

7983

**MAINTENANCE
CONTRACTORS
AGREEMENT**

May 1, 2003 through April 30, 2008

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For Health and Welfare or Pension Information

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92 pages

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SEIU LOCAL 1877, AFL-CIO, CLC

and

MAINTENANCE CONTRACTORS AGREEMENT

May 1, 2003 - April 30, 2008

THIS AGREEMENT is made and entered into this 1st day of May 2003, at Los Angeles, California by and between _____, hereinafter called the Employer, and SEIU LOCAL 1877, AFL-CIO, CLC, hereinafter referred to as the Union.

The Employer recognizes the Union as the sole collective bargaining representative for its employees within the industry within the area of Los Angeles County and vicinity, specifically defined in the geographical appendices to this Agreement except where there is an area-wide, special industry or other agreement with the Union or where another SEIU local union agreement is in effect.

ARTICLE I. NONDISCRIMINATION

No employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union. Neither the Employer nor the Union shall discriminate for or against any employee or applicant for employment covered by this Agreement on account of race, color, religious creed, national origin, age (except as allowed by law), sex, marital status, physical handicap or veteran status, family status, sexual orientation, or political belief. It is the policy of the Employer and the Union that the provisions of this Agreement shall be applied to all employees without regard to race, color, religious creed, national origin, age (except as allowed by law), sex, marital status, physical handicap, veteran status, family status, sexual orientation, or political belief.

ARTICLE II. UNION RECOGNITION

Section 1. Scope of Bargaining Unit

The Employer recognizes the Union as the sole collective bargaining representative for all employees coming under the classifications of this Agreement or performing the duties of those classifications, and within the jurisdiction of the Union.

Section 2. Subcontracting

A. 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 B and C below, or unless otherwise specified in the geographical appendix for that area only.

B. 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:

1. The work to be subcontracted is not as described in the classifications of this Agreement; or

2. The location where the subcontract 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 a or b below.

a. The location where the subcontract work (including covered classifications) to be performed is in a geographical location which is not effectively covered by the Employer or is a situation, where the Employer is not geared to provide adequate supervision because of unusual hours or scheduling; or

b. The location where the subcontract work (including covered classifications) is a specific request of 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.

C. If the Employer's request to subcontract meets the above criteria, the Union will not unreasonably 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.

ARTICLE III. HIRING AND EMPLOYMENT

Section 1. Union Security

It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing or tender to the Union the union dues and initiation fees customarily required of members in the manner provided for in this Agreement. It shall be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, no later than the 31st calendar day following beginning of employment or following the effective date of this Agreement, whichever is later, become and remain members in good standing, or tender ~~to the Union the union dues and initiation fees customarily required of members in the~~ manner provided for in this Agreement.

Section 2. Inform New Employees

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.

Section 3. Referral for New Employment Procedures

A. 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:

1. 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.

2. 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.

3. 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 XXI, 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.

B. 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.

C. 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.

D. In the event Employer uses an employment agency under this Article, all fees charged will be paid by the Employer.

Section 4. Referral System for Temporary and Permanent Job Assignments

A. 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.

B. 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:

1. 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.

2. Extra Temporary Employees

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.

C. Temporary Job Assignment.

1. Buildings in Downtown/Century City.

a. 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'.

b. 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.

c. 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.

2. Record Keeping

a. 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.

b. 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 for review by the Union or building shop steward, upon request.

D. Long Term Temporary Job Assignments.

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.

E. Permanent Job Assignments.

1. 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.

2. 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.

3. 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.

4. 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.

F. Laid-Off Employees.

1. A permanent employee that is laid-off has the right to the following:

a. 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.

b. Any laid-off employee, that cannot or does not choose to become a regular temporary employee at their building, may be added to the list of Extra Temporary Employees.

G. Paychecks.

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

H. Day Crew Temporary Coverage.

The Employer shall fill emergency one-day positions on their 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.

I. Indemnification Clause.

The Union shall indemnify the Employer, and hold it harmless against any and all suits, claims, demands, and 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.

J. Pilot Project on Dispatch and Referral of Employees in Areas Other Than Century City and Downtown. (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.

ARTICLE IV. CHECKOFF

Section 1. Payment of Membership Initiation and Dues

A. The Employer agrees to a checkoff for the payment of Union dues and initiation fees and to deduct such payments from the wages of all employees and remit same to the Union in accordance with the terms of signed authorizations of such employees, and 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.

B. For newly hired employees, half of the initiation fee and the first month's dues shall be deducted from the employee's paycheck for the first payroll period with an ending date on or after the thirty-first (31st) calendar day following the beginning of said employee's employment. The balance of the initiation fee and the next month's dues shall be deducted from said employee's first paycheck in the following calendar month. Regular monthly dues for such employee shall thereafter be deducted from the employee's first paycheck in each calendar month. In the event the employment of any employee terminates on or after the 31st calendar day following the beginning of his/her employment, and any initiation fees and/or dues are unpaid, such initiation fees and/or dues shall be deducted from such employee's final paycheck, including payment for any pro-rated vacation pay or any other compensation.

C. The monthly dues for all other employees shall be deducted from the employee's first paycheck in each calendar month.

D. All sums deducted for monthly dues and/or initiation fees shall be remitted to the Union not later than the fifteenth (15th) day of the following calendar month after deduction, together with an alphabetized list of all employees specifying the following:

1. The names of all employees who have received pay during the calendar month for which remittance is made.

2. The amount of deduction for each employee for whom a deduction was made.

3. The names, addresses, social security numbers, phone numbers, dates of hire and job locations of all employees whose names are listed on the above list for the first time.

4. A notation of "No Authorization" beside the name of any employee who has not signed a payroll deduction authorization.

5. The Union shall have the right to receive, within five days, upon request, the corrected addresses of any employees covered by this Agreement. The Employer shall on the first pay period in November request that employees correct their address through a notice in their paycheck. The Employer will be responsible for collecting the information and making the changes prior to sending the list to the Union. On a one-time basis, the Employer shall in the first pay period of June 2003, request the employees correct their addresses in their paycheck. The Employer shall submit this list to the Union by July 15, 2003.

6. The Employer agrees that the list set forth in this Article shall be submitted in a form which is mutually acceptable to both parties.

E. In the event the Employer violates any of the terms and provisions of this Agreement, and specifically in the event the Employer fails to deduct and remit the proper union initiation fees and dues or fails to comply with the hiring procedures, the Union may consider such conduct on the part of the Employer a material breach of the Agreement and, notwithstanding any other provision of this Agreement, shall have the right to take any legal action the Union may consider necessary. In addition to any legal action the Union may take, the Employer, in the event of a violation of any terms of this Article, shall be liable to the Union for the amount of initiation fees and/or dues, and in addition all legal and accounting costs and fees, not to exceed fifteen percent (15%) of

the obligation or liability, plus all reasonable legal fees and court costs in the event the Union files a civil lawsuit.

ARTICLE V. MAINTENANCE OF MEMBERSHIP

Any employee who does not maintain membership in good standing with the Union or tender to the Union the dues and initiation fees customarily required of members of the Union as set forth in this Agreement, shall, upon notice of such fact in writing from the Union to the Employer, be terminated.

ARTICLE VI. ENFORCEMENT

Section 1. Right of Enforcement

In addition to any legal action the Union may take, the Employer, in the event of a violation of any terms of this Agreement, shall be liable to the Union for the amount of initiation fees and/or dues, and in addition all legal and accounting costs and fees, not to exceed fifteen (15%) of the obligation or liability, plus all reasonable legal fees and court costs in the event the Union files a civil lawsuit.

Section 2. Union Access

A. 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.

B. The Employer agrees to assist the Union in obtaining access, including all documents and papers, to job locations of the Employer where clearance is required. The Union agrees to cooperate by providing adequate notice.

Section 3. Union Steward

The Union shall designate, by written notification to the Employer, a union steward for each job location where five (5) or more employees work. The Employer agrees to recognize the union stewards who are designated by the Union. The Employer and the union stewards will cooperate in enforcing this Agreement. The Union and the Employer agree that courtesy in day to day communications between employees, Union

Officials, Union Stewards and supervisors and managers of the Employer should always be present in Employer-Employee relationships. The Union and Employer agree that employees and supervisors and managers should treat each other with dignity and respect and the Employer shall recognize the Union's properly designated Shop Steward and deal with the Union Steward as the voice of the Union at the worksite.

Section 4. Union Information

A. The Employer shall provide a bulletin board at all job locations where such provision is a reasonable requirement, which will be made available to the Union to post notices and for all other Union purposes.

B. A copy of this Agreement shall be posted at each job location where such posting does not constitute an unreasonable requirement of the Employer.

Section 5. Lie Detector Tests

Nothing in this Agreement shall prohibit any employee from volunteering to take a lie detector test, however, the Employer shall not require any employee to take any lie detector test and shall not take any discriminatory or disciplinary action against an employee who refuses to take a lie detector test, regardless of the circumstances involved.

ARTICLE VII. NO STRIKE / NO LOCKOUT

A. For the duration of this Agreement, the Union agrees that it will not authorize, sanction, aid or engage in any strike or stoppage of work for any reason, except as provided in this paragraph or paragraph B below. Any employee who violates any of the terms of this Article may be subject to discharge from employment with the Employer or any other form of discipline. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action for any employee covered by this Agreement to refuse to go through or work behind any picket line established by another labor organization because of a strike authorized by the appropriate County Federation of Labor or Central Labor Council and the Service Employees International Union, or for the Union to authorize, sanction, aid or engage in any strike or stoppage of work relating

to any such picket line. The Employer agrees that during the same period it will not engage in, cause, or aid in a lockout of employees covered under the Agreement, except that this prohibition shall not apply when the Union takes economic action as provided in paragraph B below.

B. Notwithstanding paragraph A above, or any other provision in the Agreement, it shall not be a violation of this Agreement for the Union to engage in economic action, or cause for discipline or discharge for any employee who participated in such economic action, under the following conditions:

1. In the event the Employer fails or refuses to abide by any award of an arbitrator issued pursuant to formal or expedited arbitration procedures under this Agreement.
2. In the event the Employer fails or refuses to proceed to arbitration under the terms of this Agreement of a grievance filed pursuant to this Agreement within three months of the date that the grievance was originally filed.

ARTICLE VIII. MANAGEMENT RIGHTS

Management shall have the sole and exclusive right to manage, direct and operate its business, except where expressly limited under the terms of this Agreement or by provisions of applicable state or federal laws. Such rights include, but are not limited to the following:

1. To determine the nature and scope of its business operations;
2. To hire and fire employees under its supervision;
3. To organize and direct its work force;
4. To determine cleaning specifications, cleaning frequencies, increase or reduce the work force in its discretion as sound business judgment dictates, subject to the provisions of Article XIII of this Agreement;
5. To assign, promote or demote employees under its supervision or control;

6. To lay off employees for lack of work;
7. To enact reasonable company work rules and regulations to promote safety and efficiency in operation;
8. To discipline employees, including issuing verbal and written warnings, suspensions or terminations;
9. To adopt new or changed methods of performing the work, subject to the provisions of Article XIII of this Agreement.

It is the understanding of the parties hereto that, notwithstanding the enumeration of the foregoing rights of Management, the Union recognizes that Management has certain residual rights that are vested and though not expressly mentioned nevertheless they have not been ceded or limited by virtue of their omission. The Employer's failure to exercise any right, prerogative, or function in a particular way, shall not be considered a waiver of the Employer's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement. Management recognizes and agrees to exercise its rights consistent with its obligations under all applicable state and federal laws.

ARTICLE IX. UNEMPLOYMENT INSURANCE AND WORKERS' COMPENSATION

Section 1. Submission of Information and Employer's Use of Consultants

In the event an employee files for Unemployment Insurance benefits and the Employer requests a determination or provides any information that may form the basis for a disqualification of the employee from such benefits, the Employer shall provide the Union with a written copy of all such information at the time of submission to the California State Employment Development Department.

Section 2. Workers' Compensation

A. The Employer agrees to abide by the Workers' Compensation laws of the State of California covering each employee coming under the terms and conditions of this

Agreement. The Employer will submit to the Union proof that it has complied with this requirement.

B. Each Employer signatory to this Agreement shall submit a list of physicians and medical facilities who are approved by the Employer and/or his/her insurance carrier. It is the intent of the parties to this Agreement that this list shall contain sufficient names within each geographical area so that employees will have an adequate number of physicians and medical facilities from which to choose for treatment of work incurred injury or illness. After reviewing this list, the Union may suggest that additional names be added and/or that names be deleted from this list. The Employer shall not unreasonably withhold approval of names submitted by the Union. Said list shall be reconstructed annually.

C. Employees who sustain an industrial injury or industrial illness and who require treatment and who have not submitted designation forms of personal physician as permitted by law shall be required to secure that treatment from a physician or medical facility listed on the above-mentioned list of acceptable physicians or medical facilities after he/she has first reported the occurrence of such injury or illness to his/her Employer. The choice of a physician or medical facility, listed as acceptable, shall be made by the employee. No attempt shall be made by Employer or Union to prejudice said employee either for or against any list of physicians or medical facility. The Employer has the responsibility to take all steps necessary to insure any employee who suffers an industrial ~~injury or industrial illness shall receive medical attention~~ as needed.

D. The Employer will continue to make payment of health and welfare premiums for the benefit of any employee who suffers industrial injury or illness for the period of employee's temporary disability payments not to exceed the calendar month in which the employee suffers the industrial injury or illness and the next two succeeding calendar months. During periods of industrial temporary disability, employee's seniority rights and privileges shall continue to accrue to the employee as if the employee had continued working.

E. No Employer shall discharge or discriminate against or refuse to hire any member of the Union because said employee elected to pursue any Workers' Compensation remedies guaranteed to him/her by state law.

F. The Employer will not unreasonably refuse to pay for an employee's entire shift in the event said employee is required to leave work due to industrial injury or industrial illness.

ARTICLE X. WAGES

Section 1. Minimum Wage Scales

A. 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.

B. 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.

Section 2. Start Rates

The Employer and the Union agree that all employees hired after May 1, 2003, shall start at the appropriate start rate for their Area as provided in Appendix D, 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.

Section 3. Small Buildings

A. Effective May 1, 2003, 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 of Appendix D, regardless of their actual location.

B. The provisions of paragraph A above notwithstanding, employees working as permanent employees at the job locations described therein as of April 30, 2003, shall continue to receive the wage and benefit levels 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 D for the actual geographical area of their job locations.

Section 4. Shift/Sunday Premiums

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, 2003, 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 (\$.50) per hour for all hours worked on Sunday, or for his/her entire shift if the shift starts on Sunday.

Section 5. Payment of Wages

- A.** 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.
- B.** Wages shall be paid either weekly or biweekly, but in no event shall wages be paid on a semi-monthly basis.
- C.** In no event shall any pay period be changed where either the intent or effect is to avoid the payment of overtime.

Section 6. Unit of Work Time

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.

Section 7. Availability of Paychecks

- A.** 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.
- B.** 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.
- C.** 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.
- D.** 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.

Section 8. Payment for Travel

A. 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.

B. Travel time, as defined in Paragraph A of this Section 8, shall be counted as time worked for purposes of computing the total daily and weekly hours worked and any overtime premium, where applicable.

C. 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.~~

Section 9. Payment for Use of Employee's Own Vehicle

A. 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 US 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.

B. 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.

C. 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.

D. 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.

Section 10. Inspection of Records

A. 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

~~B. 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.~~

C. 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.

D. The Employer shall provide the Union annually a list as to each employee's sick leave and vacation accrual.

E. 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.

Section 11. 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 cents 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 cent 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 cents per hour. Notwithstanding any other provision of this Agreement, employees shall make at least 30 cents 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.

Section 12. Adjustments to Wage Increases

The amounts of increases effective on or after May 1, 2005 for employees working in Areas 1 and 2, as set forth in Appendix "D", shall be subject to modification, based on the cost of maintaining the insurance benefits provided for in Article XVIII. The Start Rates for employees working in Areas 1 and 2, as set forth in Appendix "D", shall not be affected by any modifications to wage increases scheduled for such employees.

Method for Adjusting Wage Increases

The basis for increasing or decreasing the amount of the increases scheduled for employees working in Areas 1 and 2 during the third, fourth and fifth anniversary years of this Agreement is set forth below:

Effective from and after May 1, 2005, the scheduled increases referred to in Appendix "D" for employees in Areas 1 and 2 shall be subject to modification based on the cost of maintaining insurance benefits as set forth in Section 3 of Article XVIII. Said cost is referred to hereinafter as the "Maintenance of Benefits Costs" or "MOBC". The Employer and Union have agreed on an anticipated range of the MOBC, and have assigned values to the MOBC which are designated as follows:

The designated amount at the upper range of the MOBC for a contract anniversary year is defined as the "Penalty Break Point". The value at the lower end of the MOBC range for such anniversary year is designated as the "Incentive Break Point". Any amounts falling between the Incentive Break Point and the Penalty Break Point in any anniversary year of this Agreement shall not affect the wage increases which become effective at the beginning of such anniversary year. The ranges between the Penalty Break Points and the Incentive Break Points are set forth below:

Areas 1 and 2		
Effective Date	Penalty Break Point	Incentive Break Point
May 1, 2005	\$644.00	\$632.80
May 1, 2006	\$701.96	\$689.75
May 1, 2007	\$765.13	\$751.83

Commencing with the contract anniversary year which begins on May 1, 2005, and for each contract anniversary year thereafter during the term of this Agreement, if the actual MOBC is lower than the Incentive Break Point designated during that anniversary year, then 100% of the difference between the Incentive Break Point and the actual MOBC shall be converted into an increase in wages to be paid to employees in Areas 1 and 2, commencing on May 1st of the anniversary year in which such incentive payment is payable pursuant to this Section 12. For example, should the MOBC adopted on or before February 2005 be \$590 per employee per month, then the following calculation

would be applied to establish the base wage adjustment which would become effective on May 1, 2005:

$$\begin{aligned} \$632.80 - \$590.00 &= \$42.80 \times 12 \text{ months} = \$513.60 \\ \div 2,080 \text{ yearly work hours} &= \$0.246 \text{ per hour.} \end{aligned}$$

Effective May 1, 2005, employees in Areas 1 and 2 would, in addition to the increase otherwise provided for them effective on May 1, 2005 in Appendix "D", receive an additional hourly wage increase of 25¢. Such increase would remain in effect for the balance of such contract anniversary year, unless there is a change in the MOBC during such contract anniversary year which requires a new calculation.

Commencing with the contract anniversary year which begins on May 1, 2005, and for each contract anniversary year thereafter during the term of this Agreement, if the MOBC is higher than the Penalty Break Point designated for such contract anniversary year, then 50% of the difference between the Penalty Break Point and the actual MOBC shall become the amount by which the increase in wages otherwise provided for on such May 1 is reduced. For example, should the MOBC established on May 1, 2005 be \$660 per employee per month, then the following calculation would be applied to reduce the wage increase which would otherwise be applicable on May 1, 2005:

$$\begin{aligned} \$660.00 - \$644.00 &= \$16.00 \times 12 \text{ months} = \$192.00 \\ \div 2,080 \text{ yearly work hours} &= \$0.092 \text{ per hour} \\ \times 50\% &= \$0.046 \text{ per hour.} \end{aligned}$$

Based on said calculation, any increases which would otherwise become effective on May 1, 2005 for employees working in Areas 1 and 2 would thereafter be reduced by a sum equal to 5¢ per hour. Such decrease would remain in effect for the balance of such contract anniversary year, unless there is a change in the MOBC during such contract anniversary year which requires a new calculation.

All calculations performed pursuant to this Section 12, whether resulting in increases or decreases in contractual wage increases, shall be carried out to the third decimal point, and shall be rounded up or down to the nearest cent. In no event shall

such calculations result in a reduction in the Starting Rates or Minimum Wage Rates provided for in Appendix "D" for employees in Areas 1 and 2, or any overscale rates then being received by them.

Section 13. Resolution of Disputes With Respect to Modifications of Wage Increases.

Commencing in 2005, the Union shall, during the term of this Agreement, provide the Employer with not less than sixty (60) calendar days prior written notice of any adjustments in the increases provided for in Appendix "D" for employees working in Areas 1 and 2 based on the formula set forth in Section 12 above. Any disputes as to the modifications of increases resulting from the application of said formula shall be submitted to expedited binding arbitration pursuant to Article XXIII of this Agreement. In the event that the calculation provided herein is submitted to expedited arbitration pursuant to Article XXIII, neither party shall have the right to invoke paragraph I. of Article XXIII.

ARTICLE XI. HOURS

Section 1. Day's Work

A. Eight (8) hours within not more than nine (9) hours shall constitute a day's work. All employees shall receive one (1) ten (10) minute paid rest period during each four (4) hours of work. Time and one-half (1-1/2) shall be paid to all employees who work in excess of eight (8) hours per day. There shall be no split shifts.

B. Overtime shall be assigned on the basis of seniority, whenever possible.

C. Any employee who is required to remain on the premises of the Employer or any job location shall be paid for all such time, including overtime, regardless of whether or not work is performed. In the event that such employee is required by the Employer to remain on the premises more than eight (8) hours, then the overtime rate shall apply.

Section 2. Week's Work

Forty (40) hours' work based on five (5) consecutive working days, followed by two (2) consecutive days off shall constitute a week's work. Time and one-half (1-1/2) shall be paid to any employee who works in excess of forty (40) hours per week or on the sixth (6th) consecutive day. Double (2) time shall be paid to any employee for all time worked on a seventh (7th) consecutive day.

Section 3. Minimum Hours

Except as may be specified in Appendix D, Geographical Areas an employee shall be guaranteed two (2) hours pay each time he/she is required to report for work. An employee shall be guaranteed at least ten (10) hours pay within five (5) consecutive days of any week he/she is required to work.

Section 4. Maintenance of Hours

A. The hours of work shall not be reduced except where otherwise provided for in this Agreement. The Union, upon receiving effective notice of a proposed change in accordance with Article XIII, Section 4 at a particular job location, agrees to meet with the Employer concerning a reduction in total hours of work at that job location. Effective notice shall be defined as notice in writing from the Employer identifying the changes in accordance with Article XIII, Section 4.

B. In the event the Employer's customer at any job location has a shutdown and eliminates or reduces its cleaning requirements for the shutdown period, the Employer may lay off employees assigned to such job location. The lay off of employees shall be in accordance with seniority, as provided in Article XXI, Seniority, Discharge and Severance Pay of this Agreement. Employees who are laid off due to a job location shutdown may take such lay off as vacation and shall be paid for such time to the extent the employee has accrued vacation benefits. The employees shall have the option of working for the Employer as temporary employees until such time as the shutdown period at the employee's job location ends.

ARTICLE XII. WORKING CONDITIONS AND JOB EXPENSE

Section 1. General Requirements

A. The Employer agrees to provide and to properly maintain equipment and materials adequate to perform any and all work assignments.

B. The Employer agrees to provide proper safety appliances and equipment to safeguard the health and safety of all employees, and to observe all federal and state laws regarding working conditions.

C. In the event an employee is required to wear a uniform, overalls, or special work shoes, the Employer shall furnish and maintain all such items.

D. The Employer shall maintain suitable lockers, soap, and towels for employees where possible.

Section 2. Accidental Breakage

Employees shall not be liable for any accidental breakage.

ARTICLE XIII. MAINTENANCE OF WORKING CONDITIONS

Section 1. Current Agreement

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.

Section 2. Job Location

Where the total work being performed at any one job location amounts to eight (8) hours of work or more daily, the Employer shall not do any of the following without first obtaining the express consent, in writing, of the Union:

1. The Employer shall not lay off any employee or reduce the number of employees, or change the weekly or daily hours of any employee.

2. The Employer shall not change the starting or quitting time or days of work, either temporary or permanently at the job location.

Section 3. No Speed-Up

Except as otherwise provided in this Article, there shall be no speed-up, skip-cleaning or increase in the workload so as to impose an undue burden upon any employee covered by this Agreement, or where the effect of such speed-up, skip-cleaning or increase in the workload is to diminish the work force or lessen the total number of hours worked at any job location.

Section 4. Layoff and Reduction of Staff

A. Notwithstanding Section 2, in the event the Employer desires to lay off 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 lay off:

1. The job location at which the proposed lay off is to occur;
2. A list of the employees working at the job location, and the length of employment and classification of each employee;
3. A list of the employees the Employer desires to lay off or positions the Employer desires to eliminate;
4. The date and reason for the proposed lay off, or reduction in staffing.

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:

1. Respond to changes required in customer's specifications to the extent they directly affect current staffing;
2. Respond to vacancies occurring in a building at which the Employer conducts cleaning operations to the extent such vacancies directly affect current staffing;

3. 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;

4. Adjust staffing to its customary levels of production, provided that the Employer does not impose an unreasonable workload.

B. Where the Employer proposes to lay off 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 or lay off employees so that the Employer may responsibly respond.

C. In the case where the Union has agreed to a lay off, the Employer shall give a minimum of five (5) days' notice to the affected 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.

D. No regular full-time employee shall be laid off while there is a part-time or extra employee working on the job location and where the Union has consented to a layoff.

E. 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 Article III.

Section 5. Registration of Job Location

The Employer shall furnish to the Union, in writing, the names and addresses of all jobs, the number of employees on each job and classifications, 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.

Section 6. Termination of Employer's Services

A. 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.

B. 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.

Section 7. 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 he/she obtains, within five (5) days of his/her 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.

Section 8. Sale or Transfer of Business or Jobs

In the event the Employer purchases, sells or transfers his/her business or any job location or accounts, he/she 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.

Section 9. Job Bidding Information

A. The Union agrees that it will designate an authorized person(s) to request the stated staffing 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 10 of this Article only when it has been determined that bona fide bids are being requested in writing by the subject job location(s) Employer's client.

B. 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) business (working) hours upon receipt of a request from the Union:

1. The number of employees and the name of each employee,
2. Job classifications,
3. Number of man hours worked per day, and per week,
4. Starting and quitting times of each employee,
5. The wage rate of each employee,
6. The original hiring date of each employee with the Employer, other Employers or at the job location, whichever is earlier.

C. 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.

D. The Employer agrees that it will only contact the authorized person(s) as designated by the Union when complying with the provisions of Section 10 of this Article.

Section 10. Job Bidding Procedure

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 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 of each employee at the job location.

2. Observe all of the existing conditions at the job location and, specifically, employ all existing employees, not reduce the wage rate 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.

Section 11. Change of Employer

A. 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.

B. 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.

C. 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 employees' date of hire by the employer taking the job.

Section 12. Inspection of Records

The Union shall have the right to conduct an investigation, including the inspection and auditing of any books or 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.

Section 13. Other SEIU Local Agreements; SEIU Industry Standard Agreement

A. 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.

B. 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.

C. 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.

D. 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 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 request, in writing, he/she shall be fully liable for wages and fringe benefits as set forth in Paragraph C of this Section.

Section 14. Non-Covered Locations

A. Upon assumption of work at any job location not currently (as of April 30, 2003) 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 section. 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 Agreement shall 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 12 months of employment - \$7.00~~
- 2nd 12 months of employment - \$7.25
- 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 25 cents per hour over said statutory minimums.

Health and Welfare

- First 12 months of employment - None
- 2nd 12 months of employment - Single coverage
- Beginning with the 25th month of employment - Family coverage.

Holidays

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

Paid Sick Leave

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

Vacations

- First 12 months of employment - None
- 2nd 12 months of employment - 5 days
- Beginning with the 25th month 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 XIII, Section 14.

After 36 months full area rates and benefits shall apply to new jobs subject to this Paragraph C.

Section 15. Union Enforcement

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.

Section 16. Remedy

In the event of a grievance or dispute regarding any violation of this Article, and the dispute proceeds to arbitration in accordance with Articles XXII and XXIII 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.

Section 17. Leadership Training Fund.

A. The Employer shall contribute a sum equal to one cent (1¢) 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 throughout the term of this Agreement.

B. 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 XIV. HOLIDAYS

Section 1. Holiday Observance

A. Except as otherwise specified in Geographical Appendix D for certain exempted Areas, 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 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.

B. 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.

C. 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.

D. 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.

E. 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.

F. The work shift beginning on the holiday observed shall be considered the holiday shift for all purposes, including the payment of premium pay.

Section 2. Holiday Pay

A. 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.

B. Pay for holidays worked shall be at the rate of time and one-half (1-1/2) 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 B.

C. 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.

D. 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.

Section 3. Observance of Holidays Not Listed in this Agreement

A. 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.

B. 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 (1-1/2) in addition to his/her regular day's pay.

C. 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 XV. VACATIONS

Section 1. Vacation Benefits for Continuing Employees

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

<u>Months of Employment</u>	<u>Days of Paid Vacation per month</u>
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, 2003, shall continue to provide such additional benefits, with pay, for the life of this Agreement.

B. In the event a holiday falls during the employee's vacation period, the employee shall receive an additional day's vacation with pay.

C. 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.

D. 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 XIII, Section 11, Paragraph B.

E. 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 employee's total months of employment.

Section 2. Vacation Period

A. 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.

B. Employees may take their vacation in nonconsecutive weeks of the employee's choice provided mutual agreement is reached between the Employer and the employee.

C. 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.

Section 3. Vacation Pay

A. All employees shall receive vacation benefits in accordance with the provisions of this Article.

B. All employees shall receive their vacation paycheck on the payday immediately preceding the day on which such employees start their vacation

C. 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.

D. Vacation pay for extra employees shall be based upon their average number of hours worked over the period since their employment anniversary date.

Section 4. Pro Rata Vacation for Terminated Employees

A. 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:

1. The Employee's Length of Service Shall be Determined. 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 XIII, Section 11, Paragraph B.
2. 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.

~~**B.** All payments for an employee's vacation benefit shall be paid in accordance with the provisions of this Article.~~

C. 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 employee's pro rata vacation benefit.

~~**D.** 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.~~

E. 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 XIII, Section 11, Paragraph B.

F. 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.

G. 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.

Section 5. Health and Welfare Pension Contributions for Vacationing Employees

~~A.~~ 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.

B. 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 XVI. LEAVES OF ABSENCE

Section 1. Family and Medical Leave Act

A. The Employer agrees to comply with the provisions of the California and Federal Family and Medical Leave Acts.

B. Wherever benefits pursuant to this Agreement are superior to benefits provided under the California and Federal Family and Medical Leave Acts, those benefits shall prevail.

Section 2. Illness or Injury Leave

A. 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 bona fide illness, accident or injury, and shall be restored to his/her regular job upon presentation of a doctor's certificate that he/she is able to return to work.

B. An employee with at least one (1) year's service shall be granted a leave(s) of absence up to a period of six (6) months, under the conditions set forth in Paragraph A of this Section.

C. An employee with five (5) years' service, and thereafter, shall be granted a leave(s) of absence up to a period of one (1) year, under the conditions set forth in Paragraph A of this Section.

D. For all purposes of this Article, service shall mean the employee's total months of employment with the Employer of from his/her original date of hire as defined in Article XIII, Section 11, Paragraph B.

Section 3. Industrial Illness or Injury Leave

Any employee who suffers an industrial injury or illness shall be granted a leave of absence during his/her total period of industrial temporary disability.

Section 4. Bereavement Leave

A. All employees shall be granted a 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 follows:

1. Father and Mother
2. Brother(s) and Sister(s)

3. Husband or Wife
4. Son(s) and Daughter(s)

B. 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/her accrued vacation benefit. Such payment shall be deducted from the employee's vacation pay at the time he/she receives his/her scheduled vacation.

Section 5. Military Leave

For the protection of the rights and privileges of all men and women who have served in the Armed Forces of the United States, both parties hereto agree to observe the provisions and spirit of that section of the Uniformed Services Employment and Reemployment Rights Act of 1994 (Title 38, Chapter 43, U.S. Code Annotated) which provides for the re-employment of veterans.

Section 6. Sick Leave

A. Except as otherwise provided in Appendix D, Geographical Areas, any job location providing sick leave benefits as of April 30, 2003, shall continue to provide the same level of paid sick leave benefits for the life of this Agreement.

B. The Employer will recognize the employee's total employment, as defined in Article XIII, Section 11, Paragraph B 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. 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. 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. 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. 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. 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. Sick leave cash payments for all employees shall be as listed in each geographical appendix of this Agreement.

I. When employees are transferred to a new Employer, also signatory to this Agreement, at the same job location, the new Employer shall assume the sick leave liability on a continuing basis except for any benefits which the employee may have accrued that are eligible for cash payment. Such liability shall be the responsibility of the former Employer.

Section 7. State Disability and Workers' Compensation

A. 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 a manner that does not interfere with such employee's receipt of full benefits due him/her from State Disability Insurance or Workers' Compensation Insurance. The employee is required to furnish the Employer copies of S.D.I. statements received.

B. The Employer shall compute the money value of all sick-leave benefits due such employee at the time he/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.

C. In the event the employee returns to work before the money value of his/her 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 or accumulation.

Section 8. Accrual of Seniority While On Leaves of Absence

A. Absence of ninety (90) days or less due to illness or injury, bereavement, or ~~sick leave shall be considered as time worked for purposes of seniority, including~~ vacation accrual and sick leave benefits.

B. 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.

Section 9. Unpaid Personal Leave

Employees with three (3) years of service shall be granted unpaid personal leave of absence up to 30 days per year, upon the Employee's written request, in addition to other leaves provided for in this Article.

ARTICLE XVII. JURY DUTY

Whenever an employee covered by this Agreement serves on jury duty he/she shall receive a full day's pay at straight-time for each day of jury service up to a maximum of thirty (30) days. The Employer shall not be obligated to pay for such jury

duty for more than the number of employees set forth in the schedule below. If the jury duty exceeds one calendar month, or if more than the number of employees per establishment at any one time as scheduled below is called upon for jury duty, the Employer and the Union may extend the time or pay for the number of employees called up for jury duty simultaneously, upon mutual agreement.

<u>Employees Employed by</u> <u>the Employer</u>	<u>No. of Employees</u> <u>Eligible for Jury Duty</u>
1 - 250	1
251-500	2
501 - 750	3
751 - 1000	4
1001 - 1250	5
1251 - 1500	6
1501 - 1750	7
1751 - 2000	8

ARTICLE XVIII. HEALTH AND WELFARE

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.

Section 1. Plans

All Employer contributions referred to in this Article shall be paid into the California Service Employees Health and Welfare Trust Fund (formerly the Building Service Health and Welfare Trust Fund), to the Depository Bank, Lock Box No. 55258, P.O. Box 44000, San Francisco, California 94144-5258, 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.

Section 2. 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 (formerly the Building Service 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.

Section 3. Coverage

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 D, with Health and Welfare coverage as follows:

A. Between the first (1st) to the tenth (10th) day of each calendar month, the Employer shall submit a list to the Trust Fund containing the names of each eligible and qualifying employee at each job location in Areas 1 and 2.

B. Except as may be provided otherwise in this Article, when an employee first qualifies for health and welfare coverage, and every year thereafter during the Trust Fund's annual open enrollment period, 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, 2003 are: (1) Kaiser Plan "C" coverage (group no. 112491-0006), Kaiser Prescription Drug Plan, Pacific Union 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, Pacific Union Dental Plan and \$5,000 Member Only Life Insurance Coverage and \$2,500

Eligible Dependent Life Insurance Coverage; or (3) California Service Employees Health & Welfare Indemnity Plan "3", California Service Employees Prescription Drug Plan, Pacific Union 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) or (3) shall contribute a monthly sum representing the difference between the cost of the premiums charged, and the Employer's contribution, as provided in section D below, for such coverage. Employee contributions for Options (2) and (3) 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.

C. Except as may be provided otherwise in this Article, when an employee first qualifies for health and welfare coverage, and every year thereafter during the Trust Fund's annual open enrollment period, 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, 2003 are: (1) Kaiser Plan "C" coverage (Group No. 112491-0006), Kaiser Prescription Drug Plan, Pacific Union 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, Pacific Union 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 section D 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.

D. The Employer shall, for the anniversary year commencing on May 1, 2003, pay monthly to the Trust Fund a sum not to exceed \$500 for each eligible employee enrolled in a plan provided by the Trust Fund. Commencing on May 1, 2004 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 paragraphs B and C of this Section 3, or such successor plans which may be adopted by the Trustees after May 1, 2003.

E. Notwithstanding subparagraphs A through D 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.

F. Subject to paragraph D 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. If the Trustees shall elect to increase the monthly premiums to more than \$500 per month per eligible employee after May 1, 2004, the Employer agrees to pay such increase in premiums as may be necessary in order to maintain the benefit established above.

G. 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 D and F of this Article XVIII. 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.

Section 4. Eligibility for Benefits

Eligibility and qualifications for all Geographical Areas provided with benefits under this Article are:

A. Employees must have completed one hundred and eighty (180) days of service before qualifying for coverage.

B. Qualifying hours for all locations will be one hundred and ten (110) hours per month to provide health and welfare coverage the following months, except that any employee enjoying a lower amount of qualifying hours as of April 30, 2003 shall continue to enjoy that lower amount for the life of this Agreement. Paid vacation, paid holidays and paid sick leave shall be included in computing qualifying hours.

C. 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.

Section 5. Continuation of Superior Benefits

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, 2003; or (2) were employed at a job location where a collective bargaining agreement required such benefits as of April 30, 2003. 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, 2003; provided, however, that the Employer's contributions for such benefits shall not exceed the amounts set forth in paragraph D of Section 3 ("Coverage") above.

ARTICLE XIX. PENSION

A. 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 D 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. 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. 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. 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. 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. 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 XX. TRAINING AND EDUCATION

A. The Union and the Employer recognize that the establishment of a cost effective system of employee growth and development yields significant benefits for Employers, employees and customers.

B. Based on the need for trained and qualified maintenance personnel and employee desire for job security and upgrading, the Employer and the Union hereby agree to establish a joint labor/management maintenance training program. This program will enable employees to learn new skills and upgrade job position without jeopardizing their continuous employment. It will enable the Employer to meet personnel needs by internal promotion and prior to recruiting from outside the bargaining unit.

C. The joint training program will promote the following objectives: (1) Employee development through labor/management cooperation, (2) Development of internal promotional systems and career ladders designed to meet both short and long-term personnel needs and employee career interests, (3) Building on prior employee skills and experience integrated with theoretical and technical training, (4) Assurance of appropriate employment and promotion upon completion of the program in accordance with the terms of this Agreement, (5) Increased stability in the work force and reduction of costs incurred by turnover, recruitment and orientation, and (6) Improved quality and cost effectiveness of service delivery.

ARTICLE XXI. SENIORITY DISCHARGE AND SEVERANCE PAY

Section 1. Seniority

A. For purposes of this Agreement, Seniority shall be defined as the employee's original date of hire with the Employer, or at the job location, whichever is

longer, for all employees covered by this Agreement; provided that any employee who loses seniority pursuant to this Agreement and is thereafter employed shall have a new date of hire for purposes of seniority.

At work sites with multiple buildings with common property management, the term "job location" as used in this Agreement shall mean the entire complex of buildings at that work site for purposes of layoff, or reduction in hours or staffing.

B. Provided that the more senior employee is qualified to perform the work, for regular full-time and part-time employees, seniority shall apply to the selection of openings on the regular shifts, vacation scheduling and selection, layoffs, reductions in staff and reductions in hours, and to promotional opportunities; provided that for promotion to Foreperson or Leadperson management will not appoint the senior applicant unless her/his merit and ability is equal to or better than the less senior applicant.

C. In the event a promotional opportunity or opening occurs at the employees' job location, the Employer agrees to notify all employees of this new opening. Further, the Employer agrees that employees working at a job location where a promotional or other opening occurs shall be allowed to bid for the new job opening in accordance with the terms of Paragraph B of this Section, and any employee so selected shall be given a reasonable opportunity to perform the duties of the promotional job prior to placing any other employee in that job. For employees moved to day shift, Leadperson and Foreperson, the term reasonable opportunity shall mean thirty (30) days.

D. Any employee on layoff shall continue to accrue his/her seniority and all concomitant benefits for a period of ninety (90) days.

E. If an opening occurs in the job classification at the job location from which the employee has been laid off, the most senior laid-off employee on recall status shall be offered the position prior to it being offered to any other employee.

F. An employee who has been laid off shall be eligible to be recalled to the job location from which he/she has been laid off for a period of five (5) 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 five (5) month period. Employees on recall status shall retain their original date of hire for purposes of seniority.

G. Regular part-time employees shall be entitled to the same seniority protection as regular full-time employees, except as may otherwise be provided in this Agreement.

H. Seniority for extra employees (also referred to as temporary or on-call) shall be calculated as defined in Paragraph A. Seniority for extra employees shall be utilized for purposes of vacation, sick leave, and temporary dispatch and referral pursuant to Article III. Seniority for extra employees shall also be utilized in the event of layoffs, reduction in hours, or reduction in staff, provided that extra employees' seniority shall not be utilized to displace any regular full-time or part-time employee.

Extra employees are defined as those employees utilized and assigned by an Employer to work in place of permanent employees who are on vacation, sick leave, other leaves or otherwise absent, or are assigned in addition to or in lieu of regularly assigned employees at a job location.

I. During the initial forty-five (45) days of employment an employee may be terminated at the sole discretion of the Employer. Said terminations are not subject to the Arbitration provisions of this Agreement.

J. The parties agree to maintain the practice of not allowing inter-building bumping.

Section 2. Discharge

A. Except in cases of drunkenness, dishonesty or the misuse, sale or distribution of controlled substances, and except as provided elsewhere in this Agreement, employees will receive twenty-four (24) hours' notice of termination in writing, or one (1) day's pay in lieu thereof.

not result in the selection, the parties shall exchange additional lists within succeeding seven (7) day periods until an arbitrator is selected.

C. 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.

D. The arbitrator's fee and all incidental expenses of the arbitration shall be borne equally by the parties hereto.

E. Nothing contained in this Article shall prevent an employee or the Union from taking legal action that may be required to enforce any terms or conditions of this Agreement.

F. 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. 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 XXIII. EXPEDITED ARBITRATION PROCEDURE

A. In order to provide for the timely and informal resolution of disputes, grievances filed pursuant to Article XXII of this Agreement may be filed 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

B. 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 the such notice.

C. Warning notices in excess of one (1) year old shall not be used as part of the discipline process. Warning notices shall not be transferred between Employers.

ARTICLE XXII. GRIEVANCE AND ARBITRATION PROCEDURE

A. 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.

B. 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

D. The Arbitrator shall orally advise the parties of his decision with a brief explanation of the basis thereof. He shall make a brief, signed note upon the written grievance stating his 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.

E. Any arbitration held under the provisions of this Step Four 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. 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. 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. 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.

I. 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

panelists, then the Panel shall consist of three (3) arbitrators. The initial panel shall be selected as provided in 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, 2003, 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 B.

B. 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. 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.

the ninety (90) day period. The Employer may require documentation of appearance at such proceedings. The employee shall not be entitled to benefit accrual during the above leave period.

E. Employees shall not be discharged, disciplined, suffer loss of seniority or any other benefit or be otherwise adversely affected by a lawful change of name or social security number.

F. 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 their 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 XXV. ASSIGNMENTS

A. The parties agree that in the event that the ownership or management of any plant or company is changed by sale, merger, or in any other manner, this Agreement shall be included as a condition of such change or transfer, and shall run to its conclusion as the contract of the successor company, applicable to the particular plant thus sold, merged or transferred. The Union likewise binds itself to hold this contract in force to its termination, and agrees that no part of this Agreement shall be assigned to any labor organization other than those which are parties hereto, without the consent of the parties hereto.

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 XXII of this Agreement, wherein the parties are not limited to representation by any person of their choice.

ARTICLE XXIV. PRIVACY RIGHTS; IMMIGRATION AND NATURALIZATION SERVICE

The parties agree as follows:

A. 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. The Employer shall notify the Union by phone and give oral notice to the Union steward, as quickly as possible, if any I.N.S. agent appears on or near the premises to enable a Union representative or attorney to take steps to protect the rights of employees. Additionally, the Employer shall notify the Union immediately upon receiving notice from the Immigration and Naturalization Service 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.

C. The Employer shall not violate the privacy rights of employees, without their express consent, by revealing to third parties, including the I.N.S., 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. 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 within ninety (90) calendar days of commencement of the absence. The Employer shall not withhold a reasonable extension of the period of absence if the request is made within

the computer magnetic tapes, such blank tapes to be furnished by the Union, used to generate 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 for all employees per the provisions of Article IV, Section 1 of this Agreement.

ARTICLE XXVIII. SAVING CLAUSE

If any provision of this contract or the application of such provision to any person or circumstance be 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 this contract or the application of such provision to other persons or circumstances shall not be affected thereby.

ARTICLE XXIX. FINANCIAL OBLIGATIONS

A. The Union reserves the right to require the Employer to submit a financial statement at any time to prove the Employer's ability to meet the obligations of this Agreement.

B. In the event the Employer shows a financial inability, in the opinion of the Union, to meet any of the obligations of this Agreement or in the event the Employer violates any of terms or conditions of this Agreement, the Union has the right to require that the Employer post an indemnity bond in an amount up to \$10,000 through a recognized bonding company. Such bond will be posted and held by the Union or a third party mutually agreed upon by the Employer and the Union.

ARTICLE XXX. EFFECT OF NEGOTIATIONS

Neither the offer nor the withdrawal of any proposal during the negotiations preceding the execution of this Agreement, which proposal was not incorporated therein, shall be used in the construction of this Agreement.

B. This Agreement shall be fully binding upon the Employer regardless of a change in entity, name, association or joint venture.

C. In the event the Employer or any person owning an interest in the business of the Employer including ownership of stock if the Employer is a corporate entity, owns, acquires or creates another entity including a sole proprietor, partnership, joint venture or corporation and such other entity performs work and hires employees under the classifications of this Agreement, then such other entity shall be included as an Employer under this Agreement and such other entity shall be fully bound and liable for each term and provision of this Agreement to the same extent as though such other entity is signatory to this Agreement. In addition, if such individual or Employer owns an interest in such other entity, including stock ownership, in the business of the Employer signatory to this Agreement, such individual or Employer shall be personally bound and liable to all the terms, conditions and benefits of this Agreement.

ARTICLE XXVI. CHECKOFF FOR POLITICAL CONTRIBUTIONS

The Employer hereby agrees to honor contribution deduction authorizations from its employees who are Union members in the following form:

I hereby authorize the Employer to deduct from my pay the monthly sum of \$_____, and to forward that amount to the Committee on Political Action-COPA. This authorization is voluntarily made on the specific understanding that the signing of this authorization and the making of payments to the Committee on Political Action-COPA are not conditions of membership in the Union or of employment with the Employer and that the Committee on Political Action-COPA will use the money it receives to make political contributions and expenditures in connection with federal, state and local elections.

ARTICLE XXVII. JOINT COMPUTER PROGRAM USE

All Employers signatory to this Agreement who utilize computerized payroll systems, shall, not later than the fifteenth (15th) day of the month, transmit to the Union

B. Appendices A - E set forth hereinafter are incorporated as a part of this Agreement and shall have the same effect as though fully set forth herein.

IN WITNESS WHEREOF, the parties hereto set their hands this ____ day of _____, 2003.

FOR THE UNION:

SEIU LOCAL 1877, AFL-CIO, CLC

By: _____

Its: _____

Date: _____

FOR THE EMPLOYER:

By: _____

Its: _____

Date: _____

ARTICLE XXXI. MOST FAVORED NATIONS

A. The Union shall not enter into any contracts with any maintenance contractor or company which are more favorable to any contractor or company within the jurisdiction of this Agreement, than this Agreement, including its geographical appendices. The Employer shall be entitled to and shall have the full benefit of any such favorable Agreement.

B. Consistent with its obligations under the National Labor Relations Act in connection with this clause, the Union agrees to provide, upon reasonable periodic request, all information relating to any agreements that the Union may have entered into with other contractors for work subject to this Agreement.

C. The provisions of this Article shall not be deemed to apply to any agreements relating to the initial phase in of standards, rates and benefits with any new signatory to the Maintenance Contractors Agreement.

ARTICLE XXXII. TERM OF AGREEMENT

A. This Agreement shall become effective as of the 1st day of May 2003, and shall remain in effect through the 30th day of April, 2008, and from year to year thereafter, unless either party has served notice in writing upon the other party no less than sixty (60) days prior to the 30th day of April, 2008, or serves such notice not more than ninety (90) or less than sixty (60) days prior to any subsequent anniversary date of this Agreement of its desire to cancel, amend or modify this Agreement.

SIDE LETTER AMENDMENT TO THE AGREEMENT

Office Employees

Office Employees who were, as of April 30, 2003, covered by the Maintenance Contractors Agreement that expired on April 30, 2003 will continue to be covered under the Maintenance Contractors' Agreement dated May 1, 2003 through April 30, 2008.

FOR THE UNION:

FOR THE EMPLOYER:

SEIU LOCAL 1877, AFL-CIO, CLC

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

HEALTH & WELFARE TRUST FUND

We, the undersigned Trustees of the building Service Health and Welfare Trust Fund hereby approve the Employer party to the foregoing Collective Bargaining Agreement becoming a party to the Agreement and Declaration of Trust referred to in said Agreement and, pursuant to this approval, said Employer has become a party to said Agreement and Declaration of Trust.

Dated: _____

By: _____

Trustee, California Service Employees
Health and Welfare Trust Fund

By: _____

Trustee, California Service Employees
Health and Welfare Trust Fund

SEIU-INDUSTRY PENSION FUND

Pursuant to Section 3.01 of Article III of the Trust Indenture referred to in the foregoing Collective Bargaining Agreement, the undersigned Pension Plan Trustees hereby approve the Employer party to the foregoing Collective Bargaining Agreement becoming a party to the Trust Indenture referred to in said Agreement, and pursuant to this approval, said Employer has become a party to said Trust Indenture.

Dated: _____

By: _____

Trustee, SEIU National Industry
Pension Fund

By: _____

Trustee, SEIU National Industry
Pension Fund

APPENDIX A
DEFINITIONS

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 XXI: 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.

APPENDIX B

WAGE DIFFERENTIALS

A. Where a Cleaner performs duties which fall under either the Waxer, Mopper or Vacuum Operator classifications, as defined in Appendix "A," that employee shall be paid an additional seventeen cents (\$.17) 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 or the Vacuum Operator classifications as defined in Appendix "A," that employee shall be paid an additional five cents (\$.05) 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 (\$.12) per hour for all hours during which such duties are performed.

D. Where a Cleaner performs duties which fall under the Restroom Cleaner classification, as defined in Appendix "A," the employee shall be paid an additional twelve cents (\$.12) per hour for all hours during which such duties are performed before May 1, 2005. Said amount shall be increased to seventeen cents (\$.17) per hour for all such hours on or after May 1, 2005.

APPENDIX C

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 man-hours 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 Appendix C 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

The Employer is entitled to an Accelerated Appendix C 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 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. The Employer is free to apply for an extension of this Accelerated Appendix C 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 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 is implemented by the Employer shall be subject to said Accelerated Appendix C.

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

APPENDIX D
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, 2003 shall continue to be designated Area 1 buildings.

B. Wage Rates. Effective May 1, 2003 through April 30, 2008, 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

<u>Classification</u>	<u>5/1/03*</u>	<u>5/1/03**</u>	<u>5/1/04</u>
Cleaner, Watchperson	\$7.90	\$8.00	\$9.10
Maintenance-Utility	\$8.02	\$8.12	\$9.10
Restroom Cleaner	\$8.02	\$8.12	\$9.10
Waxer, Mopper, Vacuum Oper.	\$8.07	\$8.17	\$9.10
Cleaning Foreperson	\$8.15	\$8.25	\$9.10
Warehouseperson	\$8.12	\$8.22	\$9.10
Power Sweeper Operator	\$7.98	\$8.08	\$9.10

* These Start Rates are applicable to employees hired on or after May 1, 2003.

** These rates are applicable to employees earning the Start Rate, who were hired before May 1, 2003.

MINIMUM WAGE RATES

<u>Classification</u>	<u>5/1/03</u>	<u>5/1/04</u>
Cleaner, Watchperson	\$9.40	\$9.80
Maintenance-Utility	\$9.52	\$9.92
Restroom Cleaner***	\$9.52	\$9.92
Waxer, Mopper, Vacuum Oper.	\$9.57	\$9.97
Cleaning Foreperson	\$9.65	\$10.05
Warehouseperson	\$9.62	\$10.02
Power Sweeper Operator	\$9.48	\$9.88

*** Effective May 1, 2005, the minimum wage rate for the "Restroom Cleaner" classification shall be the same as the minimum wage rate for the "Waxer" classification.

Effective May 1, 2005, the minimum wage rates in effect on April 30, 2005 shall be increased by ten cents (\$0.10) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2006, the minimum wage rates in effect on April 30, 2006 shall be increased by thirty-five cents (\$0.35) per hour, provided that said increase shall be adjusted upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2007, the minimum wage rates in effect on April 30, 2007 shall be increased by fifty-five cents (\$0.55) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

C. Wage Increases. Effective on the dates provided below in this Section C, each employee hired on or before April 30, 2003 shall receive the following indicated hourly wage increases:

5/1/03

5/1/04

\$0.10

\$0.15

Effective May 1, 2005, each employee earning higher than the minimum wage rate shall receive a wage rate increase of twenty cents (\$0.20) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2006, each employee earning higher than the minimum wage rate shall receive a wage rate increase of twenty-five cents (\$0.25) per hour on the rate earned as of April 30, 2006, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2007, each employee earning higher than the minimum wage rate shall receive a wage rate increase of forty cents (\$0.40) per hour on the rate earned as of

April 30, 2007, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Each employee hired after April 30, 2003 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. Hours. 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. Vacation. Any employee receiving more vacation benefits than provided in Article XV, Section 1, as of March 31, 1989 will continue to receive those additional vacation benefits, with pay, for the life of this Agreement.

F. Sick Leave. 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 ten cents (10¢) 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, 2003 contribution shall be based on April 2003 hours. Effective May 1, 2003 the Employer shall contribute thirty-three cents (33¢)

or thirty-five cents (35¢) 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, 2003. The Employer shall continue to contribute 33¢ or 35¢ per hour on behalf of these employees for the life of this Agreement.

AREA 2

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. Wage Rates. Effective May 1, 2003, through April 30, 2008, except for employees scheduled for Small Building work as provided in Section 3 of Article X, 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

<u>Classification</u>	<u>5/1/03*</u>	<u>5/1/03**</u>	<u>5/1/04</u>
Cleaner, Watchperson	\$7.05	\$7.15	\$8.00
Maintenance-Utility	\$7.17	\$7.27	\$8.00
Restroom Cleaner	\$7.17	\$7.27	\$8.00
Waxer, Mopper, Vacuum Oper.	\$7.22	\$7.32	\$8.00
Cleaning Foreperson	\$7.30	\$7.40	\$8.00
Warehouseperson	\$7.27	\$7.37	\$8.00
Power Sweeper Operator	\$7.13	\$7.23	\$8.00

* These Start Rates are applicable to employees hired on or after May 1, 2003.

** These rates are applicable to employees earning the Start Rate, who were hired before May 1, 2003.

MINIMUM WAGE RATES

<u>Classification</u>	<u>5/1/03</u>	<u>5/1/04</u>
Cleaner, Watchperson	\$8.50	\$8.65
Maintenance-Utility	\$8.62	\$8.77
Restroom Cleaner***	\$8.62	\$8.77
Waxer, Mopper, Vacuum Oper.	\$8.67	\$8.82
Cleaning Foreperson	\$8.75	\$8.90
Warehouseperson	\$8.72	\$8.87
Power Sweeper Operator	\$8.58	\$8.73

*** Effective May 1, 2005, the minimum wage rate for the "Restroom Cleaner" classification shall be the same as the minimum wage rate for the "Waxer" classification.

Effective May 1, 2005, the minimum wage rates in effect on April 30, 2005 shall be increased by twenty cents (\$0.20) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2006, the minimum wage rates in effect on April 30, 2006 shall be increased by twenty-five cents (\$0.25) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2007, the minimum wage rates in effect on April 30, 2007 shall be increased by forty cents (\$0.40) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

D. Wage Increases. Except as otherwise provided in Article X, Section 3, "Small Buildings," effective on the dates provided in this Section D, each employee hired on or before April 30, 2003 shall receive the following indicated hourly wage increases:

<u>5/1/03</u>	<u>5/1/04</u>
\$0.10	\$0.15

Effective May 1, 2005, each employee earning higher than the minimum wage rate shall receive a wage rate increase of twenty cents (\$0.20) per hour, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2006, each employee earning higher than the minimum wage rate shall receive a wage rate increase of twenty-five cents (\$0.25) per hour on the rate earned

as of April 30, 2006, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Effective May 1, 2007, each employee earning higher than the minimum wage rate shall receive a wage rate increase of forty cents (\$0.40) per hour on the rate earned as of April 30, 2007, provided that said increase shall be subject to adjustment upward or downward as provided in Article X, Section 12 of this Agreement.

Each employee hired after April 30, 2003 shall be paid such employee's applicable start rate for his/her classification as set forth in Section C 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. Sick Leave. Each employee in Area 2 with one (1) year's employment or more as of April 30, 2003, 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.

AREA 3

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. Wage Rates. Effective May 1, 2003 through April 30, 2008, the minimum hourly wage rates and start wage rates for new employees shall be as follows:

<u>Classification</u>	<u>5/1/03</u>	<u>5/1/04</u>	<u>5/1/05</u>	<u>5/1/06</u>	<u>5/1/07</u>
Cleaner, Watchperson	\$7.15	\$7.20	\$7.25	\$7.30	\$7.35
Maintenance-Utility	\$7.22	\$7.27	\$7.32	\$7.37	\$7.42
Restroom Cleaner	\$7.22	\$7.27	\$7.37	\$7.42	\$7.47
Waxer, Mopper, Vacuum Oper.	\$7.27	\$7.32	\$7.37	\$7.42	\$7.47
Cleaning Foreperson	\$7.32	\$7.37	\$7.42	\$7.47	\$7.52
Warehouseperson	\$7.47	\$7.52	\$7.57	\$7.62	\$7.67
Power Sweeper Operator	\$7.23	\$7.28	\$7.33	\$7.38	\$7.43

C. Holidays. 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, 2003, will continue to provide those additional holidays for the life of this Agreement.

AREA 4

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) Article I, II, XIII, Section 10 and XXV of the Maintenance Contractor's Agreement (MCA) are effective immediately. Any job location currently covered by the full scope of the 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.

AREA 5

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. Article I, II, XIII, Section 10, and XXV 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.

APPENDIX E

MAINTENANCE INDUSTRY LABOR-MANAGEMENT COOPERATION TRUST FUND

1. Effective May 1, 2003, each Employer signatory to this Agreement shall contribute two cents (2¢) 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, 2005, each Employer signatory to this Agreement shall contribute three (3¢) 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.

2. 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, 2008; or (2) the date on which such Trust is terminated pursuant to Article VIII, Section 8.1 of the Declaration of Trust.

3. 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.