement and shall specifically agree to retain in its employ those employees entitled to their jobs by virtue of this Agreement. Any successor Employer failing to comply with this Article of this Agreement shall automatically assume any obligations arising from the failure to do so.

ARTICLE XXX - MOST FAVORED NATIONS CLAUSE

If during the term of this Agreement the Union enters into a collective bargaining agreement in the area defined in Article I.A, B, C and D with another employer or group of employers employing employees in the classifications covered hereunder which provides for a total compensation package of wage rates or economic fringe benefits which are more favorable to an employer than the total of the corresponding or similar provisions of this Agreement, then it is agreed that those more favorable conditions will become effective under the terms and conditions of this Agreement on the same date that they become effective under the other collective bargaining agreement.

ARTICLE XXXI - PRIVACY RIGHTS; IMMIGRANT WORKERS

- A. <u>Non-Discrimination</u>. The Union is obligated to represent all employees without discrimination based upon national or ethnic origin. The Union is therefore obligated to protect employees against violations of their legal rights occurring in the workplace, including unreasonable search and seizure.
- B. <u>Notification</u>. The Employer shall notify the Union, unless otherwise prohibited by federal law, judicial order, or other government agency, by phone and give oral notice to the Union Steward, as quickly as possible, if any Department of Homeland Security ("DHS") or U.S. Immigration and Customs Enforcement ("ICE") agent appears on or near the premises to enable a Union representative or attorney to take steps to advise employees of their legal rights. Additionally, the Employer shall notify the Union immediately upon receiving notice from the DHS, ICE or the Social Security Administration that an audit of employee records (for any purpose) is scheduled, proposed or contemplated, and shall provide the Union with any list received from such governmental agencies identifying employees with documentation or Social Security problems, unless otherwise prohibited by federal law.
- C. <u>Information</u>. The Employer shall not violate the privacy rights of employees, without their express consent, by revealing to third parties, including the DHS, any employee's name, address or other similar information, unless required by law.

The Employer shall notify affected employees and the Union in the event it furnishes such information to any third party.

- D. <u>Absence For Immigration Proceedings</u>. The Employer shall reinstate any employee who is absent from work due to court or agency proceedings relating to immigration matters, and who returns to work with a valid work authorization, within ninety (90) calendar days of commencement of the absence. The Employer may grant an additional 90 calendar day extension to the absence, if the request is made in writing and the employee provides proof that documents are in process within the ninety (90) day period. The Employer may grant an additional extension to the absence at its discretion if the employee request is made in writing with proof that additional time is required. The Employer may require documentation of appearance at such proceedings and/or updated documentation of valid authorization to work in the United States. The employee shall not be entitled to benefit accrual during the above leave period.
- E. <u>Change of Name or Social Security Number</u>. Employees shall not be discharged, disciplined or suffer loss of seniority or any other benefit or be otherwise adversely affected by a lawful change of name or Social Security number.
- F. <u>Discharge</u>. Notwithstanding any other provision herein, an employee may not be discharged or otherwise disciplined because:
 - 1. The employee (hired on or before November 6, 1986) has been working under a name or Social Security number other than his or her own.
 - 2. The employee (hired on or before November 6, 1986) requests to amend his/her employment record to reflect his/her actual name or Social Security number.
 - 3. The employee (hired on or before November 6, 1986) fails or refuses to provide to the Employer additional proof of his/her immigration status, or
 - 4. The employee is absent from work without notice for a period of thirty (30) working days due to circumstances beyond the control of the employee.

ARTICLE XXXII - HEALTH AND WELFARE - ORANGE COUNTY

This Article covers employees of the Employer who are covered by this Agreement. It expresses the understanding of the Employer and the Union concerning Employer contributions to provide Health and Welfare benefits on behalf of the employees covered by this Agreement.

A. <u>Plans</u>. All Employer contributions referred to in this Article shall be paid into the California Service Employees Health and Welfare Trust Fund, to the Depository

Bank, as named by the Board of Trustees. It is understood that all questions concerning eligibility of employees for coverage, including the commencement and termination of coverage, shall be determined by the Trustees of said Trust Fund.

- B. <u>Trust Fund</u>. The Employer agrees to be bound by all the terms and provisions of this Agreement and Declaration of Trust of the California Service Employees Health and Welfare Trust Fund, and any plan documents or summary plan description thereof, as each of these may from time to time be amended by the Board of Trustees, and hereby acknowledges prior receipt of a copy thereof. The Employer shall comply with the provisions of the California Service Employees Health and Welfare Trust, and shall maintain, as required by applicable law, furnish and make available for audit such data and records as the Trustees may require, as provided in the Agreement and Declaration of Trust of the California Service Employees Health and Welfare Trust.
- C. <u>Coverage</u>. The Employer shall provide Health and Welfare coverage for employees covered by this Agreement pursuant to the terms of coverage contained herein.
 - 1. Effective initially with May 1, 2008 work hours, between the first (1st) to the fifteenth (15th) day of each calendar month, the Employer shall, except as prohibited by law, submit a list to the Trust Fund containing the names, addresses and social security numbers of each eligible and qualifying employee at each job location covered by this Agreement.
 - 2. Effective initially with May 1, 2008 work hours, the Employer shall provide each eligible employee the Kaiser C-6 Medical Plan and the Kaiser C-6 Prescription Drug Plan, covering the employee and employees' dependents and a \$5,000 member only life plan, including a \$2,500 eligible dependent life insurance coverage. For each employee receiving such Health and Welfare coverage, the Employer shall pay initially to the Trust Fund, a base premium of \$541.80 (five hundred forty-one dollars and eighty cents) per month.
 - 3. Notwithstanding paragraphs 1 and 2 above, if the Employer acquires a location at which employees have different benefits in excess of those provided herein, the Employer shall maintain these benefits at rates required by the Plan for the life of this Agreement.
- D. <u>Eligibility for Benefits</u>. Eligibility and qualifications for all employees provided with benefits under this Article are:
 - 1. Employees must have completed one thousand forty (1,040) worked hours before qualifying for coverage. Coverage shall begin on the first day of the

calendar month following the calendar month in which said requirements have been met and contributions have been paid and received by the Trust Fund.

- 2. Qualifying hours for all locations will be one hundred ten (110) hours or more per month to provide Health and Welfare coverage the following month after payment has been received by the Trust Fund. Paid vacation, paid holidays and paid sick leave shall be included in computing qualifying hours in the month in which the employee would have normally worked such hours. Paid vacation also shall be included in computing qualifying hours with the following exception. If the employer has paid to an employee at the employee's request accrued vacation pay in advance of the month or months in which the employee takes the corresponding vacation time, such pre-paid vacation pay shall not count in computing the qualifying hours of the employee for the month or months in which it is paid, including for the purpose of determining employer overpayments or underpayments. At the employee's written request such vacation hours shall be credited toward eligibility for the month(s) that the employee actually takes time off from work. The employee shall inform the Employer, in writing, as to when they shall actually take time off from work. Vacation and Sick Leave cash-outs are also to be included in computing qualifying hours.
- 3. Any employee who has worked and/or been paid for the equivalent, or more, of the qualifying hours (as specified in this Article) in the preceding calendar month and who is on a leave pursuant to the Federal or California Family Leave Act (FMLA) and does not work and is not paid for the necessary number of qualifying hours in that month or consecutive subsequent months while on FMLA leave shall have his/her Health and Welfare payments made by the Employer as if the Employee had worked and/or been paid for the qualifying hours.

E. Maintenance of Benefits.

- 1. The Employer shall, during the term of this Agreement, provide those benefits which were in effect under this Article XXXII as of May 1, 2008, or such other benefits as are hereafter agreed to by the Employer and the Union, subject to the conditions set forth in paragraphs 2 and 3 below. It is also agreed that the employee benefits established hereunder shall be maintained for the life of this Agreement, including pre-impasse periods after the expiration of this Agreement. If the amount of the contributions required by the Board of Trustees is modified during the term of this Agreement, including pre-impasse periods after the expiration of this Agreement, then the Employer agrees to pay as follows:
- 2. The premium costs of \$541.80 in effect with May 2008 work hours shall constitute the "base premium" for purposes of this Section E. In the event that the Trustees of the Trust ("Trust") referred to in Section A above determine

that it is necessary to increase premiums above the base premium in order to maintain the benefits which were in effect with May 2008 work hours, or which may be adopted hereafter by the Employer and the Union, the Employer shall, during each anniversary year of this Agreement, commencing with May 2009 work hours, pay up to 9% of any such premium increase over the base premium. Except as provided below, the Employer's share of said increased premium shall not exceed \$590.56 effective with May 2009 work hours, \$643.71 effective with May 2010 work hours, and \$701.65 effective with May 2011 work hours. This amount does not include premiums for the Dental Plan referred to in paragraph F below. Any premium increase in excess of 9%, but less than 15% over the base premium in any contract anniversary year shall be paid from the reserves of the Trust. Any premium increase in excess of 15% over the base premium in any contract anniversary year shall be shared equally between the Employer and affected employees through payroll deductions as permitted by Section 224 of the California Labor Code. No portion of the contribution shall be paid directly by the employee to the Trust Fund. It is the sole responsibility of the Employer to transmit the entire contribution to the Trust Fund. The Employer is hereby authorized to make the payroll deduction necessary to make the required contribution to the Trust Fund, as authorized by California Labor Code Section 224. Failure by the Employer to make a payroll deduction does not relieve the Employer's obligation to transmit to the Trust Fund the entire contribution amount for eligible employees.

- F. <u>Dental Plan</u>. Effective May 2011 work hours, the Employer shall make additional contributions to California Service Employees Trust Fund to add the Liberty Dental Plan to the existing medical, prescription and life insurance plan. The eligibility for said plan shall be the same as for the Health and Welfare Plan. Employers' contributions shall be in a sum which shall not exceed \$52.00 per month for each eligible employee during the term of this Agreement.
- G. <u>Mandated Health Care</u>. In the event the federal or state government goes to a universal health plan, the Parties agree to meet and discuss the effects upon the bargaining unit and to comply with applicable laws.
- H. <u>Phase-In and Dispensation Agreements.</u> It is also agreed by the Employer that all Phase-In or Dispensation Agreements per Appendix D-1 must be done in writing and signed by all parties with clear health and welfare language including effective dates and sent to the Trust Fund office by either the Employer or the Union prior to activating an account with the Trust Fund.

ARTICLE XXXIII - HEALTH AND WELFARE – LOS ANGELES COUNTY

This Article covers employees of the Employer who are covered by this Agreement in Los Angeles County. It expresses the understanding of the Employer and the Union concerning Employer contributions to provide health and welfare benefits on behalf of the employees covered by this Agreement.

- A. <u>Plans</u>. All Employer contributions referred to in this Article shall be paid into the California Service Employees Health and Welfare Trust Fund to the Depository Bank, as named by the Board of Trustees. It is understood that all questions concerning eligibility of employees for coverage, including the commencement and termination of coverage, shall be determined by the Trustees of said Trust Fund.
- B. Trust Fund. The Employer agrees to be bound by all the terms and provisions of the Agreement and Declaration of Trust of the California Service Employees Health and Welfare Trust Fund, and any plan documents or summary plan description thereof, as each of these may from time to time be amended by the Board of Trustees, and hereby acknowledges prior receipt of a copy thereof. The Employer shall comply with all the provisions of the California Service Employees Health and Welfare Trust Fund and shall maintain, as required by law, furnish and make available for audit such data and records as the Trustees may require, as provided in the Agreement and Declaration of Trust of the California Service Employees Health and Welfare Trust Fund.
- C. <u>Coverage</u>. The Employer shall provide Health and Welfare coverage for employees covered by this Agreement pursuant to the terms of coverage contained herein.

The Employer shall provide employees in Geographical Areas 1 and 2, as defined in Appendix G, with Health and Welfare coverage as follows:

1. Between the first (1st) and the fifteenth (15th) day of each calendar month, the Employer shall, except as prohibited by law, submit a list to the Trust Fund containing the name, address and social security number of each eligible and qualifying employee at each job location in Areas 1 and 2. Qualifying hours for all locations will be one hundred and ten (110) hours or more per month to provide Health and Welfare coverage the following month after payment has been received by the Trust Fund. Paid holidays and paid sick leave shall be included in computing qualifying hours. Paid vacation also shall be included in computing qualifying hours with the following exception. If the employer has paid to an employee at the employee's request accrued vacation pay in advance of the month or months in which the employee takes the corresponding vacation time, such prepaid vacation pay shall not count in computing the qualifying hours of the employee for the month or months in which it is paid, including for the purpose of

determining employer overpayments or underpayments. At the employee's written request such vacation hours shall be credited toward eligibility for the month(s) that the employee actually takes time off from work. The employee shall inform the Employer, in writing, as to when they shall actually take time off from work. Vacation and Sick Leave cash-outs are also to be included in computing qualifying hours.

- 2. Except as may be provided otherwise in this Article, when an employee first qualifies for health and welfare coverage, the Employer shall offer such eligible employee hired before May 1, 2003, his or her choice of medical plans covering the employee and the employee's eligible dependents. The options available as of May 1, 2008 are: (1) Kaiser Plan "C-6" coverage (group no. 112491-0006), Kaiser Prescription Drug Plan C-6, Liberty Dental Plan, \$5,000 Member Only Life Insurance Coverage and \$2,500 Eligible Dependent Life Insurance Coverage; or (2) Kaiser Plan "C" (group no. 112491-00), Kaiser Drug Plan C, California Service Employees Dental Plan #1 and \$5,000 member-only Life Insurance and \$2,500 eligible dependent Life Insurance coverage; or (3) California Service Employees Health & Welfare Indemnity Medical Plan "6", California Service Employees Prescription Drug Plan #6, Liberty Dental Plan and \$5,000 Member Only Life Insurance Coverage and \$2,500 Eligible Dependent Life Insurance Coverage; or (4) California Service Employees Health & Welfare Indemnity Medical Plan "3", California Service Employees Prescription Drug Plan #1, Liberty Dental Plan and \$5,000 Member Only Life Insurance Coverage and \$2,500 Eligible Dependent Life Insurance Coverage. Each employee who elects to enroll in said Options (2), (3) or (4) shall contribute a monthly sum representing the difference between the cost of the premiums charged, and the Employer's contribution, as provided in paragraphs 4 and 6 below, for such coverage. Employee contributions for Options (2), (3) and (4) shall be made by paycheck deduction, and each employee who elects such coverage shall provide written authorization to the Employer, on a suitable form to be provided by the Employer, to deduct the employee's contribution from his/her paycheck. No portion of the contribution shall be paid directly by the employee to the Trust Fund. It is the sole responsibility of the Employer to transmit the entire contribution to the Trust Fund. The Employer is hereby authorized, if necessary, to make the payroll deduction necessary to make the required contribution to the Trust Fund, as authorized by California Labor Code Section 224. Failure by the Employer to make a payroll deduction does not relieve the Employer's obligation to transmit to the Trust Fund the entire contribution amount for eligible employees.
- 3. Except as may be provided otherwise in this Article, when an employee first qualifies for health and welfare coverage, the Employer shall offer such eligible employee hired on or after May 1, 2003, his or her choice of medical

plans covering the employee and the employee's eligible dependents. The options available as of May 1, 2008 are: (1) Kaiser Plan "C-6" coverage (Group No. 112491-0006), Kaiser Prescription Drug Plan C-6, Liberty Dental Plan, \$5,000 Member Only Life Insurance Coverage and \$2,500 Eligible Dependent Life Insurance Coverage; or (2) California Service Employees Health & Welfare Indemnity Plan "6", California Service Employees Prescription Drug Plan #6, Liberty Dental Plan and \$5,000 Member Only Life Insurance Coverage and \$2,500 Eligible Dependent Life Insurance Coverage. Each employee who elects to enroll in said Option (2) shall contribute a monthly sum representing the difference between the cost of the premiums charged, and the Employer's contribution, as provided in paragraphs 4 and 6 below, for such coverage. Employee contributions for Option (2) shall be made by paycheck deduction, and each employee who elects such coverage shall provide written authorization to the Employer, on a suitable form to be provided by the Employer, to deduct the employee's contribution from his/her paycheck. No portion of the contribution shall be paid directly by the employee to the Trust Fund. It is the sole responsibility of the Employer to transmit the entire contribution to the Trust Fund. The Employer is hereby authorized, if necessary, to make the payroll deduction necessary to make the required contribution to the Trust Fund, as authorized by California Labor Code Section 224. Failure by the Employer to make a payroll deduction does not relieve the Employer's obligation to transmit to the Trust Fund the entire contribution amount for eligible employees.

- 4. The Employer shall, for the anniversary year commencing with May 2008 work hours, pay monthly to the Trust Fund a sum not to exceed \$589.80 for each eligible employee enrolled in a plan provided by the Trust Fund. Said amount shall constitute a base premium. Commencing with May 2009 work hours and thereafter, the Employer shall pay such greater amounts, if any, as determined by the Trustees to be necessary to maintain the benefits in the plans provided by the Trust Fund pursuant to paragraph 6 of this Section C, or such successor plans which may be adopted by the Trustees after May 1, 2008.
- 5. Notwithstanding subparagraphs 1 through 4 above, if the Employer acquires a location at which employees have different benefits in excess of those provided herein, the Employer shall maintain these benefits at rates required by the Plan for the life of this Agreement.
- 6. Subject to paragraph 4 above, it is agreed that the employee benefits established hereunder for all employees receiving such benefits during the term of this Agreement, shall be maintained for the life of this Agreement. In the event that the Trustees of the Trust ("Trust") referred to in Section A above determine that it is necessary to increase premiums above the base premium in order to maintain the benefits which were in effect on May 1, 2008, or which may be

adopted hereafter by the Employer and the Union, the Employer shall, during each anniversary year of this Agreement, commencing with May 2009 work hours, pay up to 9% of any such premium increase over the base premium. Said increased premium shall not exceed \$642.88 effective with May 2009 work hours, \$700.74 effective with May 2010 work hours, and \$779.10 (which shall include \$16.00 for VSP contributions, subject to the MOB provisions of this Agreement) effective with May 2011 work hours. Any premium increase in excess of 9%, but less than 15% over the base premium in any contract anniversary year shall be paid from the reserves of the Trust. Any premium increase in excess of 15% over the base premium in any contract anniversary year shall be shared equally between the Employer and affected employees through payroll deductions as permitted by Section 224 of the California Labor Code.

- 7. On or before February 1 of each calendar year during the term of this Agreement the Trustees shall provide the Employer with written notice of the monthly premium per employee which shall be effective no sooner than sixty (60) calendar days following service of such notice, and shall continue through such calendar year, subject to paragraphs 4 and 6 of this Article XXXIII. The Employer's obligation to pay increased premiums during any calendar year shall be conditioned upon receipt of written notice of any premium change on or before February 1 of such calendar year, or sixty (60) calendar days prior to any premium change occurring during a calendar year in which a premium increase has previously been implemented by the Trustees. A copy of such notice shall be served contemporaneously on the Union.
- D. <u>Eligibility for Benefits</u>. Eligibility and qualifications for all Geographical Areas provided with benefits under this Article are:
 - 1. Employees must have completed one thousand forty (1,040) worked hours before qualifying for coverage. Coverage shall begin on the first day of the calendar month following the calendar month in which said requirements have been met and contributions have been paid and received by the Trust Fund.
 - 2. Qualifying hours for all locations will be one hundred ten (110) hours or more per month to provide Health and Welfare coverage the following month. Paid vacation, paid holidays and paid sick leave shall be included in computing qualifying hours in the month in which the employee would have normally worked such hours. Paid holidays and paid sick leave shall be included in computing qualifying hours. Paid vacation also shall be included in computing qualifying hours with the following exception. If the employer has paid to an employee at the employee's request accrued vacation pay in advance of the month or months in which the employee takes the corresponding vacation time, such prepaid vacation pay shall not count in computing the qualifying hours of the

employee for the month or months in which it is paid, including for the purpose of determining employer overpayments or underpayments. At the employee's written request such vacation hours shall be credited toward eligibility for the month(s) that the employee actually takes time off from work. The employee shall inform the Employer, in writing, as to when they shall actually take time off from work. Vacation and Sick Leave cash-outs are also to be included in computing qualifying hours.

- 3. Any employee who has worked and/or been paid for the equivalent, or more, of the qualifying hours (as specified in this Article) in the preceding calendar month and who is on a leave pursuant to the Federal or California Family Leave Act (FMLA) and does not work and is not paid for the necessary number of qualifying hours in that month or consecutive subsequent months while on FMLA shall have her/his Health and Welfare payments made by the Employer as if the employee had worked and/or been paid for the qualifying hours.
- E. <u>Continuation of Superior Benefits</u>. Except as otherwise provided in this Article, the Employer shall, for the term of this Agreement, continue to provide Health and Welfare benefits for those employees who: (1) received benefits in excess of those provided for in this Article as of April 30, 2008; or (2) were employed at a job location where a collective bargaining agreement required such benefits as of April 30, 2008. Such higher benefits shall be provided at the same level, and under the same qualification and eligibility standards that were in effect on April 30, 2008; provided, however, that the Employer's contributions for such benefits shall not exceed the amounts set forth in paragraphs 4 and 6 of Section C above.
- F. <u>Indemnity Plan</u>. The Employer shall, for the term of this Agreement, continue the Indemnity Plan 3 and 6 for those employees who qualify under paragraphs 2 and 3 of Section C above. The Employer's contribution to said Indemnity Plan shall not exceed the cost to the Employer of the current Kaiser contributions. The difference in premiums shall be deducted from employees' paychecks and forwarded to the Trust as provided in paragraph 6 of Section C above.
- G. <u>Mandated Health Care</u>. In the event the federal or state government goes to a universal health plan, the Parties agree to meet and discuss the effects upon the bargaining unit and to comply with applicable laws.
- H. <u>Phase-In and Dispensation Agreements</u>. It is also agreed by the Employer that all Phase-In or Dispensation Agreements per Appendix D-2 must be done in writing and signed by all parties with clear health and welfare language including effective dates and sent to the Trust Fund office by either the Employer or the Union prior to activating an account with the Trust Fund.

I. <u>Vision Service Plan (VSP)</u>. Effective with May 2011 work hours, the Employer shall pay the necessary additional contribution to California Service Employees Trust Fund to add the Vision Service Plan (VSP) to the existing medical, prescription dental and life insurance plan for employees working in Areas 1 and 2. The eligibility for said plan shall be the same as set forth for the Health and Welfare Medical Plan. The Employer agrees to pay monthly the contribution required as determined by the Board of Trustees for this benefit effective with May 2011 work hours for each eligible employee. The 2009 monthly cost is \$16.00 per month per member, subject to the MOB provisions of this Article XXXIII.

ARTICLE XXXIV - PENSION

A. <u>Contributions</u>. The employer agrees to contribute to the S.E.I.U. National Industry Pension Fund each month a sum based on a certain cents-per-hour contribution for each hour paid for and/or worked by all employees, who have completed six (6) months of employment for the purpose of maintaining the Pension Plan. The contribution amounts shall be as specified for a geographical area in Appendix G of this Agreement.

The Employer shall continue to contribute to the Trust for all hours worked and/or paid for at each job location or for each employee where contributions were being made as of April 30, 2003, at the same level for the life of this Agreement.

- B. <u>Time of Payment</u>. The Employer shall pay on or before the fifteenth (15th) day of each month the contribution for all hours paid during the preceding calendar month, and shall continue the same for the life of this Agreement. Such payments shall be made to the Trustees of the S.E.I.U. National Industry Pension Fund, 1313 L St., N.W., Washington, D.C. 20005.
- C. <u>Inspection of Records</u>. The payroll records and time sheets of the Employer shall be open for inspection by any authorized representative designated by the Pension Plan Trustees.
- D. <u>Failure to Make Contributions</u>. If the Employer fails to make any contribution required hereunder, any affected employee or the Union to which he/she belongs acting on his/her behalf may, without proceeding through the grievance procedure of this contract, file a suit or action in any court of competent jurisdiction to enforce such contributions, and as a part of the judgment in such suit or action, the court shall award a reasonable amount as and for necessary attorney fees and court costs.
- E. <u>Trust Provisions</u>. The Employer hereby acknowledges that he/she agrees to be bound by all provisions of that certain Agreement and Declaration of Trust dated February 15, 1953, establishing the said S.E.I.U. National Industry Pension Fund and

further hereby becomes a Party to said Agreement and Declaration of Trust. The Employer acknowledges that he/she has been given a copy of said instrument.

F. <u>Audits</u>. The Employer shall comply with all of the provisions of the Pension Plan and Trust and shall maintain, furnish and make available for audit at the Employer's Los Angeles office such data and records as the Trustees may require, as provided in the Trust Indenture and Plan.

ARTICLE XXXV - LEADERSHIP TRAINING TRUST FUND ("LTTF")

- A. <u>Contribution.</u> The Employer shall contribute a sum equal to one (1) cent per hour for each hour worked or paid for into the Maintenance Industry Leadership Training Trust Fund ("Training Fund"). The Employer agrees to make such contributions and to comply with the rules of the Training Fund as set forth in the Declaration of Trust establishing said Training Fund through the term of this Agreement.
- B. <u>Inspection</u>. The Union shall have the right to inspect the Annual Audit of the Training Fund which shall be prepared as provided in Section 10.7 of the Declaration of Trust establishing the Training Fund.

ARTICLE XXXVI - ORANGE COUNTY MAINTENANCE INDUSTRY LABOR-MANAGEMENT COOPERATION TRUST FUND

- A. <u>Contribution</u>. Effective May 1, 2008, each Employer signatory to this Agreement shall contribute three cents (3ϕ) per hour for each hour paid for or worked into the Maintenance Industry Labor-Management Cooperation Trust Fund ("Trust") which was established in January 1999. Effective May 1, 2009, each Employer signatory to this Agreement shall contribute four cents (4ϕ) for each hour paid for or worked to the Trust. Said contributions shall be subject to, and used solely for the purposes set forth in the Declaration of Trust establishing the Maintenance Industry Labor Management Cooperation Trust Fund dated January 1, 1999 ("Declaration of Trust") and any amendments thereto.
- B. Obligation to Contribute. Said Trust and the Employers' obligations to make contributions to said Trust as provided in paragraph A of this Article shall continue through, but not beyond the earlier of the following dates: (1) April 30, 2012; or (2) the date on which such Trust is terminated pursuant to Article VIII, Section 8.1 of the Declaration of Trust.
- C. <u>Purpose</u>. Employers' contributions to the Trust shall be used solely for the purposes set forth in Article I, Section 1.2 of said Declaration of Trust.

ARTICLE XXXVII - LOS ANGELES COUNTY MAINTENANCE INDUSTRY LABOR-MANAGEMENT COOPERATION TRUST FUND

- A. <u>Contribution</u>. Effective May 1, 2008, each Employer signatory to this Agreement shall contribute three cents (3ϕ) per hour for each hour paid for or worked into the Maintenance Industry Labor-Management Cooperation Trust Fund ("Trust") which was established in January 1999. Effective May 1, 2009, each Employer signatory to this Agreement shall contribute four cents (4ϕ) to the Trust. Said contributions shall be subject to, and used solely for the purposes set forth in the Declaration of Trust establishing the Maintenance Industry Labor Management Cooperation Trust Fund dated January 1, 1999 ("Declaration of Trust") and any amendments thereto.
- B. <u>Obligation to Contribute</u>. Said Trust and the Employers' obligations to make contributions to said Trust as provided in paragraph 1 of this Appendix "E" shall continue through, but not beyond the earlier of the following dates: (1) April 30, 2012; or (2) the date on which such Trust is terminated pursuant to Article VIII, Section 8.1 of the Declaration of Trust.
- C. <u>Purpose</u>. Employers' contributions to the Trust shall be used solely for the purposes set forth in Article I, Section 1.2 of said Declaration of Trust.

ARTICLE XXXVIII - LTEF TRUST FUND

- A. <u>Contribution</u>. Effective May 1, 2008, each Employer which is conducting operations in Los Angeles Areas 1 and 2 shall contribute three cents (3ϕ) per hour for each hour paid for or worked into the "LTEF" Leadership Training Trust Fund ("Trust"), which was established on June 1, 2000. Effective May 1, 2010, each Employer signatory to this Agreement which is conducting operations in Orange County shall contribute three cents (3ϕ) per hour for each hour paid for or worked into the "LTEF" Leadership Training Trust Fund ("Trust").
- B. <u>Obligation to Contribute.</u> Said Trust and the obligation to make contributions to said Trust as provided in Paragraph A of this Article shall continue through, but not beyond the earlier of the following dates: (1) April 30, 2012; or (2) the date on which such Trust is terminated pursuant to Article IX, Section 1 of the Declaration of Trust.
- C. <u>Purpose</u>. Employers contributions to the LTEF Trust shall be used for the purpose of providing job skills and education programs through Building Skills Partnership ("BSP") for employees covered under this collective bargaining agreement. The purpose of the LTEF Trust is as set forth in Article 1, Section 2 said Declaration of Trust.

ARTICLE XXXIX - JOINT COMPUTER PROGRAM USE

All Employers signatory to this Agreement utilize computerized payroll systems, shall, not later than the fifteenth (15th) day of the month, transmit to the Union, Union dues and initiation reports which shall include work location codes, anniversary dates, pay period from which dues were deducted, and on a semi-annual basis, listings of addresses of all employees per the provision of Article II, Section C of this Agreement, in electronic format, on hard disks or via the appropriate online media.

ARTICLE XL - TERM OF AGREEMENT

- A. <u>Duration</u>. This Agreement shall be in full force and effect from the first (1st) day of May, 2008 through and including the thirtieth (30th) day of April 2012, and from year to year thereafter, unless written notification is given by either party to this Agreement to the other not less than sixty (60) days prior to April 30, 2012, signifying its intention to terminate, modify, or change this Agreement.
- B. <u>Appendices</u>. All Appendices to this Agreement are incorporated as part of this Agreement and shall have the same effect as though fully set forth herein.
- C. <u>Headings</u>. The headings used in this Agreement are intended solely for convenience of reference and shall not in any manner add to, limit, modify or otherwise be used in the interpretation of any of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto set their hands this day of, 2008.	
FOR THE UNION:	FOR THE EMPLOYER:
SEIU LOCAL 1877, UNITED SERVICE WORKERS-WEST, SEIU, CTW	
By:	By: Its:

APPENDIX A DEFINITIONS – LOS ANGELES COUNTY

A. For the purpose of this Agreement, any employee who scrubs, strips floors, lays wax, runs a buffing machine, or works with a full-time wax crew shall be classified as a WAXER.

For the purposes of this Appendix, a crew person shall be defined as any employee who regularly performs waxing and/or general utility work, and who normally moves from job location to job location in the performance of his/her work assignment.

B. For the purposes of this Agreement, any employee who mops, whether or not this duty is performed with a waxer or a wax crew, shall be classified as a MOPPER.

For the purpose of this Appendix, mopping shall not relate to the spot mopping of floors, e.g. sponge mopping in medical suites, or spot mopping of coffee spots, or to the mopping of rest rooms except where the employee is required to mop single rest room facility for one (1) hour or more.

- C. For the purpose of this Agreement, any employee who vacuums for 50% or more of his/her work shift shall be classified as a VACUUM OPERATOR.
- D. For the purposes of this Agreement any employee who performs any maintenance work or special cleaning jobs such as wall washing, ceiling washing, the cleaning of light fixtures, and such other assignments that would require him/her to work on a ladder six feet (6') in height or higher shall be classified as MAINTENANCE-UTILITY.

It is not the intent of the Parties that an employee who uses a ladder on a spot basis be classified as MAINTENANCE-UTILITY.

- E. For the purposes of this Agreement, any employee who cleans rest rooms for three (3) hours or more during his/her work shift shall be classified as a REST ROOM CLEANER.
- F. For the purpose of this Agreement any employee who functions as an Assistant Foreperson shall be classified as a Leadperson. Where an Employer employs a Leadperson in a building, the Leadperson shall receive the Cleaning Foreperson rate of pay and the Cleaning Foreperson shall receive a minimum of ten cents (10¢) per hour over the Cleaning Foreperson contract rate or the Employer's present practice, whichever results in the higher wage rate for the Cleaning Foreperson.
- G. For purpose of Article VIII, Seniority: qualifications for day shift include, but are not limited to:

- 1. the ability to effectively communicate and work with Building Management;
- 2. the ability to effectively communicate and work with tenants;
- 3. the ability to perform the work;
- 4. the ability to understand English and be understood in English; and when required by the Employer's client to read and write English;
- 5. personal appearance.

<u>APPENDIX B</u> WAGE DIFFERENTIALS – LOS ANGELES COUNTY

- A. Where a Cleaner performs duties which fall under either the Waxer, Mopper, Restroom Cleaner or Vacuum Operator classifications, as defined in Appendix "A," that employee shall be paid an additional seventeen cents (17ϕ) per hour for all hours during which such duties are performed.
- B. Where a Maintenance-Utility performs duties which fall under either the Waxer, Mopper, Restroom Cleaner or the Vacuum Operator classifications as defined in Appendix A, that employee shall be paid an additional five cents (5ϕ) per hour for all hours during which such duties are performed.
- C. Where a Cleaner performs duties which fall under the Maintenance-Utility classification, as defined in Appendix "A," the employee shall be paid an additional twelve cents (12ϕ) per hour for all hours during which such duties are performed.

APPENDIX C-1 – UNUSUAL CIRCUMSTANCES LOS ANGELES COUNTY

- A. Where in order for the Employer to acquire and/or maintain a contract job, due to special conditions such as economic distress or other unusual circumstances, the parties agree as follows:
 - 1. The Employer shall submit a written request to the Union to place this Appendix into effect.
 - 2. The Employer will accompany its requests with a letter specifying the number of employees working at the establishment, their classifications, their starting and quitting times, the total daily manhours worked at the establishment, and the wages and benefits and other conditions of employment in effect at the establishment.
- B. This Appendix shall go into effect on the date the Employer begins service at the establishment and shall remain in effect for three years, at which time all employees working at that establishment shall come under all of the terms and conditions of the Maintenance Contractors Agreement currently in effect between the parties. However, in no event shall any of the provisions of this Appendix C-1 be placed into effect by the Employer without the express written consent of the Union. In the absence of such express written consent the Employer shall be obligated to comply with each of the terms, conditions and wage rates specified in this Agreement.

ACCELERATED APPENDIX C-2 LOS ANGELES COUNTY

The Employer is entitled to an Accelerated Appendix C-2 where the Employer proposes to layoff employees or to make changes to the wages, hours and working conditions of a current job location which is over 100,000 square feet net cleanable, but less than 150,000 square feet net cleanable.

The Union agrees to provide the Employer with a response to the Employer's request for an Accelerated Appendix C-2 treatment within five (5) days of said request.

Notwithstanding language which may be contained elsewhere in this Agreement, the Union agrees it will not unreasonably deny the implementation of the Employer's proposed extensions or changes to staffing, wages, hours or working conditions under the provisions of this Accelerated Appendix C-2. The Employer is free to apply for an extension of this Accelerated Appendix C-2 for an additional five (5) years, which may only be implemented after approval from the Union.

The Employer agrees to protect employees affected by the implementation of the Accelerated Appendix C-2 by offering them a job transfer to another job location paying at least the same as the job location which the affected employee is being transferred from.

All wages, benefits and working conditions at a job location where an Accelerated Appendix C-2 is implemented by the Employer shall be subject to said Accelerated Appendix C-2.

The Employer's request for an Accelerated Appendix C-2 shall be in effect for three (3) years from the date said Accelerated Appendix C-2 goes into effect at the job location, at which time it shall be subject to re-negotiation by the parties.

APPENDIX D-1 ORANGE COUNTY PHASE-IN AGREEMENT

I. <u>Scope</u>. Any covered new location secured by the Employer after May 1, 2008 not currently serviced by a signatory of this Agreement shall be controlled by this Appendix.

II. Notification.

- A. The Employer shall notify the Union ten (10) days after being notified that it is the successful bidder on any location not currently covered by this Agreement (date of signing with Client) but in no case later than five (5) days prior to starting work in the new location.
- B. The Employer and the Union shall agree on a start date for when the phase-in schedule shall commence for the new location.
- C. The new location shall be covered by this Appendix on that phase-in date.

III. Wages.

During the first year phase-in: employees shall be entitled to receive an hourly wage rate of eight dollars and twenty cents (\$8.20).

During the second year phase-in: employees shall be entitled to receive an hourly wage rate of eight dollars and forty cents (\$8.40).

During the third year phase-in: employees shall be entitled to receive an hourly wage rate of eight dollars and fifty-five cents (\$8.55).

Beginning with the fourth year phase-in: employees shall be entitled to receive the then current rates for all wages and benefits.

IV. Benefits.

A. <u>Vacation</u>. All employees employed in the location shall receive: one (1) week of paid vacation after the completion of one (1) year of employment. Upon completion of the location's phase-in schedule, all employees shall receive paid vacation as outlined in the then current Agreement.

- B. <u>Holidays</u>. All employees employed in the location shall receive New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day as paid holidays. Upon completion of the location's phase-in schedule, all employees shall receive paid holidays as outlined in the then-current Agreement.
- C. <u>Sick Leave</u>. Upon completion of the location's phase-in schedule, all employees shall receive sick leave benefits as outlined in the then-current Agreement.
- D. Health and Welfare. Upon the Employers' completion of twenty four (24) months and beginning with the 25th month at the worksite, otherwise eligible employees shall be entitled to receive employee only coverage Kaiser C-6 Medical and Prescription Drug Single Plan (group no. 112491-06). Employer agrees to pay the full cost of this Kaiser C-6 single plan at the rate determined by the Board of Trustees at the time when this provision is applied. The current cost of said plan effective with May 2008 work hours initially is \$276.00 per eligible employee per month. Minimum monthly work hours are pursuant to Article XXXII Health and Welfare Orange County of this Agreement.

V. Bidding New Locations.

- A. Any Employer who is signatory to this Agreement shall be notified upon request of a phase-in schedule for any location currently under a phase-in schedule.
- B. Any Employer who is signatory to this Agreement who is a successor employer in a location under a phase-in schedule shall be obligated to complete the conditions of that phase-in schedule.

APPENDIX D-2 LOS ANGELES COUNTY PHASE-IN AGREEMENT

I. Non-Covered Locations.

- A. Upon assumption of work at any job location not currently (as of April 30, 2008) covered by this Agreement, the Employer shall employ existing employees up to the number in the Employer's contract proposal for the job location with wages and benefits as specified in Paragraph C of this Appendix D-2. In the case of taking over a non-covered location where the Union has an active organizing drive, the Employer shall maintain the current wages and benefits for existing employees and employees hired subsequent to the Employer's assumption of work shall be covered by the provisions of paragraph C. below.
- B. Additionally, the Employer shall employ existing employees up to the number in the Employer's contract proposal and shall contact the Union prior to any actual reduction of the number of employees and discuss fully the effects of such reduction, in good faith, with the Union.
- C. This Paragraph C shall apply to work (job sites) previously not done by a contractor signatory with the Union (Local 1877). The language of this Agreements hall apply, except as modified below:

NOTICE – The Employer shall provide the Union with this written notice of each new job which shall be subject to this Paragraph C.

Wages

- First twelve (12) months of employment \$8.30
- 2nd twelve (12) months of employment \$8.55
- Beginning with the 25th month of employment Area start rate and area increases after that date.
- In the event Federal or California minimum wage laws exceed the above wage rates, affected employees would receive twenty-five cents (25¢) per hour over said statutory minimums.

Health and Welfare

- Upon the Employers' first twelve (12) months at the worksite employees shall not be eligible for Health and Welfare benefits.
- Upon the Employers' completion of twelve (12) months and beginning with the 13th month at the worksite, otherwise eligible employees shall be entitled to receive Single Kaiser C Medical and Prescription Drug Plan (group no. 112491-11). Minimum monthly work hours shall be pursuant to Article XXXIII Health and Welfare Los Angeles County of this Agreement. The Employer agrees to pay the full cost of the Kaiser single plan at the rate determined by the Board of Trustees at the time when this provision is applied and pursuant to the provisions of Article XXXIII Health and Welfare Los Angeles County of this Agreement. The current cost of Kaiser C-Single effective initially with May 2008 work hours is \$284.00 per eligible employee per month, subject to the MOB provisions of this Agreement.
- Upon completion of the Employers' 24th month and beginning with the 25th month at the worksite otherwise eligible employees shall be entitled to receive Full MCA Family Kaiser C-6 plan benefits coverage pursuant to the provisions of Article XXXIII Health and Welfare Los Angeles County of this Agreement.

Holidays

- First twelve (12) months of employment 6
- 2nd twelve (12) months of employment 7
- Beginning with the 25th months of employment 8

Paid Sick Leave

- First twelve (12) months of employment None
- 2nd twelve (12) months of employment 2 days
- Beginning with the 25th months of employment Area benefit

Vacations

• First twelve (12) months of employment – None

- 2nd twelve (12) months of employment 5 days
- Beginning with the 25th months of employment 10 days

This Paragraph C shall not apply to Area 3 (formerly – before April 1, 2000 – Area 5), or buildings under 100,000 net cleanable.

This Paragraph C shall not apply to jobs which have gone non-Union within the preceding six (6) months.

Incumbent employees shall be maintained pursuant to Article XIX, Section L.

After 36 months, full LA OC MCA area rates and benefits shall apply to new jobs subject to this Paragraph C. This provision shall be pursuant according to Appendix G for Areas 1 and 2.

APPENDIX E BUILDING SIZE EXCLUSIONS

The following will apply with respect to the language contained in Article I (Recognition), Section B, unless otherwise provided therein:

- (a) This Appendix will apply to all buildings (except for retail establishments) with less than 100,000 net cleanable square feet; and to single tenant buildings with less than 150,000 net cleanable square feet.
- (b) Notwithstanding the above language, in the event the Employer is bidding on a single tenant building(s) which is over 150,000 net cleanable square feet, and not currently cleaned by a signatory of this Agreement, the Employer can apply to the Union for a variance that will enable the Employer to implement paragraph (c) below at the affected building. The Union may only deny the Employer a variance request if the Union can demonstrate that it has an active organizing drive (see side letter of 5/1/03 re: Organizing Drives) against the non-signatory incumbent contractor at the job location. In the event the Union cannot demonstrate a *bona fide* active organizing drive at the job location, the Union must approve the Employer's variance request within five (5) days.

The Union shall have the right, however, to reopen the terms of any such variance upon the third year anniversary of the granting of the variance.

If at ay time the client agrees to higher wage and benefit levels, the Employer agrees to honor said aforementioned wages and benefits.

- (c) Articles: I ("Recognition"); VII(G) ("Sub-Contracting"); XXII ("Non-Discrimination"); XXIX ("Succession"); and XL ("Term of Agreement") of this Agreement are effective immediately. All other Articles are excluded for the term of this Agreement. Any job location previously covered by the full scope of the Maintenance Contractors Orange County Agreement shall remain as such for the life of this Agreement.
- (d) The Employer will annually provide the Union with a complete list of accounts for all work performed under the scope of this Agreement.

APPENDIX F Schedule of Wages and Wage Rates – ORANGE COUNTY

Contract Hourly Scale Rate*

Classification	5-1-08	5-1-09	5-1-10	5-1-11
Cleaner	\$8.95	\$9.25	\$9.80	\$10.25
Buffer, Waxer,	\$9.20	\$9.50	\$10.05	\$10.50
Utility				
Foreperson	\$9.25	\$9.55	\$10.10	\$10.55

* The above rates include, but shall not be duplicative of statutorily required increases.

May 1, 2008 - All employees shall receive thirty cents (30¢) per hour increase or the wage rate listed above, whichever results in the higher increase.

May 1, 2009 - All employees shall receive thirty cents (30¢) per hour increase or the wage rate listed above, whichever results in the higher increase.

May 1, 2010 - All employees shall receive fifty-five cents (55ϕ) per hour increase or the wage rate listed above, whichever results in the higher increase.

May 1, 2011 - All employees shall receive forty-five cents (45ϕ) per hour increase or the wage rate listed above, whichever results in the higher increase.

Start Rate - Notwithstanding the above, employees employed on or after May 1, 2008 shall receive the Start Rate of eight dollars and fifteen cents (\$8.15) per hour for his/her first twelve (12) months of employment. Said employees will be entitled to receive the next above scheduled wage increase during the first twelve (12) months of employment. Upon the completion of the aforementioned twelve (12) months of employment the affected employee(s) will then be eligible to receive the then appropriate contract rate listed in the table above, e.g., an employee hired on May 5, 2008 as a cleaner at the hourly Start Rate of eight dollars and fifteen cents (\$8.15) would then receive on May 1, 2009 the scheduled increase of thirty cents (30¢) which would bring his/her hourly wage rate to eight dollars and forty-five cents (\$8.45). Starting May 5, 2009, said employee would receive the appropriate hourly contract scale rate listed in the table above of nine dollars and twenty-five cents (\$9.25).

Start Rates

5-1-08	5-1-09	5-1-10	5-1-11
\$8.15	\$8.15	\$8.20	\$8.20

REVISED 4-06-09

Minimum Rates. Except as provided above or elsewhere in this Agreement, wage rates under this Agreement shall not be less than fifteen cents (15¢) above the minimum wage established by the State of California or the Federal government.

APPENDIX G GEOGRAPHICAL AREAS

AREA 1

Downtown Los Angeles, Century City

- A. This area applies to the following geographical areas:
- 1. Downtown Los Angeles defined as follows: That area bounded on the north by a line extending along the Golden State Freeway to Alameda Street; on the east by Alameda Street; on the south by the Santa Monica Freeway and on the west by a line extending along Hoover Street to Alvarado, then along Alvarado to Glendale Boulevard, and then along Glendale Boulevard to the Golden State Freeway; it shall also include the area bounded on the south by the north side of the 101 Freeway; on the East by the Los Angeles River; on the north by the south side of Caesar Chavez Blvd.; and on the east by Alameda Street.
- 2. Century City area of the City of Los Angeles defined as follows: That area bounded on the north by Santa Monica Boulevard; on the east by Century Park East (including even numbers); on the south by Pico Boulevard and on the west by Beverly Glen.
- 3. Those buildings outside Area 1 which were designated "Tier 1" or Area 1 buildings on April 30, 2008 shall continue to be designated Area 1 buildings.
- B. <u>Wage Rates</u>. Effective May 1, 2008 through April 30, 2012, the minimum hourly wage rates and start wage rates for new employees shall be as set forth below. There shall be no further increases to the listed Start Rates during the term of this Agreement, except as set forth below.

START RATES*							
Classification	5/1/08	5/1/09	5/1/10	5/1/11			
Cleaner, Watchperson	\$9.10	\$9.10	\$9.50	\$9.75			
Maintenance-Utility	\$9.10	\$9.10	\$9.50	\$9.75			
Restroom Cleaner, Waxer, Mopper, Vacuum Oper.	\$9.10	\$9.10	\$9.50	\$9.75			
Cleaning Foreperson	\$9.10	\$9.10	\$9.50	\$9.75			
Warehouseperson	\$9.10	\$9.10	\$9.50	\$9.75			
Power Sweeper Operator	\$9.10	\$9.10	\$9.50	\$9.75			

^{*} These Start Rates are applicable to employees hired on or after May 1, 2008.

MINIMUM WAGE RATES				
Classification	5/1/08	5/1/09	5/1/10	5/1/11
Cleaner, Watchperson	\$12.50	\$13.00	\$13.50	\$14.05
Maintenance-Utility	\$12.62	\$13.12	\$13.62	\$14.17
Restroom Cleaner, Waxer, Mopper, Vacuum Oper.	\$12.67	\$13.17	\$13.67	\$14.22
Cleaning Foreperson	\$12.75	\$13.25	\$13.75	\$14.30
Warehouseperson	\$12.72	\$13.22	\$13.72	\$14.27
Power Sweeper Operator	\$12.58	\$13.08	\$13.58	\$14.13

MINIMUM WACE DATEC

Effective May 1, 2008, the minimum wage rates in effect on April 30, 2008 shall be increased by fifty cents (50ϕ) per hour.

Effective May 1, 2009, the minimum wage rates in effect on April 30, 2009 shall be increased by fifty cents (50ϕ) per hour.

Effective May 1, 2010, the minimum wage rates in effect on April 30, 2010 shall be increased by fifty cents (50¢) per hour.

Effective May 1, 2011, the minimum wage rates in effect on April 30, 2011 shall be increased by fifty-five cents (55¢) per hour.

Effective May 1, 2008, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty cents (50¢) per hour.

Effective May 1, 2009, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty cents (50¢) per hour on the rate earned as of April 30, 2009.

Effective May 1, 2010, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty cents (50ϕ) per hour on the rate earned as of April 30, 2010.

Effective May 1, 2011, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty-five cents (55ϕ) per hour on the rate earned as of April 30, 2011.

Each employee hired after April 30, 2008 shall be paid the applicable start rate for his/her Classification as set forth in Section B above for such employee's first twelve (12) months of employment. After twelve (12) months of employment, each such employee shall receive an hourly wage increase to the applicable minimum wage rate.

D. <u>Hours</u>. An employee in Area 1 shall be guaranteed four (4) hours pay each time he/she is required to report for work. An employee shall be guaranteed at least twenty (20) hours pay within five (5) consecutive days of any week he/she is required to work.

In the event the Employer is unable to meet the requirement of a guaranteed 4-hour day or 20 hour week, because of geographical location, social security or some other legitimate reason, the Employer may submit the matter to the Union for consideration.

- E. <u>Vacation</u>. Any employee receiving more vacation benefits than provided in Article XII, Section A, as of March 31, 1989, will continue to receive those additional vacation benefits, with pay, for the life of this Agreement.
- F. <u>Sick Leave</u>. Each employee in Area 1 with one (1) year's employment or more shall be granted five (5) days' sick leave with pay per year. Unused sick leave shall be cumulative from year to year to a maximum of ten (10) days. Fifty percent (50%) of all sick leave benefits earned in excess of the maximum accumulation of 10 days shall be converted to cash and paid to the employee. At the employee's option, such payment shall be made upon his/her anniversary date of employment when they accrue such additional days, or on the last period before Christmas.
- G. Pension. The Employer shall contribute a minimum of fifteen cents (15ϕ) per hour for each hour worked and/or paid for by all employees who have completed six (6) months of employment in Area 1. The May 1, 2008 contribution shall be based on April 2008 hours. Effective May 1, 2008, the Employer shall contribute thirty-three cents (33ϕ) or thirty-five cents (35ϕ) per hour for each hour worked and/or paid for by all employees who were receiving pension contributions on their behalf in that amount on April 30, 2008. The Employer shall continue to contribute 33ϕ or 35ϕ per hour on behalf of these employees for the life of this Agreement.

Effective May 1, 2011, the Employer shall increase the pension contributions which it is making for each employee in Area 1 who is otherwise eligible for Pension by a sum equal to 15 cents an hour.

Wilshire Corridor, Beverly Hills, LAX, Westwood, Westside Area, Pasadena, Hollywood, Long Beach, Glendale/Burbank, South Bay, City of Commerce, Studio City/Sherman Oaks, Woodland Hills/West Valley

- A. This Area applies to the following geographical areas:
- 1. Wilshire Boulevard area of the City of Los Angeles, defined as follows: That area bounded on the north by Third Street; on the east by a line extending along Hoover Street to Alvarado Street and along Alvarado Street; on the south by Olympic Boulevard and on the west by San Vicente Boulevard.
- 2. Beverly Hills area, defined as follows: That area bounded on the north by Santa Monica Boulevard; on the east by San Vicente Boulevard; on the south by Pico Boulevard and on the west by Century Park East (excluding even numbers).
- 3. LAX Airport area of Los Angeles, County defined as follows: That area bounded on the north by Manchester Boulevard; on the east by the Harbor Freeway; on the south by El Segundo Boulevard and on the West by the Pacific Ocean, excluding the actual terminal areas of LAX.
- 4. Westwood area defined as follows: On the east by Beverly Glen, on the south by Santa Monica Boulevard, on the west by the border of the City of Santa Monica and on the north by Sunset Boulevard.
 - 5. Former (pre-April 1, 2000) Area 2A, defined as follows:
 - a. That area within the borders of the City of Santa Monica;
 - b. That area within the borders of Culver City;
 - c. That area bounded on the south by Manchester Boulevard, on the east by a line running north along La Brea Avenue to Olympic Boulevard, then west along Olympic to the City of Beverly Hills (at Robertson Boulevard), then south to Pico Boulevard, then west along Pico to Beverly Glen, north to Santa Monica Boulevard, west to the City of Santa Monica, then south and west along the southern border of the City of Santa Monica to the Pacific Ocean.
 - 6. Former (pre-April 1, 2000) Area 3, defined as follows:
 - a. That area within the city limits of Pasadena;

- b. That area within the city limits of Long Beach;
- c. That area within the city limits of Glendale and Burbank, and including the area of the unincorporated Universal City and the area bounded on the west by the Hollywood (101)

 Freeway and on the North by the Ventura (134) Freeway;
- d. That area within the City of Commerce bounded on the north by Bandini Boulevard; on the east by Garfield Avenue, on the south by Randolph Street, and on the West by Eastern Avenue;
- e. That area in the South Bay bounded by El Segundo
 Boulevard on the north; by the Harbor (110) Freeway on the
 east (including the Nissan Building), along the San Diego
 (405) Freeway to the Long Beach City limit, then south to the
 border of Carson and Wilmington; then west along the border
 of Carson to the ocean (including the cities of Torrance and
 Carson, but excluding Lomita, San Pedro, Wilmington, and
 all of the Palos Verdes Peninsula);
- f. That area in the Hollywood area of Los Angeles County bounded on the north by a line extending along Mulholland Drive to the Hollywood Freeway and then along the freeway to Hollywood Boulevard and along Hollywood Boulevard to Sunset Boulevard and then along Sunset Boulevard; on the east by Alvarado Street; on the south by Third Street and on the west by a line extending along San Vicente Boulevard to Santa Monica Boulevard and then to Beverly Drive and then Coldwater Canyon Drive.
- 7. Former (pre-April 1, 2000) Area 4, defined as follows:
 - a. That area in Studio City and Sherman Oaks bounded on the north by the Ventura (101) Freeway, on the east by the Hollywood (101) Freeway, on the south by Mulholland Drive, and on the west by a line extending along Balboa Boulevard to Mulholland Drive.
 - b. That area in Woodland Hills and West Valley bounded on the north by the Simi Valley (118) Freeway, on the east by Balboa Boulevard, on the south by Mulholland Drive to Shoup Avenue, then north on Shoup to Ventura Boulevard,

and then west along Ventura Boulevard to the Ventura County line.

B. <u>Wage Rates</u>. Effective May 1, 2008, through April 30, 2012, except for employees scheduled for Small Building work as provided in Section C of Article XVI, the minimum hourly wage rates and start wage rates for new employees shall be as set forth below. There shall be no further increases to the listed Start Rates during the term of this Agreement, except as set forth below.

START RATES*							
Classification	5/1/08	5/1/09	<u>5/1/10</u>	5/1/11			
Cleaner, Watchperson	\$8.30	\$8.30	\$8.60	\$8.80			
Maintenance-Utility	\$8.30	\$8.30	\$8.60	\$8.80			
Restroom Cleaner, Waxer, Mopper, Vacuum Oper.	\$8.30	\$8.30	\$8.60	\$8.80			
Cleaning Foreperson	\$8.30	\$8.30	\$8.60	\$8.80			
Warehouseperson	\$8.30	\$8.30	\$8.60	\$8.80			
Power Sweeper Operator	\$8.30	\$8.30	\$8.60	\$8.80			

^{*} These Start Rates are applicable to employees hired on or after May 1, 2008.

MINIMUM WAGE RATES

Classification	<u>5/1/08</u>	<u>5/1/09</u>	<u>5/1/10</u>	<u>5/1/11</u>
Cleaner, Watchperson	\$11.20	\$11.75	\$12.25	\$12.85
Maintenance-Utility	\$11.32	\$11.87	\$12.37	\$12.97
Restroom Cleaner, Waxer, Mopper, Vacuum Oper.	\$11.37	\$11.92	\$12.42	\$13.02
Cleaning Foreperson	\$11.45	\$12.00	\$12.50	\$13.10
Warehouseperson	\$11.42	\$11.97	\$12.47	\$13.07
Power Sweeper Operator	\$11.28	\$11.83	\$12.33	\$12.93

Effective May 1, 2008, the minimum wage rates in effect on April 30, 2008 shall be increased by fifty cents (50¢) per hour.

Effective May 1, 2009, the minimum wage rates in effect on April 30, 2009 shall be increased by fifty-five cents (55ϕ) per hour.

Effective May 1, 2010, the minimum wage rates in effect on April 30, 2010 shall be increased by fifty cents (50¢) per hour.

Effective May 1, 2011, the minimum wage rates in effect on April 30, 2011 shall be increased by sixty cents (60¢) per hour.

Effective May 1, 2008, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty cents (50ϕ) per hour.

Effective May 1, 2009, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty-five cents (55ϕ) per hour.

Effective May 1, 2010, each employee earning higher than the minimum wage rate shall receive a wage rate increase of fifty cents (50¢) per hour.

Effective May 1, 2011, each employee earning higher than the minimum wage rate shall receive a wage rate increase of sixty cents (60¢) per hour.

Each employee hired after April 30, 2008 shall be paid such employee's applicable start rate for his/her classification as set forth in Section B above for the first twelve (12) months of employment. After twelve (12) months of employment, each such employee shall receive an hourly wage increase to the applicable minimum wage rate.

E. <u>Sick Leave</u>. Each employee in Area 2 with one (1) year's employment or more as of April 30, 2008, or who attains one (1) year of employment any time thereafter, shall be granted five (5) days' sick leave with pay for each year thereafter. Unused sick leave shall be cumulative from year to year to a maximum of ten (10) days. Fifty percent (50%) of all sick leave benefits earned in excess of the maximum accumulation of 10 days shall be converted to cash and paid to the employee. At the employee's option, such payment shall be made upon his/her anniversary date of employment when they accrue such additional days, or on the last period before Christmas.

Greater Los Angeles County

- A. This Area constitutes the former (pre-April 1, 2000) Area 5, and applies to the geographic area defined as follows: that area of Los Angeles County, not specifically defined in any other geographical area of Appendix D of this Agreement.
- B. <u>Wage Rates</u>. Effective May 1, 2008 through April 30, 2012, the minimum hourly wage rates and start wage rates for new employees shall be as follows:

Classification	<u>5/1/08</u> *	<u>5/1/09</u> *	<u>5/1/10</u> *	<u>5/1/11</u> *
Cleaner, Watchperson	\$8.30	\$8.30	\$8.35	\$8.40
Maintenance-Utility	\$8.37	\$8.37	\$8.42	\$8.47
Restroom Cleaner, Waxer, Mopper, Vacuum Oper.	\$8.42	\$8.42	\$8.47	\$8.52
Cleaning Foreperson	\$8.47	\$8.47	\$8.52	\$8.57
Warehouseperson	\$8.87	\$8.87	\$8.92	\$8.97
Power Sweeper Operator	\$8.38	\$8.38	\$8.43	\$8.48

^{*} These rates shall remain in effect during the term of this Agreement, provided that if there is a change in the applicable minimum wage, said rates shall reflect the new statutory minimum wage plus 30¢, plus any classification differential.

C. <u>Holidays</u>. The following holidays shall be observed as holidays with pay for each employee:

New Year's Day	Labor Day
President's Day	Thanksgiving Day
Memorial Day	Friday after Thanksgiving
Independence Day	Christmas Day

Any job location providing more holidays than listed above as of April 30, 2008, will continue to provide those additional holidays for the life of this Agreement.

D. <u>Transfers to Area 2</u>. Full time equivalent employees working in Area 3 may request a transfer into Area 2 upon the completion of 4,160 hours worked. Transfers shall be based on seniority and the availability of positions in Area 2. Full time equivalent employees shall take priority in transfers over on-call employees, excluding employees with recall rights and employees on layoff.

Antelope Valley Area

This Area constitutes the former (pre-April 1, 2000) Area 6, and applies to the geographical area defined as follows:

- A. The area in Los Angeles County north of Highway 14 and East of the 5 Freeway which shall be considered the Antelope Valley Area.
- B. The Employers and the Union agree that the following applies to the above referenced area.
 - 1. Articles I, XIX, Section H and XXIX of this Agreement are effective immediately. Any job location currently covered by the full scope of the former 2003-2008 MCA shall remain as such for the life of the Agreement.
 - 2. Upon written verification provided by the Union to the Employer demonstrating that at least 50% of the buildings over 100,000 square feet cleaned by contractors within the Antelope Valley geographical area are serviced by the contractors which are signatory to the MCA, all remaining Articles of the Agreement (Area 3, formerly Area 5) become effective as of the date for this particular geographical area.
 - 3. The Employer will provide the Union with a complete list of accounts for all work performed under the scope of this Agreement.

Ventura County, Riverside/San Bernardino County, Upper Counties

- A. This Area constitutes the former (pre-April 1, 2000) Area 7, and applies to the those areas within the Counties of Ventura, Riverside, San Bernardino, Kern, San Luis Obispo, and Santa Barbara.
- B. Articles I, XIX, Section H, and XXIX of the Maintenance Contractors' Agreement are effective immediately. Any job location currently covered by the full scope of the Maintenance Contractors' Agreement shall remain as such for the life of this Agreement.
- C. Upon written verification provided by the Union to the Employer demonstrating that at least fifty per cent (50%) of the buildings over 100,000 square feet cleaned by contractors within any of the Counties in this Area are serviced by contractors which are signatory to the Maintenance Contractors Agreement, all remaining Articles of the Agreement (Area 3, formerly pre-April 1, 2000 Area 5) become effective as of that date for that particular geographical area.
- D. The Employer will provide the Union with a complete list of accounts for all work performed under the scope of this Agreement.

SIDE LETTER OF AGREEMENT

This Side Letter of Agreement is entered into on the 1st day of May, 2003 by and between SEIU Local 1877 (hereinafter referred to as the "Union") and _____ (hereinafter referred to as the "Employer") and will set forth the intent of the Parties hereto concerning the application of certain language contained in Article XIX – "Non-Covered Locations", Section L.1, and is expressly limited to situations where the Union is engaged in a "good faith active organizing drive(s) at certain specific "Non-Covered" job locations. The Employer and the Union agree as follows:

- 1. The language contained in Article XIII, Section L.1 "Non-Covered Locations" of the Orange County Maintenance Contractors Agreement (2003-2008) shall remain in full force and effect unless expressly modified by the language contained herein by the terms and conditions set forth in this document.
- 2. The Union shall notify the Employer(s) in writing that it is conducting a "good faith" active organizing drive at a particular job site(s) being serviced by a non-signatory cleaning contractor.
- 3. The Employer and the Union shall meet as soon as reasonably possible thereafter to discuss a list of Non-Covered locations (job sites) directly affected by the Union's "good faith" active organizing campaign. The Union shall request that the Employer shall not implement an Appendix A of the 2003-2008 Orange County Maintenance Contractors Agreement at those locations, and the Employer shall not unreasonably withhold consent based on the Union meeting the requirements as outlined in paragraph 5 below.
- 4. Any job site listed pursuant to paragraph 3 above shall automatically be reviewed every six (6) months from the date it was originally put on the list mentioned in paragraph 3 above.
- 5. An active organizing drive shall be comprised of, but not limited to, three of the following conditions:
 - a. The Union must be actively engaged in organizing employees at affected job site(s).
 - b. The Union must be actively engaged in reaching out to the affected job site(s) building management and ownership.
 - c. The Union must be engaged in reaching out to lending institutions directly connected to the affected job site(s).

- d. The Union must be actively engaged in picketing, handbilling or doing demonstrations in front of the affected job site(s).
- e. The Union must be actively engaged in reaching out to politicians regarding the affected job site(s).
- f. The Union must be actively engaged in filing legal charges against the non-union employer.

IN WITNESS WHEREOF, the Parties hereto set their hands this ____ day of May, 2003.

FOR THE UNION: SEIU LOCAL 1877, UNITED SERVICE WORKERS-WEST, SEIU, CTW

PLOYER
PLOYER

By:	/s/ David Huerta	By:	/s/ Dick Davis	
• —		•		

Its: Building Services Director Its: Labor Relations Consultant

Date: April 6, 2009 Date: April 6, 2009