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25 pages

WORKING AGREEMENT

Between

**PLUMBERS LOCAL UNION
NO. 15**

and

**MINNESOTA MECHANICAL
CONTRACTORS ASSOCIATION**

St. Cloud, Minnesota

Effective May 1, 2005 - 4/30/08

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WORKING AGREEMENT

Company Name

Address

THIS AGREEMENT, entered into this first day of May 2005, by and between the MINNESOTA MECHANICAL CONTRACTORS ASSOCIATION (hereinafter called the "Employer") representing and acting on behalf of their members (individually referred to as "Employer") who are engaged in the plumbing industry, in Area 03 of the territorial jurisdiction of Plumbers Local 15, of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, AFL-CIO, hereafter called the "Union"

WITNESSETH:

WHEREAS, the Employer is engaged in the Piping Industry in the performance of such work requires the services of competent, skilled and qualified Journeymen, and WHEREAS, the Employer and the Union desires to mutually establish and stabilize wages, hours and working conditions for journeymen and apprentices employed with the Employers, and further, to encourage closer cooperation and understanding between Employers and the Union in the Pipe Fitting Industry to the end that a satisfactory, continuous and harmonious relationship will exist between the parties to this Agreement.

NOW, THEREFORE, The undersigned Employer and Union in consideration of the mutual promises and covenants herein contained mutually agree as follows:

ARTICLE I – Union Recognition

Section 1. The Union shall be the exclusive bargaining representative for all employees performing work within the described jurisdiction.

Section 2. The Minnesota Mechanical Contractors Association, Inc., (MMCA), is hereby recognized as the exclusive bargaining representative as to all of its present and future member contractors or any other contractor who has authorized it to act. Any member who resigns from MMCA shall be bound by this Agreement for its duration and any contractor who revokes his authorization shall be bound by this Agreement for its duration. The Employer's Association will furnish the Union with a list of contractors they are bargaining for.

ARTICLE II – Jurisdiction

Section 1. Trade or Work Jurisdiction

- a) This Agreement covers the rules and working conditions of all journeymen and apprentices engaged in the installation of all plumbing systems and component parts thereof, including fabrication, assembling, erection, installation, dismantling, repairing, reconditioning, adjusting, altering, servicing and handling, unloading, distributing, reloading, tying-on and hoisting of all piping material, appurtenances and equipment, by any method, including all hangers and supports of every description and all other work included in the trades jurisdictional claims of the United Association.
- b) Rigging, Handling and Setting of Equipment – Rigging or the handling and setting of the equipment coming under the jurisdiction of the United Association shall be handled in the following manner:

When the trucking firm has immediate need for the vehicle that is delivering the equipment, their personnel may unload same. After the first drop and regardless of where it may take place on the construction site, the members of the United Association covered by this Agreement shall take over and perform all the duties necessary to put the equipment or material in its final resting spot.

The above does not prevent the Employer from arranging with the trucking firm to furnish supervision after the first drop over the employees covered by this labor Agreement.

Section 2. Territorial Jurisdiction

- a) Area 03 of Local 15 Trade or Jurisdiction shall extend into the following fourteen (14) counties: Big Stone, Todd, Swift, Pope, Kandiyohi, Chippewa, Stearns, Stevens, Morrison, Benton, Meeker, Lac Qui Parle and Yellow Medicine. Also, that part of Sherburne which lies west of a line running northeasterly from the northern point of Wright County to the Southwestern tip of Mille Lacs County.
- b) Payments by Employer – The Employer agrees that whenever performing work in the Area of any Local Union’s jurisdiction where the collective bargaining agreement provides for a higher basic hourly rate, or a higher overtime rate, or lower hourly work day or work week, such collective bargaining agreement shall prevail. Further, on the same basis, the Employer agrees to make payments into legally established fringe benefit funds such as those for: Health & Welfare, Pension, the Credit Union and J.A.C., established pursuant to applicable collective bargaining agreements; and to pay all transportation, traveling time, board and room and expenses while in the jurisdiction of another affiliated Union.
- c) Reciprocity – The Employer further agrees when performing work in the jurisdiction or area of any other Union of the United Association to be bound by all of the provision of the Working Agreement effective in that jurisdiction or area to the same extent as if signatory

thereto, provided there is in force a like reciprocal clause in the Working Agreement of such other Union.

- d) Unorganized Territory – The provisions of this paragraph shall apply to all jobs in unorganized territory outside of the jurisdiction of the Local Union which is party hereto and is concerned in the matter.

ARTICLE III – Union Security

Section 1. All Journeymen and apprentices hereunder, members of the Union now in the employ of the Employer, shall remain members in good standing in the Union during the term of this Agreement. All journeymen and apprentices covered by this Agreement, hereinafter employed by the Employers, and who are not members of the Union, shall become members of the Union on the earliest date provided by applicable Federal Law after their employment or the date of this Working Agreement, whichever is later, and shall remain members of the Union in good standing during the term of this Agreement.

Section 2. Either party to this Agreement shall have the right to re-open negotiations pertaining to Union Security when the federal laws applicable thereto have been changed, by giving the other party thirty (30) days written notice.

ARTICLE IV – Hiring

The Union shall be the exclusive source of referrals of applicants for employment with the Employer.

Section 1. The Union agrees to furnish competent journeymen to the Employer, provided however, that the Employer shall have the right to determine the competency and qualifications of its employees and to discharge any employee for any just and sufficient cause. The Employer shall not discriminate against any employee by reason of his membership in the Union or his participation in its lawful activities.

Section 2. When the employer has requested the Union Office to furnish qualified journeymen to perform work within the scope of this Agreement, and the required number of workmen are not furnished, the Employer shall have the right to procure such journeymen from other available sources, provided however, that such workmen procured from other available sources, shall be required by Employer to make application with the Union not later than seven (7) days after hiring.

Section 3. Selection of applicants for referral to jobs shall be done on a non-discriminatory basis and shall not be based on, or in any way affected by, Union Membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of union membership, policies, or requirements. Such selection shall be made on the basis of the sequence in which applicants report to the Union as available for work, provided that an applicant may retain his proper sequence only if he possesses a state license, and if required a municipal license.

Section 4. No Discrimination – There shall be no discrimination in the selection, referral or employment of applicants because of race, color, or national origin in accordance with the existing law.

The above four sections of this Article shall be posted in places where notices to employees and applicants for employment are customarily posted.

ARTICLE V – *Union Representation/Access to Jobs*

Section 1. Authorized representatives of the Unions shall have access to jobs where employees covered by this Agreement are employed, providing they do not unnecessarily interfere with the employees or cause them to neglect their work, and further provided such Union Representative complies with customer rules.

Section 2. Job Steward - The member starting the job shall act as job steward until the business agent appoints a regular steward. The job steward shall represent the Union on the job to see that the Working Agreement between the Employer and the Union is enforced. He shall notify the business agent at once of any infractions of contract and of all grievances. All grievances which cannot be settled by the job steward shall be reported to the business agent for action.

ARTICLE VI – *Employer Responsibility*

Section 1. Employers shall carry and keep in force Workers' Compensation Insurance for the benefit of members of the Union and shall pay state and federal unemployment and Employer's share of social security taxes upon all wages paid members of the Union.

Section 2. Copy of Report to Union – The Union shall be furnished with a copy of each Employer reporting form covering all required contributions.

Section 3. Injury – When an employee covered under this Agreement is injured on the job and requires medical attention, he shall get paid for the full day when the doctor recommends he should not report back to work, when proof of doctor's recommendation is given to the Employer.

ARTICLE VII – *Fair Standards*

Section 1. Subcontracting. The Employer agrees not to sublet or contract out any work covered herein to be performed within the territorial jurisdiction of the Union unless the contractor to whom the work is sublet is in agreement with a Union affiliated with the United Association. This section shall apply to the extent permitted by applicable federal law.

Section 2. An Employer may work on any job in accordance with the rules and regulations of Local 15 and the United Association.

If there is more than one (1) owner to a shop, only one (1) can work without being a dues paying member of the United Association of Journeymen and Apprentices.

Section 3. In the event the Employer is bidding or negotiating a job or has bona fide reason to believe he is bidding or negotiating a job that may not be performed by Employer and Union parties hereto, then upon advising MMCA and the Union, no later than three days prior to the bidding, this Agreement may be mutually modified on a job basis to allow Employers to become more competitive.

ARTICLE VIII – Apprentices

Section 1. The Plumbers Joint Apprenticeship Committee shall consist of eight (8) members; four (4) members to be appointed each by the Employers and by the Union. Each member shall serve upon said committee until his successor is appointed by the party appointing him. Said committee shall have the power:

- A. To make rules and regulations for the conduct of its business, including provisions for defraying the expenses of the Committee in the administration and enforcement of the Apprenticeship Standards.
- B. To construe and apply the terms of the Apprenticeship Standards to effectuate the purpose for which they were written.
- C. To investigate, hear, determine and settle any dispute or controversy arising out of, connected with, or pertaining to the terms, provisions and conditions of the Apprenticeship Standards.

Section 2. Apprentices – Term “Apprentice” as used in this Agreement, shall mean only those apprentices certified by the Joint Apprenticeship Committee, as set up by the Union, and the Employers, and no apprentice shall work as a journeyman until certified as a journeyman by the Joint Apprenticeship Committee. Apprentice wage rates and ratio to journeymen shall be determined by the Joint Apprenticeship Committee.

Section 3. Any contractor bound by the terms of this Agreement shall also be bound by the Apprenticeship Standards as set fourth by the Plumbers Joint Apprenticeship Committee.

Section 4. The Joint Apprenticeship Committee shall advertise and conduct OSHA 10-hour construction classes.

ARTICLE IX – *Benefits and Other Funds*

A. Health and Welfare Fund

The Employer shall bear the entire cost of financing and administering the Health and Welfare Fund, through payments to be made for all employees working within the jurisdiction of the Union in the amounts as set forth in the Appendix. This fund shall be operated under a trust agreement executed by the parties.

The fund may include non-bargaining unit office personnel of participating Employers as permitted by law.

B. Credit Union

It is acknowledged that the sum allocated in the Appendix for Credit Union was originally negotiated as wages and were subsequently allocated by the Union as indicated in the Appendix, with the understanding that each employee is required to take a vacation of at least seven (7) consecutive days within a twelve (12) month period following May 1, provided that the sum so allocated to him are at least equivalent to forty (40) hours times his basic hourly rate. No employee shall do gainful work in the plumbing industry while on vacation.

C. Pension Plan

The Employer shall bear the entire cost of financing and administering the Pension Plan through payments to be made for all employees working within the jurisdiction of the Union in the amounts as set forth in the Appendix. This plan shall be operated under a trust agreement executed by the parties.

D. Pension Supplement

The Employer shall bear the entire cost of financing and administering the pension supplement plan through payments made for all employees working within the jurisdiction of the Union in the amounts set forth in the Appendix. This plan shall be operated under a trust agreement executed by the parties.

1. In the event the parties establish a participant-directed pension supplement plan, employees covered by this Agreement shall direct contributions and earnings within guidelines established under a trust agreement executed by the parties.
2. In the event the trustees establish a pension program with a cash or deferred arrangement, employees covered by this Agreement shall have the option of contributing to the cash or deferred plan. A cash or deferred plan is a pension plan or plans which allow for varying contribution rates as selected by the participant.

In the event any of the fringe benefits listed above decreased, for whatever reason, a like amount will be added to the wage or Credit Union.

E. National Pension Plan

Amended Standard Form of Participation Agreement

The undersigned Employer and Union agree that the Employer shall make pension contributions to the National Pension Fund in accordance with the terms of this agreement on behalf of those employees (including apprentices) covered by the Collective Bargaining Agreement between the parties.

1. a. Commencing with the first day of May, 1985, and for the duration of the current Collective Bargaining Agreement between the said parties, any renewals or extensions thereof, the Employer agrees to make payments to the Plumbers and Pipefitters National Pension Fund for each employee in each classification in accordance with the said Collective Bargaining Agreement.
 - b. For each hour, or portion thereof, for which an employee receives pay, the Employer shall make the contribution set out in Articles VI and XII to this Pension Fund. (Each overtime hour shall be counted as one regular hour for which contributions are payable.)
 - c. Contributions as set out above shall be paid starting with the employee's first day of employment in a job classification covered by the Collective Bargaining Agreement.
 - d. The payments to the Pension Fund required above shall be made to the "Plumbers and Pipefitters National Pension Fund" which was established under an Agreement and Declaration of Trust, dated July 23, 1968 and restated December 13, 1978. The Employers, by signing the Standard Form of Participation Agreement, or by signing a Collective Bargaining Agreement, providing for participation in the Plumbers and Pipefitters National Pension Fund, agrees to be bound by all of the terms and conditions of the Restated Agreement and Declaration of Trust. Any Employer so adopting the Restated Agreement and Declaration of Trust thereby ratifies, accepts and designates as its representatives the Employer Trustees then serving as such and authorizes said Employer Trustees to designate additional Employer Trustees and successor Employer Trustees in accordance with the terms and conditions thereof, and authorizes the Trustees to adopt amendments to the Restated Agreement and Declaration of Trust. The Employer hereby acknowledges receipt of a copy of the Restated Agreement and Declaration of Trust in effect when this Agreement is signed.
2. It is agreed that the Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the Pension Fund as a deduction for income tax purposes.

3. It is agreed that all contributions shall be made at such time and in such manner as the Trustees require; and the Trustees shall have the authority to have a qualified representative audit the payroll and wage records of the Employer for the purpose of determining the accuracy of contributions to the Pension Fund.
 4. If an Employer fails to make contributions to the Pension Fund within twenty days after the date required by the Trustees, the Union shall have the right to take whatever steps are necessary to secure compliance, any provision of the Collective Bargaining Agreement to the contrary notwithstanding, and the Employer shall be liable for all costs for collecting the payments due together with attorneys' fees, interest at the highest rate permitted by the state in which the delinquency occurred, and such late payment fees which may be assessed by the Trustees. The Employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedure or the "no-strike" clause provided under the Collective Bargaining Agreement.
 5. The parties agree that this Participation Agreement shall be considered a part of the Collective Bargaining Agreement between the undersigned parties.
- F. As part of this working agreement, the Union and Employer agree that the Twin City Pipe Trades District Council #3, through their delegates, will have the authority to make any changes they deem necessary, to the amounts of contributions to the funds that are part of the Twin City Pipe Trades Service Association.
- G. International Training Fund. The undersigned Employer and Union agree that the Employer shall make training contributions to the International Training Fund in accordance with the terms of this agreement and the Contribution Collection Agreement for the International Training Fund on behalf of those employees (including apprentices) covered by the Collective Bargaining Agreement between the parties.
- H. United Association Political Action Committee.
- I. Minnesota Pipe Trades Organizing Fund.

ARTICLE X - *Payments by Employer*

Section 1. Failure by an employer to pay wages as stated herein or failure to pay when due the other required payments stated in the Appendices and Article XXII shall constitute a breach of this Agreement and the Union involved shall have all rights afforded to it by law for such breach of this Agreement, including picketing and refusing to work, in addition to and in no way limited by, the grievance and arbitration procedures set forth in Article XVI herein.

The Employer shall pay the other required payments referred to above on or before the 20th day of the succeeding month or the payment shall be considered delinquent.

Section 2. The Employer herein agrees to conform with the trust agreements and the administrative rules now in effect or hereafter promulgated by the trustees of the various benefit funds, as fully as if specifically set forth herein, and the same are hereby incorporated by reference and made part of this Agreement. The said trust agreements and rules shall be available for inspection during business hours by all Employers and Unions at the offices of the trustees of said funds. The Employers subject to this Agreement shall report and pay to the designated office of the benefit funds all contributions required under this Agreement on a periodic basis as determined by said trustees.

Section 3. In the event of default by any Employer in making said contributions and payments, the trustees or the Unions involved, acting on behalf of the union members or beneficiaries of the funds, may take any legal action as they, in their sole discretion may determine, in order to effect collection of the amounts of wages or other payments which are in default. The Employer agrees to pay interest at the prime rate on any wages or other payments in default, plus all actual collection costs, including reasonable attorneys' fees incurred in the collection thereof. This provision is in addition to such rights as the Union may have under law for breach of this Agreement, including but not limited to, picketing and refusing to work. Said contributions and payments, for the purposes of enforcement of collection of the same against a delinquent Employer, shall be regarded as unpaid wages and entitled to the same penalties and priorities as unpaid wages.

Section 4. The Employer herein agrees that he shall remain liable and subject to all provisions of this Article with respect to default in the payment of wages, benefit contributions and other payments when due herein in the event (a) any joint venture in which he participates with one or more other employers under a separate or different name, or (b) any other party using his license in any manner, directly or indirectly, fails to make such payments when due, notwithstanding that such joint venture or other party operates as a partnership, association or corporation or operates under a name or style which is similar or different from the name ordinarily used by the Employer herein, and irrespective of his right to reimbursement from others.

Section 5. Bonding Delinquent Employers And Weekly Payments. In the event that an Employer fails or refuses to pay any of the payments due to the fringe benefit funds as outlined in Article VI and is therefore in default, such defaulting Employer, within seven (7) days shall:

- pay all arrearages owing to said fund or any of them and
- post a bond approved by and deposited with the Twin City Pipe Trades Service Association or deposit cash in an amount fixed by the Service Association, conditioned and sufficient to pay all of the payments due to all of said funds for a period of at least three (3) months in advance, and
- pay contributions once a week not later than three (3) working days (excluding Saturdays, Sundays, and holidays) after the close of the period for which contributions are due.

Such bond and weekly payment requirements shall continue for a period of not less than twenty four (24) months. If the Service Association is required to seek an injunction from the United States District Court to impose the bond and weekly payment obligations, then such bonding and weekly payment requirements shall be permanent.

If the Employer defaults in posting said bond or cash equivalent, or if the Employer defaults in timely payments of required weekly contributions, the Union may, upon written notice, refuse to work and/or cancel and terminate forthwith this Agreement with such Employer.

The Service Association is also authorized, in its sole and exclusive discretion, to require an Employer who is late in making any required fringe benefit contribution payments to post a bond or the cash equivalent in an amount that is less than the amount required to secure three months future contributions, such amount to be determined in the sole discretion of the Service Association, without requiring weekly contributions. The Employer shall post the required bond or cash equivalent within seven (7) days of demand by the Service Association (or such longer period as the Service association may authorize in its sole discretion). If the Employer fails to post such bond, or maintain it, including if the Service Association is required to draw against it for the Employer's contribution obligations, then the Service Association is authorized to obtain an injunction requiring a bond for three months contributions and weekly contribution payments.

The Service Association is further authorized, in its sole and exclusive discretion, to require an Employer who has incurred an event of financial insecurity to post a bond or the cash equivalent in an amount of up to two months future contributions, such amount to be determined in the sole discretion of the Service Association. The Employer shall post the required bond or cash equivalent within seven (7) days of demand by the Service Association (or such longer period as the Service Association may authorize in its sole discretion). If the Employer fails to post such bond, or maintain it, including if the Service Association is required to draw against it for the Employer's contribution obligations, then the Service Association is authorized to obtain an injunction requiring a bond for three months contributions and weekly contribution payments. Events of financial insecurity shall mean events which include, but is not limited to, missing employee payrolls, having checks issued by the Employer dishonored at a financial institution, losing credit at a supplier, or making a fringe benefit contribution payment late

Section 6. Consistent with the provisions of the fringe benefit trust agreements, an employer who fails to make the required fringe benefit contributions by the 15th of the month following the month from which contributions are due shall be assessed a liquidated damage of 3% of the unpaid fringe benefit contributions due, payable as additional fringe benefit contributions. If payment of delinquent contributions is not received within ten days of the 15th due date, an additional 7% liquidated damage assessment shall be due from the delinquent employer, also payable as additional fringe benefit contributions. The union shall have all of its same rights and remedies with respect to liquidated damages which remain unpaid after the 15th of the month following the date on which such liquidated damages were incurred as the union has with respect to any other unpaid fringe benefit obligation.

ARTICLE XI – Reporting Pay

Any employee after being hired and reporting for work at the regular starting time and for whom no work is provided shall receive pay for two (2) hours at the established hourly rate unless he has been notified before leaving home not to report, and any employee who reports for work and for whom work is provided shall receive not less than four (4) hours pay. However, the

exception shall be when weather or strike conditions make it impossible to put such an employee to work or where stoppage of work is occasioned thereby, or when an employee leaves work on his own accord.

In or to qualify for the pay provided for in this Article, the employee must remain on the job available for work during the period of time for which he receives pay unless released by the Employer. After starting work and work is stopped because of weather or strike conditions, the employee shall receive pay for the actual time on the job, but in no event, less than two (2) hours. The Employer shall have sole responsibility to determine availability of work due to weather conditions subject to consultation with the Union.

ARTICLE XII – Payday

Wages at the established rates shall be paid in the shop, on the job, mailed to and received at the employees designated address, or direct deposited once a week not later than four (4) days (excluding Saturdays, Sundays and Holidays) after the close of the period for which wages are due. This also applies to employees that are laid-off or terminated by the employer. The employer will be responsible to pay two (2) hours pay for every working day (excluding Saturdays, Sundays and Holidays) that the employee has to wait.

ARTICLE XIII – Conditions of Employment

Section 1. Tools. Union members shall furnish no tools or equipment by loan, rentals or otherwise.

All workmen shall accept the responsibility for the proper care of all tools, and/or equipment furnished by the individual Employer. Any workman who abuses the provisions of this section shall be subject to investigation by the Joint Labor Board and any disciplinary action it levies.

Section 2. Other Conditions of Employment. Journeymen and registered apprentices, parties to and recognized under this Agreement, shall not be required as a condition of employment to furnish the use of an automobile or other conveyance to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop; facilities for such transportation shall be provided by the Employer.

No journeyman or master shall drive a vehicle in pursuit of his craft unless the vehicle bears the name of the Employer.

No employee shall directly or indirectly, or by subterfuge, contract any work covered by the terms of this Agreement. No employer shall directly or indirectly, or by any subterfuge, sublet or contract to members of the Union all or any part of the labor services required by any contract of such Employer.

Section 3. All employees will be required to complete an approved First Aid Course on employee's own time. Ten hours training for Journeyman enforced by the Union.

ARTICLE XIV – *Work Stoppage*

Section 1. Picketing; Work Stoppage. Refusal to pass through a lawfully permitted picket line will not constitute a violation of this Agreement.

Section 2. Conditions Where Work Stopped. When a work stoppage occurs on a job site, and men are assigned to other non-stuck projects either by Union or Employer, the Union will make a special effort to return the men to their former Employer. Supervisory personnel will be permitted the right to cross a picket line to secure tools and equipment of Employer.

ARTICLE XV – *Supervision*

Section 1. Foreman rate of pay shall prevail for the employee who is assuming full responsibility for any job requiring setting sleeves, reading plans, expediting materials and representing the Employer in meetings with architects, engineers, general contractors or their representatives on the general program of work for any job. No foreman shall supervise more than one job that requires a full time foreman and it is mandatory that there be a foreman whenever four (4) or more journeymen and apprentices are employed on a job, or when the mechanical contract exceeds \$25,000, (excluding sheetmetal), it shall be up to the discretion of the Employer whether or not to use a foreman. An Employer may act as his own foreman.

Section 2. One foreman for ten journeyman and apprentices, two foremen for up to 20 journeyman and apprentices. When thirty men is reached, a general foreman will be added.

ARTICLE XVI – *Grievances*

Section 1. A committee shall be appointed by majority vote of the parties hereto upon the execution of this Agreement to be known as the Joint Labor Board. Said Board shall consist of six (6) members, three (3) members to be appointed each by the Employers and the Union. Each member shall serve upon said Board until his successor is appointed by the party appointing him. Said Board shall have the power:

- A. To make rules and regulations for the conduct of its business including provisions for defraying the expenses of the Board in the administration and enforcement of this Agreement.
- B. To construe and apply the terms of the Agreement to effectuate the purpose for which it is made.

- C. To investigate, hear, determine and settle any dispute or controversy arising out of, connected with, or pertaining to the terms, provisions and conditions of this Agreement.
- D. To award damages and assess costs and expenses for any breach or violation of this Agreement.

Section 2. Any person for whose benefit this Agreement is made, aggrieved by the decision or award of the Board, may as herein provided but not otherwise, within ten (10) days after written notice of said decision or award, demand that said controversy or dispute be submitted to arbitration proceedings, as provided herein. Said demand shall be in writing and may be served within the said ten (10) days, upon any member of said board in the manner provided for the service of a Summons in the District Court of Minnesota.

Section 3. Any controversy arising over the interpretation of or adherence to the terms and provisions of this Agreement shall be settled by negotiation between the Union and the Employer. Any controversy which cannot be so settled promptly shall be referred to an Arbitration Board composed of two (2) representatives of the Union, two (2) representatives of the Employer, and these four (4) shall select a fifth impartial person. (If the first four (4) cannot agree upon the fifth member within five (5) days, then the State Labor Conciliator upon request of either party shall be selected as said impartial members, in the following manner: Each side shall in rotation strike one name until four are eliminated, leaving the fifth as the impartial member. The side entitled to the first strike shall be determined by lot).

Section 4. The majority decision of this board shall be final and binding on both parties. All complaints must be registered within thirty (30) days by either party to this Agreement, and the decision reached within ten (10) days. If dispute is in regard to hours or wages, the settlement shall be retroactive as of the date of violation.

Section 5. Should any person fail to comply with the award of the arbiters as herein provided, upon the parties hereto may proceed as provided by the Minnesota Statutes of 1999, Section 572.08 to 572.30, inclusive.

Section 6a. In recognition of the work jurisdictional claims, it is understood that the assignment of work and the settlement of jurisdictional disputes with other Building Trades Organizations shall be adjusted in accordance with the procedure established by the National Joint Board or any successor agency of the Building Trades Department.

6b. "Decisions rendered shall be final, binding and conclusive on Employers that are parties to or have adopted this Agreement and on all Unions affiliated with a national or international Union affiliated with national or international Union that is a member of the Building and Construction Trades Department, whether or not parties to this Agreement"

6c. "This Article shall apply to any and all jurisdictional disputes, between or among Unions affiliated with the Building and Construction Trades Department, on all work covered by this Agreement and related work performed by the Employer, whether or not the Union involved in the jurisdictional dispute have any members employed by the Employer and or not, the Unions involved are in agreement with the Employer."

ARTICLE XVII – *Temporary Heat*

Section 1. All temporary heat is recognized as the work of the heating contractor, maintenance by United Association members rather than some other craft wherever temporary heat is used. The same now applies, by extension of the original Agreement, to gas and oil-fired equipment and to refrigeration and air conditioning and other installations. This means that it is optional with the owner or Contractor whether to provide for temporary heat, but wherever temporary heat or cooling is provided, then the conditions under which it is maintained shall be governed by this Agreement, as long as all phases of maintenance are recognized as the work of the United Association until the general tests are completed and the job is accepted by the owner.

Section 2. All overtime over eight (8) hours per day and over forty (40) hours per week on a round-the-clock schedule shall be paid for at the rate prescribed in Article XXII.

Section 3. When temporary heating and cooling is on a spot check basis, the minimum time worked shall be one (1) hour per spot check.

ARTICLE XVIII - *Savings Clause*

If any provision of this Agreement shall by official governmental authority, order or court decision be declared invalid, then such invalid provision shall be of no force or effect. In lieu thereof, the parties shall thereafter negotiate a valid provision.

ARTICLE XIX - *Industry Fund*

Section 1. The Employer shall pay to the Minnesota Mechanical Contractors Industry Fund the sum outlined in the Appendices for every hour worked, including overtime hours, by journeymen, foremen, and general foremen, and apprentices and employees engaged in or performing the duties of any of them within the jurisdiction of the Union.

Section 2. The payments so made shall be used for industry promotional and related purposes, in accordance with the Trust Agreement of said Minnesota Mechanical Contractors Industry Fund.

Section 3. The Employer agrees to abide by the Trust Agreement developed and administered by the Minnesota Mechanical Contractors Association and accepts the Trustees selected and appointed in accordance with said Trust as his representatives and to administer the funds in the possession of said Fund.

ARTICLE XX - *Duration*

Section 1. All provisions of this Agreement shall be in force and effect beginning May 1, 2005 unless otherwise specifically stated herein, and continue in force for a period ending April 30, 2008, and shall automatically continue in effect thereafter from year to year unless a notice for a change in

this Agreement is given in writing by one party to the other at least sixty (60) days prior to any expiration date. Within two (2) weeks of such notification for a change in this Agreement, negotiations shall be commenced by the respective parties.

Section 2. Members of the parties hereto agree to report every grievance or violation of this Agreement to the Joint Labor Board or any member thereof immediately upon knowledge thereof and may be fined for not doing so. Such grievances or violations may be settled forthwith by duly authorized agents of the parties hereto. Any person aggrieved by such decision may appeal to the Joint Labor Board within twenty-four (24) hours thereafter and such appeal shall be determined by the Board within ten (10) days after such decision.

ARTICLE XXI - Renegotiation

In the event the parties hereto mutually agree to renegotiate this Agreement prior to the expiration date, any modifications, deletions or additions thereto shall be binding on all signators.

ARTICLE XXII – Working Conditions

Section 1. Hours of Work. Eight (8) hours of work between the hours of 7:00 a.m. to 5:30 p.m., shall constitute a work day. Five (5) working days, Monday thru Friday, inclusive, totaling forty (40) hours, shall constitute a work week.

Section 2. Overtime. Overtime rates shall apply as follows: All work performed before and after the regularly scheduled eight hour work day shall be time and one half times the rate of pay except Sundays and holidays, which will be double time.

Section 3. Emergency Work. Emergency work shall be defined as that which is for the protection of life, health and property. Such emergency work performed other than regular working hours shall be paid for at one and one half times the hourly rate of pay if called on same day work is performed.

If there is a grievance about overtime pay, the joint labor board will decide.

Section 4. Night Shifts. There must be at least five (5) consecutive nights of work before the term night shift shall apply. When necessary to work a night shift, the men shall receive 15% over the journeyman rate of pay for a second and third shift.

Section 5. Holidays. Holidays shall be defined as observed within the territory covered by this Agreement as follows: New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day. If one of the holidays above falls on a Sunday, it shall be observed on Monday. Accordingly, if such an event occurs, work performed on Sunday shall be paid at double time for that day; worked performed on Monday, will be paid at double the straight time rate. No work shall be performed on Labor Day except in case of emergency.

Section 6. Adherence. Under no condition shall any one member of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, AFL-CIO deviate from the above Article XXII.

Section 7. By mutual consent of the Employer and the Union, the starting and quitting time of a normal established work day of eight (8) hours for the one Employer may be set or changed for any or all employees.

Section 8. Four 10-hour days. With the approval of the employee and union, the Employer may initiate a scheduled 10-hour 4 consecutive-day work week, Monday through Friday, during the Daylight Savings Time period of the year, which starts the first Sunday of April and ends the last Sunday of October, Monday to Sunday. The first 40 hours shall be paid at straight time, the next 10 hours shall be paid at time and one half. Any hours worked after 50 hours shall be paid at double time.

Section 9. Travel/Subsistence. *(See map on page 22.)*

Mileage, Subsistence, Travel:

- A) 40 mile radius around the St. Cloud City Hall no mileage applies.
- B) Next 25 whole miles (41-65) miles 40.5¢ per mile. (Starting January 1, 2006, and changing every January 1, mileage shall be the Internal Revenue Service standard business mileage rate.)
- C) Travel in excess of 65 miles (whole miles) \$30.00 per day subsistence.
- D) Members address shall be official mailing address as it appears in Local 15 hiring hall data base.
- E) The employer may pay transportation costs to and from the job site at the beginning and completion of the job plus subsistence as described in C *(above)*. All intermediate trips made at the direction of the Employer shall be paid for as described in C.
- F) When performing work in the jurisdiction of another Local Union the Employer further agrees to pay all transportation, traveling time, reasonable board and room and expenses mutually agreed upon between the Employer and employee while in the jurisdiction of the other Union.

Section 10. Classification and Rates of Pay. Journeymen, foremen and general foremen shall receive hourly rates of pay as set forth in Appendix "A". Apprentices shall receive hourly rates of pay as set forth in Appendix "B".

The amounts may be changed by a written sixty (60) days notice to the Contractor's Association. Any increase to the Working Fee Fund will correspond to a decrease of like amount in the Base Wage or Credit Union.

Section 11. Benefit Funds. The Employer shall pay into the applicable trust arrangement the required amounts in each of the following funds for each hour worked, including overtime hours at the overtime rate, (for example, for double time hours, all fringes shall be paid double time) by each journeyman, foreman, general foreman, and each apprentice or employee engaged in or performing the duties of any of them within the jurisdiction of the Union. For the purposes of this Agreement, applicable trust arrangement is interpreted to mean employers who have Local Union #15 members working in Local Union #34 jurisdiction will pay Local Union #15 fringes.

Health and Welfare Fund
Pension Fund
Credit Union
Apprentice and Journeyman Training Fund
Industry Fund
Working Fee Fund
National Pension Fund
Pension Supplement Fund
Industry Promotion Fund
Political Action Fund

The above fringe benefits—Health and Welfare, Pension, Pension Supplement, Credit Union, Apprentice and Journeyman Training, Industry, Working Fee, National Pension, Industry Promotion, and Political Action funds—shall be paid in multiples of one-half (½) or full hours. This applies to straight time and overtime rates. All fringe benefits on overtime or shift premium shall be paid at overtime rates.

Section 12. Portability. The Employer has the freedom to move an unlimited number of employees into and out of any Local Union's jurisdiction in the State of Minnesota. The Employer will be responsible for reporting work in the area to the Local Union and paying travel card fees for the traveling member(s). Job targeting funds and union project agreements can only be utilized for local union members.

ARTICLE XXIII – Residential and Maintenance

The parties hereto agree to meet and study problem areas in the Plumbing industry pertaining to single family dwellings, and also in the maintenance field.

ARTICLE XXIV – Drug and Alcohol Policy

Drug testing is allowed by the Employer under these circumstances: reasonable suspicion, pre-employment, post-incident, work opportunity mandated testing (owner, general or government required).

Employee will be given a dated card that shows successful test that is valid from exemption for pre-employment testing for one year from date of previous test. TEAM administers the testing procedures.

No database.

Allow for use of drug testing strips (commonly called 'quick test'), with use of confirmatory test.

All referrals who receive a negative test result shall be given two hours straight time pay by the Employer.

Any employee required by an employer to provide a specimen for testing during scheduled work hours will be paid compensation and fringe benefits for the actual time away from work.

Should the retest results be non-negative and the employee lose wages due to the initial non-negative test, the Employer shall pay the employee for lost time at the straight time rate if the confirmatory test is negative.

Industry Fund pays for drug test.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed, sealed and delivered by their proper and duly authorized officers and representatives, effective as of the date herein set forth.

MINNESOTA MECHANICAL CONTRACTORS ASSOCIATION

By: Steven G. Petterson, Executive Vice President

UNITED ASSOCIATION OF THE PLUMBING AND PIPEFITTING INDUSTRY OF THE UNITED STATES AND CANADA, AFL-CIO, LOCAL NO. 15

By: Robert Hansen, Business Manager

FOR THE EMPLOYER:

Name of Association or Business

By: _____

Name

Title/Date

Address

City

Zip

Telephone

FOR THE UNION: LOCAL NO. 15

By: _____

Name of Business Manager/Agent

Appendix "A" – Journeyman Rates of Pay

	Effective Dates		
	<u>5/1/05</u>	<u>5/1/06</u>	<u>5/1/07</u>
Plumbers Local No. 15 Area 03			
JOURNEYMAN & FOREMAN RATES OF PAY			
<u>Base Wage</u>			
Journeyman*	\$23.49		
Foreman*	25.49		
General Foreman*	26.49		
<u>Fringe Benefits</u>			
Credit Union	5.03		
Working Fee	.42		
Local #15 Pension TCPT	1.96		
Pension Supplement	2.25		
U.A. Pension	1.80		
Health & Welfare	6.41		
Retiree Health Trust	1.95		
Apprentice & Training	.45		
MMC Industry Fund	.08	.09	
Int'l Training Fund	.05		
<hr/>	<hr/>	<hr/>	<hr/>
Yearly Totals	43.89	45.70	47.50

The amounts may be changed by a written sixty (60) days notice to the Contractor's Association. Any increase to the Working Fee Fund will correspond to a decrease of like amount in the Base Wage or Credit Union/Vacation Fund.

Appendix "B" – Apprentice Rates of Pay

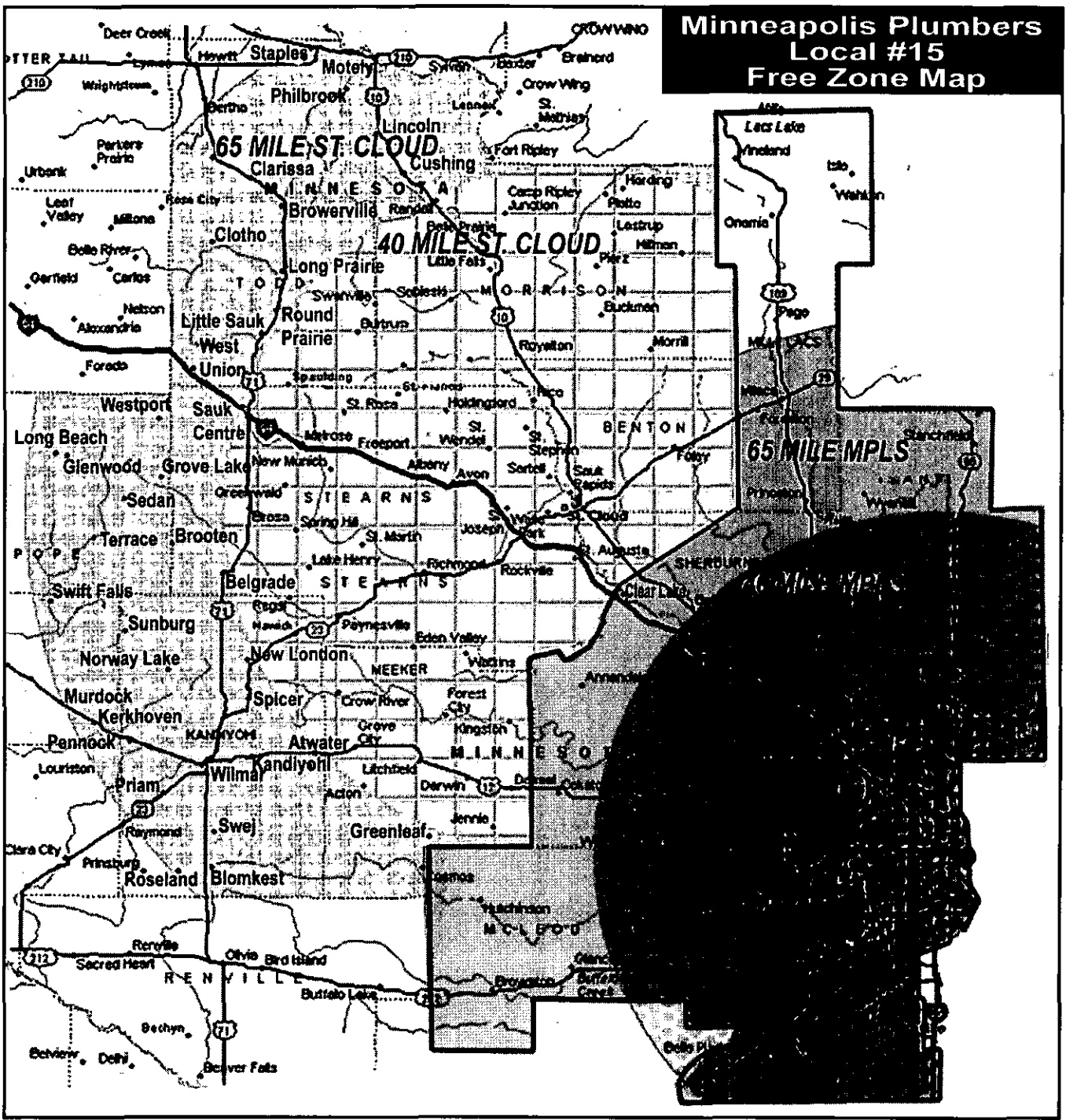
ST CLOUD AREA
PLUMBERS APPRENTICE WAGE SCALE

EFFECTIVE MAY 1, 2005

Based on Journeyman rate of \$23.49 per hour

	PROVISIONAL PRE- APPRENTICE	1st YEAR 45%	2nd YEAR 55%	3rd YEAR 65%	4th YEAR 75%	5th YEAR 85%
Taxable Base Wage	\$9.00	\$10.57	\$12.92	\$15.27	\$17.62	\$19.97
Working Fee		.42	.42	.42	.42	.42
Credit Union	\$0.25	2.23	2.23	4.03	5.03	5.03
Taxable Total	\$9.25	\$13.22	\$15.57	\$19.72	\$23.07	\$25.42
Fringe Package						
Health & Welfare	\$2.00	6.41	6.41	6.41	6.41	6.41
Retiree Health Trust		1.95	1.95	1.95	1.95	1.95
Int'l Training Fund		.05	.05	.05	.05	.05
Local Pension		---	1.16	1.96	1.96	1.96
U.A. Pension		1.80	1.80	1.80	1.80	1.80
Apprentice Training		.45	.45	.45	.45	.45
Industry Fund		.08	.08	.08	.08	.08
Pension Supplement		---	---	.25	.25	.25
Total Fringes	\$2.00	\$10.74	\$11.90	\$12.95	\$12.95	\$12.95
Total Package	\$11.25	\$23.96	\$27.47	\$32.67	\$36.02	\$38.37

**Minneapolis Plumbers
Local #15
Free Zone Map**



K# 7513

AGREEMENT

between

Chicago Joint Executive Board

of the

Hotel Employees and

Restaurant Employees International Union

A.F.L.-C.I.O.

and

Chicago Area Hotels

SEPTEMBER 1, 2002 THROUGH AUGUST 31, 2006

64 pages

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THIS AGREEMENT made and entered into as of the first day of September 2002, by and between

(hereinafter referred to as the "Employer"), and the Chicago Joint Executive Board of the Hotel Employees and Restaurant Employees International Union, A.F.L.-C.I.O, as exclusive bargaining agent for the following affiliated Local Unions:

HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES UNION, LOCAL NO. 1, A.F.L.-C.I.O.;

HOTEL, MOTEL, CLUB, CAFETERIA, RESTAURANT EMPLOYEES AND BARTENDERS UNION, LOCAL 450, A.F.L.-C.I.O.;

(hereinafter referred to as the "Union" and the "Locals") and concerning each of which a Local Union Supplement is attached hereto and made a part hereof.

SECTION 1 - PREAMBLE AND PURPOSE

The purpose of the Agreement is to provide orderly collective bargaining relations between the Employer and the Union, to secure a prompt and fair disposition of grievances, and to eliminate interruption of work and interference with the efficient operation of the Employer's business.

It is the intent and purpose of the parties hereto to promote harmonious economic and industrial relationships between the Employer, its employees, and the general public and to set forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties to this Agreement. The Employer and the Union jointly agree to perform faithfully the obligation imposed by this Agreement.

SECTION 2 - RECOGNITION

(a) *Employee.* The term "employee" when used in this Agreement shall refer to a person employed by the Employer in a job classification listed in a Local Union Supplement to this Agreement.

(b) *Exclusive Representative.* The Employer recognizes the Union as exclusive representative of its employees in those job classifications listed in the Local Union Supplements for the purpose of collective bargaining concerning rates of pay, hours of work, or other conditions of employment.

(c) *Union Harmony.* Although membership or non-membership in the Union is discretionary with the individual subject to the union shop provisions of this Agreement requiring membership in the Union after a stated time, the parties understand that nothing prohibits an individual from voluntarily joining the Union before the expiration of the stated time if the individual so desires.

To the extent that the Union is the sole and exclusive collective bargaining representative for the employees in the bargaining unit and to the extent that the wages and terms and conditions of employment have been arrived at through the process of collective bargaining between the parties, each employee shall be so advised at the time of hire of such facts.

SECTION 3 - UNION SECURITY

As a condition of continued employment, all present employees covered by this Agreement who are members in good standing on the date of the execution hereof shall remain members in good standing; all such present employees who are not now members of the Union, and all such employees who are hired on or after the date of execution hereof, shall on the thirtieth (30th) day following the execution of this Agreement or the thirtieth (30th) day following commencement of employment, whichever is later, become and remain members in good standing in the Union and pay dues thereto. The standing of any employee as a member of the Union shall be reflected by Union records.

The failure of any employee to become a member of the Union at such required times shall obligate the Employer, upon written notice from the Union to such effect and with proper documentation, and to the further effect that Union membership was available to such employee on the same terms and conditions generally available to other members, to forthwith discharge such employee. Further, this failure of any employee to maintain his Union membership in good standing as required herein shall, upon written notice to the Company to such effect, obligate the Employer to forthwith discharge such employee.

The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Employer in compliance with any of the provisions of this Section.

SECTION 4 - EMPLOYEE HIRING

(a) In filling job vacancies and hiring additional or new personnel, except banquet bartenders, banquet cooks, banquet servers and banquet captains or hostesses, the Employer shall apply to the Local Union Office in addition to other available sources for the suggestion of applicants to fill such positions from among individuals who are registered with the Union as available and qualified for the type and kind of position that is to be filled.

(b) All banquet bartenders, banquet cooks, banquet servers and banquet captains or hostesses shall be sought from the Local Union Office. The Employer agrees to notify the Local Union Office at the earliest possible time of its need for said employees. In the event that the Local Union Office is unable to supply competent employees who are satisfactory to the Employer, the Employer shall then have the right to employ the additional number required from any other available source at the regular wage rates herein specified. It is expressly agreed that the Employer may request the referral of any specific individual or individuals registered at the Local Union Office, and that the Local Union will make every reasonable effort to refer individuals so requested.

(c) The Union may suggest the names of such applicants referred to in Sub-Sections (a) and (b) above, except as otherwise above provided, in accordance with rigid application to the following minimum standards:

1. Selection of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by Union membership, by-laws, rules, regulations, constitutional provision or any other aspect or obligation of Union membership, policies, or requirements.
2. The Employer retains the right to reject any job applicant referred by the Union.
3. The parties to this Agreement shall post in places where notices to all employees and applicants for employment are customarily posted all provisions relating to the functioning of the hiring arrangement.

(d) The Union, by and with the approval of the Employer, shall establish and maintain appropriate registration for qualified applicants available for employment in established job categories, and the conduct of this activity by the Union shall also be in accordance with the rigid application of the above listed minimum standards.

(e) Those parties charged with the responsibility for the conduct of the above described activities shall be instructed to maintain permanent and detailed records reflecting

individual dealings with both the Employer and job applicants.

(f) Employees not covered by the collective bargaining agreement shall be selected and hired solely by the Employer, and whether a member of the Union or not, they shall act as agents of the Employer only, and shall not apply or attempt to apply any regulation, rule, by-law or provision of the Union Constitution in any respect or obligation of Union membership.

(g) Each Hotel, if it so desires, may maintain a list of banquet steady servers. A banquet steady server is defined as a banquet employee on the regular payroll of the Hotel for whom Health and Welfare, Pension, Dental and, Legal Plan Fund contributions are made monthly, who receives vacations as defined in the basic Labor Agreement for regular employees, and for whom Union initiation fees and dues will be checked off in the future.

In addition, each Hotel shall have the right to maintain a supplementary listing of regularly assigned extra banquet employees for that Hotel.

All other banquet employees will be defined as extras and must be secured from the Local Union Office as needed by the Hotel provided the Union is able to furnish same. If the Union is unable to furnish extra banquet employees satisfactory to the Hotel, the Hotel shall have the right to secure the additional numbers required from any available source at the prevailing wage rates herein specified.

Any regularly employed dining room or room service servers on a Hotel's regular payroll may be used to supplement the extra banquet list without notification to the Local Union Office.

There shall be no preferred list of extras on record in the Local Union Office from any Hotel. However, each Hotel shall have the right to indicate extra banquet employees not acceptable to the Hotel and, further, may reject any extra banquet employee referred to the Hotel from the Local Union Office. If the Hotel rejects any such extra banquet employee referred from the Local Union Office, it shall promptly notify the Union in writing stating the name of the employee or employees so rejected and the reasons therefore.

Each Hotel shall, upon request, furnish the appropriate Local Union Office with a listing by classification of its Banquet steady servers and the supplementary listing of regularly assigned extra employees.

SECTION 5 - CHANGE OF IDENTITY

(a) This Agreement and all its terms shall be binding upon the employees, the Employer, the Locals and the Union, as well as their respective successors and assigns, subject to the following:

(b) In the event that the Employer sells or assigns its business or in the event that there is a change in the form of ownership, the Employer shall give the Union reasonable advance notice thereof in writing and shall make all payments which are due or shall be due as of the date of transfer of the business for wages and benefits for employees covered by the Agreement. In addition, the Employer shall be responsible for accrued vacation payments for each employee covered by the Agreement. The Employer further agrees that as a condition to any such sale, assignment or transfer of ownership, the Employer will obtain from this successor or successors in interest a written assumption of this Agreement and furnish a copy thereof to the Union.

(c) This agreement shall be binding upon the successors and assigns of the parties hereto. No provisions, terms or obligations herein contained shall be affected, modified, altered or changed in any respect whatsoever by the consolidation, merger, sale, transfer, or assignment of the Employer's interest, or any part thereof, in any establishment covered by this Agreement.

SECTION 6 - SUBCONTRACTING

(a) The Employer and the Union agree that it is desirable and proper to maintain the integrity of the existing bargaining unit. In furtherance of that agreement, the parties agree:

That the Employer will not subcontract out any work currently being performed by members of the bargaining unit without first negotiating said subcontract with the Union. In the event such negotiations fail to produce an agreement, either party may invoke the arbitration provisions set forth in Sections 44 and 45 of this Agreement. However, tasks, departments, outlets and work practices which were contracted out prior to the present contract may continue to be contracted to independent third parties at the terms and conditions in effect at the time this Agreement commences.

(b) If qualified help is not available, this Agreement and Section shall in no way restrict the right of the Employer to temporarily hire or utilize employees on an emergency basis from any source, at the applicable contractual wage rate set forth in this Agreement, for the purpose of maintaining normal Hotel operations, provided the Employer has offered

the work to qualified regular employees who do not have a full time schedule or who are available to work on an overtime basis and provided further the Union was provided an opportunity to provide qualified employees.

(c) Employer will request all such subcontractors to provide a monthly statement, including the names of all employees used to perform services at the Hotel, the date the services were provided, the job classification of the work performed, the number of hours worked by the subcontractor's employees, and certification that the subcontractor paid the employee no less than the applicable contractual wage rate provided by this Agreement. Employer shall provide this information to the Union no later than the tenth (10th) day of the month following its receipt from the subcontractor.

SECTION 7 - STRIKES AND STOPPAGES

(a) *Abidance by Arbitration Proceedings of Both Parties.* The Union agrees that there shall be no strikes, walkouts, stoppages or slowdown of work, boycotts, refusal to handle any merchandise, picketing, or any other interference with any of the operations of the Employer during the term of this Agreement so long as the grievance procedure for which provision is made herein is followed by the Employer and the Employer abides by the results of arbitration herein provided. However, failure on the part of the Employer to make contributions to the Hotel Employees, Restaurant Employees International Union Health and Welfare Fund or to the Hotel Employees, Restaurant Employees International Union Pension Fund or to the fund established pursuant to the Prepaid Legal Plan, referred to in Sections 46,47,48 and 49 hereof, or failure to make authorized check-off remittances to the respective Locals within the time set forth in the Health and Welfare Fund, Dental Plan, Pension Fund, or Prepaid Legal Plan Fund in this Agreement shall constitute a violation of this Agreement not subject to the Grievance or Arbitration Procedures. Unless any such delinquency, which is not subject to a bona fide dispute as to amount, is satisfied by the Employer within ninety-six (96) hours after it has received from the Union written notice thereof, the Union may strike without such strike constituting a violation of this Agreement.

Refusal of any employee to cross a primary labor picket line shall not be grounds for discharge or disciplinary action.

(b) *No Lockout During Term of Agreement.* The Employer agrees that there shall be no lockout during the term of this Agreement as long as the grievance procedure for which provision is made herein is followed by the Union and the Union abides by the result of arbitration provided herein.

SECTION 8 - MASCULINE INCLUDES FEMININE

Whenever in this Agreement the male gender is used, it shall be deemed to include the

female gender.

SECTION 9 - DEDUCTIONS AND DONATIONS

An employee shall not be required to make any contribution or to suffer any deduction from his wages without the written authorization of such employee, except as may be required by law or for a uniform deposit as provided in Section 18.

When an employee is required as a condition of employment to be bonded, the Employer shall pay the cost of said bond.

SECTION 10 - INDIVIDUAL AGREEMENTS

No employee shall be compelled or permitted to enter into any individual contract or agreement with the Employer concerning wages or working conditions providing for less than the minimums stated in this labor contract.

The Employer shall be solely responsible for all valid claims arising from a violation of this Section.

SECTION 11 - MAINTENANCE OF EXISTING PRIVILEGES

No employee shall, as a result of the signing of this Agreement, suffer a reduction in his wages nor be deprived of any established and recognized benefits or privileges in excess of, or more advantageous than, the contract provisions.

SECTION 12 - MANAGEMENT RIGHTS

The Management of the Hotel and the direction of the working force are vested solely and exclusively in the Employer and shall not in any way be abridged except as set forth in this Agreement.

The Union recognizes that subject only to the express conditions of the Agreement the Employer has the right to hire, promote, transfer, layoff, discharge or discipline employees for just cause, assign work, and schedule hours, classify employees, curtail any activity or cease any operation, make and enforce the observance of reasonable Company rules and regulations after notice to the Union and maintain the efficiency of employees.

The determination of the type of service or products it will provide, the number of meals it will serve in its food outlets, the assignment of overtime, quality standards, hours of work, starting and quitting times and methods and procedures of operations to be used are the exclusive rights of the Employer, subject to the express conditions of the Agreement.

The foregoing itemizations are descriptive of the general rights of management and are not to be construed as limitations thereon.

SECTION 13 - EMPLOYER MEETINGS

The Employer may call special meetings of the employees, but such Employer meetings shall be held on the employees' scheduled work shift -- the Employer's time -- and be considered as time worked for wage purposes. The employee shall suffer no deduction in earnings for attendance at Employer sponsored meetings. In the event the Employer desires to schedule meetings of the employees at a time other than within such employees' regular work shift, the workers in attendance are to be compensated at a rate which is equal to the applicable federal minimum wage rate. In the event an employee in attendance at the meeting is entitled to overtime pay for the week in which the meeting was held, he shall receive overtime pay at the rate of time and one-half, except it shall be double time if on the seventh day within the work week. Attendance by an employee on his or her scheduled day off shall not be mandatory. The Employer may call special meetings with representatives of the Union in order to discuss problems and subjects of mutual concern.

SECTION 14 - LEAVES OF ABSENCE

(a) *Medical and Personal Leave.* Medical leaves of absence shall be granted by the Employer upon a reasonable showing by the employee of medical necessity. A medical leave of absence, whether due to occupational or non-occupational injury or illness, may not exceed the period of time the employee is certifiable as being medically disabled from resuming work. In the event an employee medically able to return to work desires to extend the leave of absence, the employee shall notify the Employer and apply for a personal leave of absence in accordance with the requirements of this section for personal leaves of absence.

Personal leaves of absence without pay for reasonable periods may be granted by the Employer for reasons mutually agreed to by the Employer and the employee, which leave of absence shall not affect the employee's rights under this Agreement. The Union shall be notified in writing of any such leave of absence. Employees requesting leave of absence other than for covered medical reasons must arrange to pay in advance and before the leave is granted any benefit premiums due during their absence.

The provisions of this Section shall be interpreted and applied in conformance with all applicable requirements of the Federal Family and Medical Leave Act ("FMLA"). To the extent any provision of this Agreement or any policy or practice of the Employer is contrary to the FMLA, such provision, policy or practice shall be deemed modified so as to conform to the requirements of the FMLA. In the event an employee takes a leave of absence for which he/she is eligible pursuant to the FMLA, the employee may use unused vacation time during the twelve (12) week FMLA period.

No leave of absence, whether medical or personal, may exceed the employee's length of service with the Employer or one (1) year, whichever period is shorter.

(b) *Union Activity Leave.* Upon thirty (30) days' written notice from the Union, the Employer shall grant an employee an unpaid leave of absence for up to six (6) months. One (1) employee may be on such leave at one (1) time in Hotels with less than 500 rooms and two (2) employees may be on such leave in Hotels with 500 rooms or more. No such leave will be permitted if it creates an undue hardship on the Employer. Upon mutual agreement, more than one (1) employee may be permitted such leave. Employees requesting such leave must make arrangements before the leave is granted regarding

contributions to the Health and Welfare Fund and Pension Fund during their absence. Seniority shall continue to accrue during a Union Activity Leave.

SECTION 15 - IMMIGRATION

(a) *Union Notification.* In the event that a post-introductory employee has a problem with his or her right to work in the United States, the Employer shall notify the Union in writing as soon as the problem is known. Upon the Union's request, the Employer shall meet with the Union to discuss the nature of the problem to see if a resolution can be reached. Whenever possible, the meeting shall take place before any action is taken by the Employer.

As part of the employers six (6) month notification process, whenever possible, the Employer agrees to share with the Union the names of employees whose work authorization are going to expire.

(b) *Unpaid Leave.* Upon request, employees shall be released for a total of five (5) unpaid working days during the term of this Agreement in order to attend Bureau of Citizenship and Immigration Services (BCIS) proceedings and any related matters for the employee only. The Employer may request verification of such absence.

(c) *Reinstatement.* A post-introductory employee who is not authorized to work in the United States and whose employment has been terminated for this reason shall be immediately reinstated to his or her former classification without loss of prior seniority provided the employee produces proper work authorization within twelve (12) months of the date of termination. Employees do not accrue vacation or other benefits based upon particular Plan policies during such absences.

If the employee needs additional time, the Employer will rehire the employee into the next available opening in the employee's former classification, as a new hire without retaining seniority, upon the former employee providing proper paper work authorization within a maximum of twelve (12) additional months from the date the employee notifies the Employer that he or she needs additional time. The parties agree that the employee would be subject to a introductory period upon rehire in such event.

(d) *Paid Citizenship Holiday.* On the day that an employee is sworn in as a U.S. citizen, the employee will be excused from work and will be compensated for all lost time at the same rate used for holiday pay.

SECTION 16 - MILITARY SERVICE

Reinstatement of any employee who has left his position for the purpose of entering the armed forces of the United States shall be in accordance with the applicable provisions of federal and state law.

SECTION 17 - MEDICAL EXAMINATIONS

The Employer may require an employee to submit to a complete physical examination, the cost of which shall be borne by the Employer. Each medically examined employee shall be provided a copy of the physician's report.

SECTION 18 - UNIFORMS, LINEN, EQUIPMENT

The Employer shall furnish and maintain, without cost to the employees, uniforms, linen, and equipment as set forth below:

1. Where the Employer requires employees to wear distinctive uniforms, or employees to wear uniforms, the Employer shall furnish and maintain the same without cost to the employee.
2. Where the dress of headwaiters, head hostesses, captains and hostesses is not distinctive, but by custom and practice a certain uniformity is required, the Employer shall furnish cleaning and pressing service without cost to the employee.
3. Where cocktail servers are required to wear special uniforms or special style footwear, special style or shade of hose, or headgear, the Employer shall furnish and maintain the same without cost to the employee.
4. The Employer may require a deposit of an amount not to exceed 50% of the cost of supplying the employee with uniforms, payable through payroll deductions for a period not to exceed six (6) weeks. Said deposit is to ensure return of the uniform and will be refunded to the employee upon its return in reasonably satisfactory condition at the termination of employment. Employee's last paycheck may be withheld until he or she returns all uniforms, except such withholding may not exceed the cost of the uniforms.

SECTION 19 - EMPLOYEES' EATING AND LOCKER FACILITIES/INSPECTIONS

The Employer shall provide at least one (1) meal per shift to all bargaining unit employees at no cost to the employee. The meals are supplied for the convenience of the Employer, and employees shall receive them without deduction from their wages, except as required by law. Such meals shall be fresh, sufficient, palatable, and wholesome and provide reasonable variety.

In the event employees are not permitted to eat in the dining room of their establishment, they shall be provided with clean and sanitary facilities.

Employees shall cooperate in maintaining orderly conditions in that section of the establishment where the meals are consumed. Sanitary dressing rooms with either individual lockers or checking facilities shall be made available to all employees.

Locker Inspection - Locker inspection shall be conducted, if possible, in the presence of a Union Steward, and in the event of a Union Steward's unavailability, two witnesses, one of which shall be a member of the Union.

SECTION 20 - SINGLE SHIFT PROVISION

It is understood that an Employer shall not compel nor shall a regularly scheduled employee be permitted to work more than one shift in any calendar day, except in an emergency. This shall not prohibit the performance of overtime work consecutive with the shift completed.

SECTION 21 - SPLIT, SHORT SHIFTS (See Local Union Supplements)

SECTION 22 - WAGES

The minimum wage rates payable to all employees covered by this Agreement are set forth in Supplement I.

There shall not be less than two (2) payroll periods in any one (1) month.

Wages of extra banquet employees of Local Union No. 1 shall be paid on Wednesday of each week. Checks should be in the Union Office not later than 3:00 o'clock P. M. on Wednesday of each week.

Any new employee may be paid a new hire training rate, during the first 12 months of employment, of not less than 75% of the applicable minimum contract rate for the job classification in which the new employee works. At the end of the 12 months, the employee will be paid not less than the applicable minimum contract rate.

SECTION 23 - TIPPED WORKERS-PAID TIME NOT WORKED

Tipped employees will be paid at one hundred fifty percent (150%) of the contract rate (Supplement I) for paid time not worked (e.g., vacation, holiday, sick days, bereavement, jury duty, meeting time and reporting pay).

For banquet steady employees, the contract rate (Supplement I) to be used for paid time not worked will be an average of a four (4) hour dinner and a three (3) hour lunch function.

SECTION 24 - DELINQUENT PAYMENT OF WAGES

If the Employer becomes delinquent or tardy in the payment of wages, the Union reserves the right to demand that all employees affected receive payment of wages daily.

SECTION 25 - MERIT INCREASES

The scales of wages in this Agreement are considered minimum scales and do not prohibit the Employer from granting merit increases.

SECTION 26 - GRATUITIES

All gratuities received directly from patrons shall be the property of the individual employee.

SECTION 27 - REPORTING PAY

(a) All employees who are instructed to report for work, but are not allowed to work, shall receive one (1) full day's pay, as per scheduled shift, exclusive of gratuities.

(b) All employees who are instructed to report for work and who start to work, but who are laid off before the full working day is completed, shall receive a full day's pay.

(c) If an employee requests permission to leave before the completion of his scheduled shift and permission is granted, he will be paid only for the actual hours of time worked.

**SECTION 28 - CHECK-OFF AND AUTHORIZATION FOR UNION DUES AND FEES,
VOLUNTARY POLITICAL DEDUCTIONS**

(a) The Employer agrees that it will, during the full term of this Agreement (or any renewal thereof), deduct from the earnings of employees who have signed an appropriate authorization and filed same with the Employer, Union dues, assessments, initiation fees, and reinstatement fees and remit the total deductions to the Secretary-Treasurer of the Local Union (or to such person as may be designated by the Union). The form of such authorization has been agreed upon and such authorization shall be irrevocable for a period of one (1) year from the date the same is signed or until the termination of the Agreement, whichever occurs sooner, provided that such authorization shall be automatically renewed and shall be irrevocable for the successive periods of one (1) year each or for the period of each succeeding applicable collective bargaining agreement between the parties, whichever shall be shorter, unless written notice is given by the employee to both the Employer and the Union not more than twenty (20) nor less than ten (10) days prior to the expiration of each period of one (1) year or of the expiration of each applicable collective bargaining agreement between the parties, whichever occurs sooner.

(b) The Union will provide the Employer each month a sufficient number of "Application for Membership--Authorization for Check-Off of Dues" forms in duplicate. The forms will be handed to each employee immediately after hiring and contemporaneously with the execution of the Employer's personnel forms. If the employee signs same, the Employer shall retain one (1) copy and transmit the original of the application to the Union on the Friday of the week in which the application is signed.

(c) Upon receipt of such written authorization from the employee, the Employer agrees to deduct assessments, initiation fees, reinstatement fees, and monthly dues from the pay from each employee as follows:

1. Dues are payable in advance prior to the first of each month. For new

check-offs (those indicating they are applying for Union membership for the first time), if the employee has earnings in the first pay period of the month, then the entire amount of the dues and assessments and fifty percent (50%) of the initiation fees for that particular month will be deducted. The remaining fifty percent (50%) of the initiation fees shall be deducted from the second pay period earnings.

2. For new hires indicating they are present or past members in the Union, the Employer will deduct one month's dues, and in addition deduct and remit to the Local Union any dues delinquencies or reinstatement fees due upon notice in writing to the Employer by the Union.

(d) All such deductions shall be forwarded to the Local Union no later than ten (10) days following the date of payment of such earnings to the employee.

(e) The Employer shall show on the employee's statement of earnings and withholding the Union fees deducted and remitted to the Union. This statement will serve as the member's dues receipt. In the submission of the Union fees by Employer to the Union, the Employer will prepare in alphabetical order a listing of the employees, social security number, the clock number, and the moneys deducted by department, showing the nature of the payment (i.e., dues, initiation fees), and the period the same is applicable to.

(f) The Employer shall provide the Local Union with a list of newly hired employees by job classification on Friday of each week on a form agreed to by the Union and the Employer.

The Employer shall also forward a copy of any signed dues check-off authorization cards on Friday of each week for each employee who has executed such authorization.

(g) Voluntary Political Deduction - The Employer agrees to honor voluntary political contribution deduction authorizations from its employees in the following form:

I hereby authorize the Employer to deduct from my pay the sum of \$_____ per month and to forward that amount to the Hotel Employees and Restaurant Employees International Union TIP "To Insure Progress." This authorization is signed voluntarily and with the understanding that the Hotel Employees and Restaurant Employees International Union TIP "To Insure Progress" will use this money to make political contributions and expenditures in connection with Federal elections. I am aware of my right to refuse to sign this authorization without reprisal. This authorization may be revoked by mailing notices of revocation by United States Registered or Certified Mail, Return Receipt Requested, to the Treasurer, Hotel

Employees and Restaurant Employees International Union TIP "To Insure Progress," 1219 28th Street, N.W., Washington, D.C. 20007, and to the Employer.

The political contribution deduction shall be made once each month during which an employee who has performed compensated service has in effect a voluntarily executed political contribution deduction authorization. The money shall be remitted within thirty (30) days after the last day of the preceding month to the Hotel Employees and Restaurant Employees International Union TIP "To Insure Progress," 1219 28th Street, N.W., Washington, D.C. 20007, accompanied by a form stating the name and Social Security Number of each employee for whom a deduction has been made, and the amount deducted.

The Union shall indemnify, defend and save the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer relating to payroll deduction authorization cards submitted to the Employer.

SECTION 29 - WORK SCHEDULE

(a) There shall be posted in a conspicuous place, or places, the employer's designation of its regular workweek, which shall consist of seven (7) consecutive calendar days, and any changes in work schedule.

(b) Regular employees shall have a fixed starting time, which time shall not be changed by the Employer without giving notice to the employee affected on the preceding workday.

(c) Regular employees shall have a fixed weekly schedule of working days, which schedule shall not be changed by the Employer without giving notice to the employee affected at least two (2) days prior to the start of the workweek in which the schedule is being changed. The work schedule for Banquet workers will be posted not less than four (4) days in advance.

(d) The workday shall consist of eight (8) productive hours and shall exclude meal period, employee dressing and clean-up time.

SECTION 30 - HOURS OF WORK AND OVERTIME RATES

This section defines the normal hours of work and provides the basis for the calculation of overtime. It shall not be construed as a guarantee of hours of work per day or per week.

(a) Consistent with the efficient operation of the Hotel, all employees shall be entitled wherever possible to two (2) consecutive days off during the regular workweek of seven (7) consecutive calendar days. Where that is not economically feasible, the provisions of Paragraph (b) shall be applicable.

(b) Time and one-half (1½) shall be paid for time worked in excess of eight (8) hours per day and forty (40) hours per week; time and one-half (1½) shall be paid for time worked by an employee on his or her sixth working day within the regular workweek consisting of seven (7) consecutive calendar days. Double time shall be paid for time worked by an employee on his or her seventh working day within the regular workweek consisting of seven (7) consecutive calendar days. There shall be no pyramiding of overtime.

(c) The Employer's regular workweek of seven consecutive calendar days shall not be changed except upon notification to, and with the approval of, the Union.

(d) The Employer agrees that it will not reschedule an employee's regularly scheduled day or days off except where business conditions make such rescheduling necessary for the efficient operation of the Employer's business. Should the Union claim that changes in the schedule of hours result in any abuses of the rights of employees as set forth in Sections 29 and 30 of this Agreement, the claim shall be subject to the grievance and arbitration procedures set forth in Sections 44 and 45 of this Agreement.

(e) In the scheduling of work, the Employer shall make every effort to schedule work in accordance with classification seniority.

SECTION 31 - AUTHORIZED OVERTIME

(a) When required to work overtime, employees shall be notified as far in advance as possible of their regular quitting time in order to allow them to make necessary preparations for working overtime.

(b) Overtime work will be distributed among all employees on the basis of department or room seniority, whichever is the most applicable. The most senior employees will have the first opportunity for overtime and the most junior employees will be required to work overtime if not enough senior employees choose to work.

(c) It is hereby agreed that overtime payment for those hours which are determined as overtime by virtue of the conditions and covenants contained herein and are authorized by the Employer as overtime shall be classified in fifteen (15) minute units. The employee who performs duties which are classified as overtime by virtue of this Agreement for fifteen (15) minutes or any fraction thereof, shall be paid for the same at overtime rates for not less than fifteen (15) minutes.

SECTION 32 - OVERTIME EQUALIZATION PROHIBITED

When it becomes necessary for employees covered by this Agreement to work overtime, they shall not be laid off during the regular working hours to equalize that time except as provided by statute.

SECTION 33 - VACATIONS

A. Eligibility and Length of Vacations

Employees regularly scheduled to work five (5) or more days per week shall receive the full amount of the applicable vacation stated hereunder. Employees regularly scheduled to work four (4) days per week shall receive four-fifths (4/5ths) of the applicable vacation stated hereunder, except as set forth below. Employees regularly scheduled to work less than four (4) days per week shall not be eligible for vacation benefits.

Three (3) hour, one (1) meal, gratuity employees on a five (5) day a week schedule in the following classifications--Bus Person, Server --shall receive vacation pay calculated in accordance with section 23 (i.e. 150% of the applicable contract wage rate). Such employees working four (4) days or less shall not be eligible for vacation benefits.

Four (4) hour, one (1) meal (excluding dinner), gratuity employees on a five (5) day schedule in the following classifications--Bus Person, Server --shall receive vacation pay calculated in accordance with section 23 (i.e. 150% of the applicable contract wage rate).

Any employee currently enjoying a more favorable vacation policy than that enumerated below, shall continue to receive such vacation during the term of this Agreement.

The Employer will grant vacations with pay to each employee covered by this Agreement in accordance with the following schedules:

(a) All employees who have been continuously employed by the Employer for a period of one (1) year or more, but less than two (2) years, shall be granted one (1) week vacation with pay.

(b) All employees who have been continuously employed by the Employer for two (2) years or more, but less than ten (10) years, shall be granted two (2) weeks vacation with pay.

(c) All employees who have been continuously employed by the Employer for ten (10) years or more, but less than fifteen (15) years, shall be granted three (3) weeks vacation with pay.

(d) All employees who have been continuously employed by the Employer for fifteen (15) years or more shall be granted four (4) weeks vacation with pay.

In determining the length of vacation with pay due an employee, continuous service shall be computed as of the anniversary date of the employee's most recent hire date and shall include time actually spent on the payroll plus time lost when an employee is, for sixty (60) or less calendar days during any one (1) year of service, either sick, injured, or on leave of absence approved by the Employer since his last date of employment. Employees who during any anniversary year of employment are off in excess of sixty (60) or more calendar days due to sickness, injury, or on leave of absence approved by the Employer shall receive pro rata vacation pay on the basis of one-twelfth (1/12th) of vacation entitlement for each full month of employment.

B. Computation of Vacation Pay

Vacation pay, together with pay for any completed pay period prior to the time the employee goes on vacation, shall be paid to the employee on the last day of work before his vacation. All employees shall receive for each week of vacation to which they are entitled five (5) days pay at the wage rate in effect at the time the vacation is taken. Full time, eight (8) hour gratuity employees in the following classifications - Bell Person, Door Attendant, Server, Bus Person, Banquet Steady employees who average thirty (30) hours or more per week shall receive vacation pay calculated in accordance with Section 23 (i.e., 150% of the applicable contract wage rate). Note that the Bus Person classification is gratuity based until 11/01/05 at which time the non-gratuity language for vacation pay will apply.

Banquet Steady employees who average less than thirty (30) hours per week shall receive 60% of the vacation pay of eight (8) hour gratuity employees.

If any of the following holidays falls within a scheduled vacation period for any employee, such employee shall receive one (1) extra day's pay in addition to his normal vacation pay: New Year's Day, Martin Luther King Jr. Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day.

C. Scheduling of Vacations

Each employee shall be entitled to take his vacation within the twelve (12) month period following his anniversary date, in accordance with his request and seniority status, and with the final determination of the Employer.

The Employer will give consideration to an employee's wishes as to when he desires to take his vacation during the approved vacation period. When the scheduling of vacations is practicable, seniority preferences will be followed.

D. Split Vacations

Split vacations may not be scheduled without the consent of both the employee and the Employer.

Without the consent of an employee who has begun his vacation, the Employer may not recall such employee prior to the expiration of his vacation.

E. Pro Rata Vacation Pay

If an employee quits or is discharged during his second year of employment without having received his vacation, he shall be entitled to only one (1) week of vacation pay. If he has already received his vacation, he shall not be entitled to any further vacation or vacation pay.

If an employee quits or is discharged following his second year of employment and prior to the completion of his tenth (10th) year of employment without having received his vacation, he shall receive such vacation pay, and, in addition, five-sixths (5/6ths) of one day's pay for each full month of service following the most recent anniversary of his employment. If such employee quits or is discharged after having received his vacation, he shall receive five-sixths (5/6ths) of one day's pay for each full month of service following the most recent anniversary of his employment.

If an employee quits or is discharged following his tenth (10th) year of employment and prior to the completion of his fifteenth (15th) year of employment without having received his vacation, he shall receive such vacation pay, and, in addition 125% of one day's pay for each full month of service following the most recent anniversary of his employment. If such employee quits or is discharged after having received his vacation, he shall receive 125% of one day's pay for each full month of service following the most recent anniversary of his employment.

If an employee quits or is discharged following his fifteenth (15th) year of employment without having received his vacation, he shall receive such vacation pay, and, in

addition, 166 2/3% of one day's pay for each full month of service following the most recent anniversary of his employment. If such employee quits or is discharged after having received his vacation, he shall receive 166 2/3% of one day's pay for each full month of service following the most recent anniversary of his employment.

SECTION 34 - HOLIDAYS

A. Paid Holidays

New Year's Day, Martin Luther King Jr. Birthday (third Monday in January), Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day shall be considered paid holidays.

Any employee absent without approval of the Employer on either the day before or the day after any of said holidays shall not be eligible for pay for that holiday unless he actually worked on said holiday.

All full time employees who currently and actively perform work, but who are not scheduled for work on the day before and the day after any of said holidays, shall be entitled to holiday pay if the employee performs work:

1. During the payroll period in which such holiday falls but did not perform work on said holiday; and
2. With respect to Christmas Day, worked at least one day during the month of December, but performed no work on Christmas Day.

An employee who is scheduled, or otherwise designated by the Employer, to work on any of said holidays, and who fails to work on said day, shall receive no pay for said holiday.

All employees who work on said holiday, including those regularly scheduled less than five (5) days a week and those employees otherwise not eligible for a paid holiday, shall receive two (2) times the daily wage rate in effect at the time of the holiday and they shall receive no further premium for said day.

In order to receive holiday pay under the terms and provisions of this section, an employee must have completed his or her one hundred (100) day probationary period on the payroll of the Employer prior to the date of the holiday.

Tipped employees' holiday pay will be based on one hundred fifty percent (150%) of the applicable contractual wage rate.

For banquet steady employees, the contract rate to be used for paid time not worked will be an average of a four (4) hour dinner and a three (3) hour lunch function.

B. Holiday--Computation of Weekly Overtime

In the event an employee is compensated for the holiday as above set forth, the day shall be considered as a day worked for the purpose of figuring overtime, unless the holiday falls on his regularly scheduled day off.

SECTION 35 - SICK DAYS

- September 1, 2002 - full time regular employees shall receive (1) paid sick day.
- January 1, 2004 - full time regular employees shall receive (2) additional paid sick days for a total of three (3) per year.
- January 1, 2006 - full time regular employees shall receive one (1) additional paid sick day for a total of four (4) per calendar year.

Sick days may be used for the employee's own injury or illness, the employee's own medical appointments, or the injury, illness or medical appointments of a spouse, domestic partner, or dependent. Sick days may be accumulated up to thirty (30) days. All days above thirty (30) will be paid out at the rate of one hundred percent (100%). After accumulation of ten (10) days, an employee can "cash out" those days in excess of ten (10) at the rate of fifty percent (50%). The election to cash out must be made by December 1 and the pay out will be made no later than December 15. No employee will be eligible for sick pay until completion of one (1) year service.

Sick days will not be paid out at termination if termination is for "just cause." Sick days will be paid out to employees permanently laid off, in accordance with above formula. Sick days will be paid out to employees who resign and provide at least two (2) weeks notice, in accordance with above formula.

For computation of non-tipped employees' sick pay should be based on their regularly scheduled hourly rate. For computation of tipped employees' sick pay see Section 23.

SECTION 36 - NON-DISCRIMINATION

The Employer and the Union reaffirm their commitment not to discriminate in violation of any applicable local, state or federal laws.

There shall be no discrimination against any employee with respect to compensation, terms, conditions, privileges of, or opportunities for employment because of race, color, religion, sex, age, disability, national origin, sexual orientation, or union activity.

SECTION 37 - UNION ACTIVITIES

A. Types of Notices

The Employer agrees to provide bulletin boards in a place readily and routinely frequented by bargaining unit employees, which may be used by the Union for posting notices approved by the management and restricted to:

1. Notices of meetings.
2. Notices of Union elections.
3. Notices of Union appointments and results of Union elections.
4. Notices relating to Health and Welfare, Pension, Dental Programs and Legal Programs.
5. Official Union Notices.
6. No material that is derogatory towards any Hotel may be posted.

B. Solicitation and Distribution

Employees are not prohibited from engaging in solicitation on non-working time and are not prohibited from engaging in distribution on non-working time in non-working areas. Employees are prohibited from engaging in solicitation or distribution in public areas.

C. Employee Meetings

The Union, at its option, may call meetings of employees on the premises of the Employer, provided such meetings are held on the employees' time and only after the prior approval of the Employer has been secured. An employee who is delegated to represent the Union at a convention or other meeting shall be granted time off without pay for that purpose provided that:

1. He or she provides his or her department head with adequate advance notice; and
2. The Employer's business permits.

SECTION 38 - SHOP STEWARDS

The Union shall have the right to select members employed by the Employer as Shop Stewards. Shop Stewards shall report to the Union any contract violations and complaints by employees.

Shop Stewards shall not interfere with the management of the business or direct the work of any employee or substitute for the staff representative of the Union in the handling of complaints and in the final adjustment of grievances. The Shop Steward shall not be discharged for the performance of his duties in this capacity.

The Shop Stewards' duties shall not include any matters relating to referral, hiring, termination, or disciplining of employees.

SECTION 39 - BUTTONS

Any employee shall be permitted to wear one (1) official Union membership button. This button may not be larger than the current official Union button (1 ½ inch diameter).

SECTION 40 - UNION STAFF VISITATION

Authorized representatives of the Union shall be permitted to visit the Employer's establishment for purposes of communication with employees and supervisors regarding union business and collecting Union dues, assessments and initiation fees. Such visits shall be conducted or held at a time which is calculated not to unreasonably interrupt the duties of any employee.

Union representatives must advise the Hotel when they are on premises for business reasons and must comply with the Hotel's check-in/security procedures.

The Employer and the Union Staff Representatives shall conduct themselves in such a manner as to carry out the intent and spirit of this provision.

During orientation meetings for groups of new employees conducted by the Employer, the Union will be given fifteen (15) minutes to make a presentation and distribute literature.

SECTION 41 - LAYOFFS, REDUCTION IN FORCE AND PROBATIONARY PERIOD

A. Notice of Lay-Off

When an individual employee is to be laid off, the Employer shall advise the affected employee at or before the end of his or her shift and the Union within forty-eight (48) hours after the layoff occurs.

An employee placed on layoff who had transferred or been promoted from another classification may use his seniority in his former classification to "bump" back to that classification if the layoff would occur within one (1) year of such transfer or promotion.

B. Reduction of Force

When in the judgment of the Employer a working force surplus exists, the Local Union and/or Unions and the Chicago Joint Executive Board shall be notified in advance of any contemplated force reduction. The Employer agrees before putting the program into effect to consult with the Union concerning the best methods of accomplishing the necessary reduction in man hours of work. The principle of classification seniority shall be followed in determining which employees shall be laid off by the Employer. In the case of layoffs, the Employer shall, if reasonably possible, instruct the employees and the Union at the time of such layoff when they are to return to work, but in any event the employees will be recalled to work in reverse order of layoff.

For dining room and lounge employees who are members of Local No. 1 and Local 450 A.F.L.-C.I.O. where, in the judgment of the Employer, a working force surplus exists and it is necessary to either reduce the work force or lay off employees, the following procedure will be followed:

- Step 1** - All probationary employees within the dining room or lounge affected will be laid off first.
- Step 2** - If further layoffs are necessary, then the part time employees with the least classification seniority shall be the next to be laid off.
- Step 3** - If further layoffs are necessary, then the regular full-time employees with the least classification seniority shall be the next to be laid off.

On the Banquet steady list for servers, layoffs when they occur will take place in order of seniority.

For the purpose of this paragraph, classification seniority shall be defined as the employee's seniority ranking by job classification in the dining room or lounge affected.

C. Seniority

Seniority shall be determined by the length of the employee's service since the last date of hiring. The length of an employee's service is determined by his continuous service with the Employer, composed of the time actually spent on the payroll plus time lost when an employee for less than six (6) months at any time is either sick, injured, pregnant, or laid off due to curtailment of operations plus time spent in the armed forces of the United States of America or any other absence approved by the Employer.

D. Seniority Lists

The Union, upon request and reasonable notice, will be tendered an up-to-date seniority list from the Employer. Such list shall include the date of hire, the date of most current promotion or transfer, and classification.

E. Loss of Seniority

An employee shall lose seniority for the following reasons:

1. Quitting voluntarily.
2. Discharge for cause.
3. Absence from work for three consecutive days without permission or without properly notifying the Employer.
4. Layoff for the amount of time of the employee's length of service with the Employer, but not to exceed one year.
5. Failure to return to work after a layoff within one (1) week

- after being notified by Employer to report. This provision is not applicable in cases of employee sickness, pregnancy, illness or disability.
6. Leave of absence for the amount of time of the employee's length of service with the Employer, but not to exceed one year (all days paid pursuant to the Employer's policy for compliance with the Family and Medical Leave Act will be included in calculating how long the employee has been on leave).
 7. Failure to report for work at termination of leaves of absence.

F. Promotions

The Employer agrees to and accepts the principle of promoting bargaining unit employees to higher rated job classifications (groups) in accordance with their seniority and their ability to perform the job that is available. Final decision shall be at the discretion of the Employer subject to review by the Union.

(a) All job vacancies within the bargaining unit shall be posted for four (4) calendar days near the employees' time clock or other location to which employees have regular access.

(b) An employee promoted or transferred within the Hotel, inside or outside of the bargaining unit, who desires to return to his former classification shall notify the Employer within thirty (30) calendar days of the date of his promotion or transfer and shall be transferred back to former classification, shift, and station without loss of seniority.

(c) An employee transferred or promoted within the Hotel, inside or outside the bargaining unit, who cannot satisfactorily perform the work of the job to which promoted or transferred within thirty (30) calendar days worked after the date of the promotion, shall be transferred back to former classification, shift, and station without loss of seniority.

G. Probationary Period

An employee will be considered as a probationary employee for the first one hundred (100) calendar days of employment, after which the employee's seniority shall date back to his or her most recent date of hire by the Employer. A probationary employee may be terminated at the sole discretion of the Employer and such termination shall not be subject to the grievance and arbitration provisions of this collective bargaining Agreement.

SECTION 42 - CLOSING OF ROOMS OR DEPARTMENT

In the event the Employer shall permanently close a room or department, the Employer shall give notice to the Union and the employees two (2) weeks before said closing, or in lieu of such notice, pay the employees two (2) weeks' wages. The Employer shall attempt to provide similar classification employment to such displaced employees, and, if provided, no notice need be given nor payment made.

SECTION 43 - DISCHARGE AND BREACH OF COMPANY RULES AND REGULATIONS

An employee shall be disciplined or discharged only for just cause. When an employee has been suspended or discharged, the Union shall be notified immediately in writing.

Warning notices not resulting in suspension issued to an employee shall become null and void one (1) year after the date of issuance and may not thereafter be used as a basis for or in support of any subsequent discharge or disciplinary action.

SECTION 44 - ARBITRATION

Differences of opinion or disputes between representatives of the Employer and any employee or Union Representative regarding interpretation or alleged violation of any provision of this Agreement may become the subject of arbitration only after all steps of the grievance procedure have been utilized and have failed to produce accord between the parties. Arbitration extends to any employee aggrieved.

SECTION 45 - ADJUSTMENT OF GRIEVANCES

(a) Any employee or one of a group of employees, any Shop Steward, or any Local Union having a grievance shall, within not more than seven (7) calendar days after the occurrence of the event resulting in the grievance, discuss the matter with the immediate supervisor or department head of the Employer, who will attempt to adjust it within seven (7) calendar days from the date received.

(b) If the matter is not satisfactorily resolved in Step (a), the grievance shall within seven (7) calendar days, but no later than fourteen (14) calendar days from the date of occurrence, be reduced to writing and submitted by a designated representative of the Local Union to the Employer, which shall submit its answer to the Union in writing within seven (7) calendar days thereafter.

(c) If the matter is not satisfactorily resolved by the Employer's written response at step (b), the Local Union shall within seven (7) calendar days of receipt thereof submit the written grievance to the Employer's Hotel Manager. The Hotel Manager shall respond within seven (7) calendar days.

(d) If the matter is not satisfactorily resolved by the Hotel Manager's response, the Union may within fourteen (14) calendar days submit the matter to the Joint Grievance Committee. The permanent Joint Grievance Committee shall be composed of two (2) Employer representatives appointed by the Hotel Employers Labor Relations Association and two (2) Union representatives. The Joint Grievance Committee participants are to be Union representatives not representing the grievant and Employer Representatives not affiliated with the affected Hotel. The Joint Grievance Committee shall meet within twenty-eight (28) calendar days of the date the matter is submitted to the Joint Grievance Committee. If the meeting is not held within the twenty-eight (28) calendar days of submission, the party submitting the matter to the Committee may refer the matter to arbitration as if the matter had been deadlocked. The Joint Grievance Committee shall

meet at a mutually convenient time and place, on such regular or special basis as it shall determine, and render its decision or award within seven (7) calendar days after the close of the hearing.

If the Joint Grievance Committee resolves the dispute by a majority of those present and voting, then such decision shall be final and binding upon the Union, Employer, and employee. If the Joint Grievance Committee is deadlocked on the disposition of the dispute, then either party may take the matter to arbitration as provided in Paragraph (e) of this Section 45. Nothing contained herein shall authorize the Joint Grievance Committee to alter the terms and conditions of this Agreement or to make a new Agreement.

(e) If the matter is not resolved in Step (d), then either the Local Union or the Employer may refer the matter to arbitration by notifying the other of such intention in writing within fourteen (14) calendar days of the Joint Grievance Committee's decision. The parties shall attempt to agree upon an arbitrator within seven (7) calendar days of the delivery of the request for arbitration. If the parties fail to reach agreement on the selection of an arbitrator within said seven (7) calendar day period, the party referring the matter to arbitration shall request the American Arbitration Association to submit a list of seven (7) names for consideration as arbitrator. The parties shall alternately strike one name from the list of the proposed arbitrators and the last remaining name shall be that of the arbitrator. The parties shall draw straws to determine who shall strike the first name. The arbitrator so selected shall meet with the respective parties as soon as practicable following his appointment and shall render his decision in writing within thirty (30) calendar days of such hearing. The arbitrator shall be specifically limited to determining issues involving the interpretation or application of the terms of this Agreement (including the Appendices hereto) and shall have no authority to add to or subtract from or change existing wage rates or any of the other terms of this Agreement. The award of the arbitrator shall be final, binding, and conclusive on all parties. All expenses incident to arbitration shall be borne equally by the parties.

The parties may, by mutual agreement, request expedited arbitration. In an expedited arbitration proceeding, both parties shall waive their rights to submission of any briefs and stenographic recordings. The arbitration proceedings must be continuous to a conclusion. The arbitrator must render a bench decision immediately following the close of the hearing followed by a written decision within seven (7) calendar days of the close of the hearing.

SECTION 46 - HEALTH AND WELFARE TRUST

A. Trust Adoption

The Employer and the Union agree to be bound by the Agreement and Declaration of Trust of the Hotel Employees and Restaurant Employees International Union Welfare Fund as may, from time to time, be amended, and they do hereby irrevocably designate as their respective representative on the Board of Trustees, such Trustees named in said Agreement and Declaration of Trust as Employer and Union Trustees, together with their successors selected as provided therein, and agree to abide and be bound by all

procedures established and actions taken by the Trustees pursuant to said Trust Agreement. Any provision in this Agreement that is inconsistent with the Agreement and Declaration of Trust, or the Plan of Benefits, rules, or procedures established by the Trustees, shall be null and void.

The Employer agrees to contribute the sums set forth below, for each employee for whom contributions are required by this Agreement, to the Hotel Employees and Restaurant Employees International Union Welfare Fund for the purpose of providing health and welfare benefits under the Hotel Employees and Restaurant Employees International Union Welfare Plan, or such new, merged or consolidated plan as may be adopted by the Trustees. Said contributions shall be made monthly, together with a report of the employee data required by the Trust Fund, on the format prescribed by the Trust Fund, no later than the fifteenth (15th) day of the month following the month for which contributions are to be made. Contributions at the monthly rate shall be due for all eligible regular and banquet steady employees for any month in which said employee has worked a minimum of one (1) hour.

Contributions for each regular and banquet steady employee hired prior to January 1, 2003 shall begin on the first (1st) day of the month following date of hire.

Contributions for all regular and banquet steady employees hired on or after January 1, 2003 shall begin on the first of the month following completion of four (4) months' service. Effective August 15, 2006, contributions for regular and banquet steady employees hired on or after August 15, 2006 will commence on the first of the month following completion of two (2) months' service. Hourly contributions for part time and banquet extra employees shall be paid for all hours worked. Employees will become eligible for health and welfare benefits as set forth in the Health and Welfare Plan of Benefits, rules or procedures established by the Trustees.

B. Regular and Banquet Steady Employees

The contribution rate for each regular and banquet steady employee eligible to participate in the Plan shall be as follows:

Effective September 1, 2002	- \$331.40 per month.
Effective January 1, 2003	- \$369.94 per month.
Effective January 1, 2004	- \$455.60 per month.
Effective January 1, 2005	- \$552.48 per month.
Effective January 1, 2006	- \$649.41 per month.

C. Part Time and Banquet Extra Employees

The contribution rate for each part time and banquet extra employee eligible to participate in the Plan shall be as follows:

Effective September 1, 2002 - \$1.91 per hour.
Effective January 1, 2003 - \$2.14 per hour.
Effective January 1, 2004 - \$2.63 per hour.
Effective January 1, 2005 - \$3.19 per hour.
Effective January 1, 2006 - \$3.75 per hour.

D. Dependent Coverage

Effective September 1, 2002, the employee's monthly contribution for dependent coverage will be \$85.00 per month.

Effective January 1, 2004, the employee's monthly contribution for dependent coverage will be \$65.00 per month.

Effective January 1, 2005, the employee's monthly contribution for dependent coverage will be \$45.00 per month.

Effective January 1, 2006, the employee's monthly contribution for dependent coverage will be \$30.00 per month.

Employees who contributed to Dependent Coverage Option "B" prior to January 1, 1997, will be provided the option of remaining in such plan.

E. Contribution Reduction

The Health and Welfare Trust contribution rates set forth above are maximum contribution rates based upon the parties' understanding as to the contribution levels needed to maintain the current benefits. In the event the Trustees determine that the maximum contribution rates set forth above are not needed to maintain the current Plan of Benefits, or any benefit improvements approved by the Trustees, the contribution rate will be lowered to the amount the Trustees deem necessary. Such lowered contribution rate will become effective on the January 1 thereafter. If a rate is lowered and the Trustees later determine that a higher contribution is needed to maintain current benefits, the contribution rate can be increased up to the maximum set forth in the Agreement effective on the January 1 thereafter. It is understood and agreed that the increases in contribution rates set forth in this Agreement are intended to enable the Fund to continue the current plan of benefits and maintain proper reserves; said increases are not intended to result in additional benefits being paid during the term of this Agreement. Notwithstanding said intent, nothing in this Agreement precludes the Trustees from approving benefit improvements.

SECTION 47 - DENTAL PLAN

A. Regular and Banquet Steady Employees

The contribution rate for each regular and banquet steady employee eligible to participate in the Plan shall be as follows:

Effective September 1, 2002	- \$15.82 per month.
Effective January 1, 2003	- \$16.61 per month.
Effective January 1, 2004	- \$17.44 per month.
Effective January 1, 2005	- \$18.31 per month.
Effective January 1, 2006	- \$19.23 per month.

B. Part Time and Banquet Extra Employees

The contribution rate for each part time and banquet extra employee eligible to participate in the Plan shall be as follows:

Effective September 1, 2002	- \$0.09 per hour.
Effective January 1, 2003	- \$0.10 per hour.
Effective January 1, 2004	- \$0.10 per hour.
Effective January 1, 2005	- \$0.11 per hour.
Effective January 1, 2006	- \$0.11 per hour.

SECTION 48 - PENSION

A. Trust Adoption

The Employer and the Union agree to be bound by the Agreement and Declaration of Trust of the Hotel Employees and Restaurant Employees International Union Pension Fund as may, from time to time, be amended, and they do hereby irrevocably designate as their respective representatives on the Board of Trustees such Trustees named in said Agreement and Declaration of Trust as Employer and Union Trustees, together with their successors selected as provided therein, and agree to abide and be bound by all procedures established and actions taken by the Trustees pursuant to said Trust Agreement. Any provision in this Agreement that is inconsistent with the Agreement and Declaration of Trust, or the Plan of Benefits, rules, or procedures established by the Trustees, shall be null and void.

The Employer agrees to contribute the sums set forth below, for each employee covered by this Agreement, to the Hotel Employees and Restaurant Employees International Union Pension Fund for the purpose of providing retirement benefits under the Hotel Employees and Restaurant Employees International Union Pension Plan, or such new, merged or consolidated plan as may be adopted by the Trustees. Said contributions shall be made monthly, together with a report of the employee data required by the Trust Fund, on the format prescribed by the Trust Fund, no later than the fifteenth (15th) day of the month following the month for which contributions are to be made. Contributions at the monthly rate shall be due for all eligible regular and banquet steady employees for any month in which said employee has worked a minimum of one (1) hour.

Contributions for each employee shall commence upon date of hire. Employees will become eligible for retirement benefits as set forth in the Pension Plan, rules or

procedures established by the Trustees.

B. Regular and Banquet Steady Employees

The contribution rate for each regular and banquet steady employee eligible to participate in the Plan shall be as follows:

Effective September 1, 2002	- \$178.98 per month.
Effective January 1, 2003	- \$180.88 per month.
Effective January 1, 2004	- \$182.78 per month.
Effective January 1, 2005	- \$184.68 per month.
Effective January 1, 2006	- \$186.58 per month.

C. Part Time and Banquet Extra Employees

The contribution rate for each part time and banquet extra employee eligible to participate in the Plan shall be as follows:

Effective September 1, 2002	- \$1.03 per hour.
Effective January 1, 2003	- \$1.04 per hour.
Effective January 1, 2004	- \$1.05 per hour.
Effective January 1, 2005	- \$1.06 per hour.
Effective January 1, 2006	- \$1.07 per hour.

D. Section 401 (k) Plan

In the event the Hotel Employees and Restaurant Employees International Union Pension Fund establishes a Section 401(k) Plan for which employees covered by this Agreement would be eligible, such employees shall be allowed to participate through voluntary payroll deductions.

E. Contribution Reduction

The Pension Fund Contribution Rates set forth above are maximum contribution rates based upon the parties' understanding as to the contribution levels necessary to satisfy required and/or recommended funding requirements. In the event the Fund's actuary and the Trustees determine that the maximum contribution rates set forth above are not required by the Fund as a standard, the contribution rate will be lowered to the amount the Trustees determine is necessary to satisfy the funding levels agreed upon by the Trustees and the Fund's actuary as a standard. Such lower contribution rates will become effective on the January 1 thereafter. If a rate is lowered and the Trustees later determine that a higher contribution rate is required by the Fund as a standard, the contribution rate can be increased up to the maximum set forth in the Agreement effective on the January 1 thereafter.

SECTION 49 - LEGAL PLAN

A. Trust Adoption

The Employer and the Union agree to be bound by the Agreement and Declaration of Trust of the Chicago Joint Executive Board of the Hotel Employees and Restaurant Employees International Union Prepaid Legal Plan as may, from time to time, be amended, and they do hereby irrevocably designate as their respective representative on the Board of Trustees, such Trustees named in said Agreement and Declaration of Trust as Employer and Union Trustees, together with their successors selected as provided therein, and agree to abide and be bound by all procedures established and actions taken by the Trustees pursuant to said Trust Agreement. Any provision in this Agreement that is inconsistent with the Agreement and Declaration of Trust, or the Chicago Area Prepaid Legal Plan, rules, or procedures established by the Trustees, shall be null and void.

The Employer agrees to contribute the sums set forth below, for each employee for whom contributions are required by this Agreement, to the Chicago Joint Executive Board of the Hotel Employees and Restaurant Employees International Union Prepaid Legal Plan for the purpose of providing legal services under the Chicago Area Prepaid Legal Plan, or such new, merged or consolidated plan as may be adopted by the Trustees. Said contributions shall be made monthly, together with a report of the employee data required by the Trust Fund, on the format prescribed by the Trust Fund, no later than the fifteenth (15th) day of the month following the month for which contributions are to be made. Contributions shall be due for all eligible regular employees for any month in which said employee has worked a minimum of one (1) hour.

Contributions shall be made for each employee for the period commencing with the employee's date of hire. Employees will become eligible for legal services as set forth in the Prepaid Legal Plan, rules or procedures established by the Trustees.

B. Regular and Banquet Steady Employees

From September 1, 2002, the contribution rate for each regular and banquet steady employee eligible to participate in the Plan shall be \$21.63 per month.

If the Trustees determine on or before November 1, 2004 that increased contributions are required for maintenance of benefits at the level in effect on September 1, 2002, the monthly contribution rate will be increased to \$23.36 effective January 1, 2005. If no such increase is deemed necessary on or before November 1, 2004, but the Trustees determine on or before November 1, 2005 that an increase is required for maintenance of benefits in effect on September 1, 2002, the monthly contribution rate will be increased to \$23.36 effective January 1, 2006.

If the contribution rate is increased to \$23.36 effective January 1, 2005, and the Trustees determine on or before November 1, 2005 that an additional increase in contributions is required for maintenance of benefits at the level in effect on September 1, 2002, the monthly contribution rate will be increased to \$25.09 per month effective

January 1, 2006.

C. Part time and Banquet Extra Employees

From September 1, 2002, the contribution rate for each part time and banquet extra employee eligible to participate in the Plan shall be \$0.125 per hour.

In the event the Trustees determine that increased contributions are required for maintenance of benefits at the level in effect on September 1, 2002, the hourly contribution rate will be increased to \$0.135 effective January 1, 2005 or January 1, 2006.

If the contribution rate is increased to \$0.135 effective January 1, 2005, and the Trustees again determine that increased contributions are required for maintenance of benefits at the level in effect on September 1, 2002, the hourly contribution rate will be increased to \$0.145 per hour effective January 1, 2006.

SECTION 50 - BEREAVEMENT LEAVE

In the event of the death of an employee's parent, current spouse, domestic partner, grandparents, child, or stepchild, an employee shall be guaranteed up to a maximum of two (2) scheduled work days off at the employee's regular straight-time pay, provided the employee attends the funeral and provided further the employee would otherwise have worked. In the event of the death of an employee's brother, sister, mother-in-law or father-in-law, an employee shall be guaranteed up to one (1) scheduled work day off at the employee's regular straight time pay provided the employee attends the funeral and provided further the employee otherwise would have worked. Proof of death, relationship and attendance at the funeral may be required.

Tipped employees' bereavement pay will be based on one hundred fifty percent (150%) of the applicable contractual rate.

For banquet steady employees, the contract rate to be used for paid time not worked will be an average of a four (4) hour dinner and a three (3) hour lunch function.

SECTION 51 - JURY DUTY

Employees will be compensated for the difference between their regular compensation and the compensation they receive for jury duty, up to a maximum of five (5) days in a calendar year.

Tipped employees' jury duty pay will be based on one hundred fifty percent (150%) of the applicable contractual rate.

For banquet steady employees, the contract rate to be used for paid time not worked will be an average of a four (4) hour dinner and a three (3) hour lunch function.

SECTION 52 - BANQUET JOINT STUDY COMMITTEE

In each hotel covered under this CBA a Banquet Joint Study Committee will be formed to address Banquet issues not resolved within negotiations. Included in these discussions will be the system for scheduling Banquet extras.

Banquet Joint Study Committee meetings will be held every other month for at least 2 hours and will be led by the Hotel's General Manager or his designee (as mutually agreed), the President of the Union or his designee (as mutually agreed), two banquet committee members, and two members of Hotel Management. Time spent in the meeting shall be paid.

SECTION 53 - SEPARABILITY AND SAVINGS CLAUSE

If any provision of this Agreement is invalid under Federal law or under the laws of the State of Illinois, such Agreement shall be modified to comply with the requirements of Federal law or the laws of the State of Illinois, or shall be renegotiated for the purpose of adequate replacement. Nothing contained in this Article shall be construed so as to require the Company or the Union to violate any applicable law.

SECTION 54 - AUTOMATION

Whenever automation or other technological developments utilized by the Employer result in the abolition of the jobs of a substantial number of its employees, the Employer will discuss the situation with the Union in an effort to agree upon an equitable solution to the problems so created.

SECTION 55 - NON-BARGAINING UNIT WORK

Supervisory personnel shall not perform work normally performed by bargaining unit employees except in the case of emergency.

SECTION 56 - DEFINITIONS

A. Regular Employee:

An employee in any department who is hired to work a normal scheduled workweek of:

1. Five (5) days per week--forty (40) hours;
2. Four (4) days per week--thirty-two (32) hours;
3. Five (5) days per week, one (1) meal--fifteen (15) hours;
4. Five (5) days per week, one (1) meal, excluding dinner -- twenty (20) hours; and for whom contributions to the Hotel Employees, Restaurant Employees International Union Health and Welfare Fund and Pension Fund are made at the current monthly rate.

B. Part Time Employee: An employee in any department, excluding banquet, who is regularly scheduled to work or who is hired to work a normal workweek of less than thirty-two (32) hours per week (excluding five (5) day, one (1) meal, regular server employees), and for whom contributions to the Hotel Employees, Restaurant Employees International Union Health and Welfare Fund and Pension Fund are made at the current hourly rate, is not eligible for vacation benefits or for any holiday pay for work not performed.

C. Banquet Steady Employee:

An employee hired in the Banquet Department as a regular employee but who is paid wages according to the Function Rate for work performed.

Contributions to the Hotel Employees, Restaurant Employees International Union Health and Welfare Fund and Pension Fund are to be made at current monthly rates.

Banquet steady employees are not entitled to any paid holidays if the holiday is not worked. If any of the regular employees' paid holidays are worked by a banquet steady employee, the employee receives twice the Function Rate.

Banquet steady employees shall be subject to the dues check-off procedure and deductions for dues, fees, and assessments shall be made monthly and forwarded to the Union within the appropriate time limits.

Whenever the Employer changes the status of a banquet employee from extra to Banquet steady the Employer shall notify the Union within seven (7) days.

D. Banquet Extra Employee:

An employee hired temporarily in the Banquet Department as a casual employee and is paid wages according to the Function Rate for work performed.

Contributions to the Hotel Employees & Restaurant Employees International Union Health and Welfare Fund, Pension Fund, and Chicago Area Prepaid Legal Plan shall be made at the current hourly rate for all hours paid. Banquet extra employees are not eligible for vacation benefits or for any holiday pay for work not performed.

Banquet extra employees are not subject to the dues check-off procedure and shall pay dues directly to the Union on a monthly basis.

SECTION 57 - INTERPRETATION - CONSTRUCTION OF GENERAL REGULATIONS

In cases where these general rules or regulations are qualified or are inconsistent with the provisions of the rules and wage schedules of a particular Local Union Supplement, such provisions of the particular Local Union Supplement shall prevail.

SECTION 58 - GUEST SERVICE

In order to support the mission of service in the Hotel, a high degree of cooperation between managers and employees is required.

In order to promote cooperation in the workplace, managers and employees are encouraged to develop ongoing communication. This provides opportunities to explore ways to accomplish the needs of the Hotel while recognizing the personal styles and needs of Hotel personnel.

Consistent with the needs of the workplace, the Union and its members recognize that cooperation can be beneficial to both the employees and the Hotel to insure guest service.

SECTION 59 - JOB CLASSIFICATIONS

A bargaining unit employee in a job classification which is not listed in this Agreement shall be paid no less than the rate of the classification which is most similar in job duties and responsibilities. In the event of a disagreement regarding such employee's wage rate, the Union may invoke the grievance and arbitration provisions set forth in Sections 44 and 45 of the Agreement for the purpose of determining the job classification in this Agreement which is most similar. In no event will an employee's wage rate be lowered as the result of an arbitration decision pursuant to this clause.

SECTION 60 - EMPLOYEE INFORMATION

To permit the Union to properly and efficiently carry out its responsibilities, the Employer shall provide the following information to the Union:

(a) By the 10th day of each month, a list of all employees hired into the bargaining unit during the preceding month, including each employee's name, social security number, address, phone number, department, job title, hire date, sex and date of birth.

(b) By the 10th day of the month, a list of all bargaining unit employees terminated and whether the termination was voluntary or involuntary, placed on leave of absence or transferred out of the bargaining unit, and of all employees transferred into the bargaining unit during the preceding month including each employee's name, social security number, date of birth, and the dates of such personnel transactions, and the expected date of return for leaves of absence, if known.

(c) The reports described in subsections (a) and (b) shall be sent to the Union by fax, mail, or via email, after the Union has demonstrated to the Employer that the proper "PGP" security encryption measures exist in the Union's network.

(d) The Employer shall furnish the Union with a quarterly list of all employees in the bargaining unit, including each employee's name, social security number, department, job title, date of birth, date of hire, and sex. This report shall be in computer-readable format in any one of the following media, if the Employer maintains such data in such format:

1. 3 1/2" diskette in Formatted Text (Space Delimited) format
2. CD ROM in Formatted Text (Space Delimited) format
3. ZIP Disk in Formatted (Space Delimited) format
4. Via e-mail transmission

SECTION 61 - SAFETY AND HEALTH

The Employer and employees shall fully comply with all state and/or federal regulations regarding health and/or safe working conditions.

SECTION 62 - WORKLOAD

No employee shall be assigned an unreasonable workload recognizing that certain situations or emergencies (unforeseen circumstances) may require extra efforts in order to maintain the proper level of guest service. Nor shall incidental changes in duties or modifications in an employee's assigned duties be evidence of an unreasonable workload. However, this shall not restrict the Union from claiming that the cumulative effect of changes in job duties has resulted in an unreasonable workload.

Scheduling and staffing shall remain at the direction of the Hotel.

In any grievance involving a claim of unreasonable workload the Union shall bear the burden of proof. In addition, as in all grievances, the arbitrator in determining the parties' intent or meaning of the provisions of this contract may not impose any restriction or limitation on either party which is not expressly set forth in this Agreement.

SECTION 63 - LETTER OF UNDERSTANDING - SEPTEMBER 2, 2002

It is agreed and understood that each member of HELRA (Hotel Employers Labor Relations Association) has an individual method of handling the needs of its employees for a break during the work day. Therefore, it is not feasible for the Association to negotiate a break policy that is applicable to all Hotels.

On behalf of its members, HELRA agrees that each Hotel represented in the negotiations for a new collective bargaining agreement scheduled to take effect September 1, 2002, will meet with the Union to discuss the Hotel's current break policies and enter into a letter of understanding as to how employees will receive an appropriate paid break from their work duties each day. In no event will the break be less than one rest period of 15 minutes, including travel time.

SECTION 64 - DURATION, MODIFICATION, AND RENEWAL

THIS AGREEMENT shall be in full force and effect commencing the first day of September, 2002, to and including the thirty-first day of August 2006, and from year to year thereafter unless terminated or changed in the manner provided hereinafter. Either party desiring to change or terminate this Agreement shall serve written notice thereof upon the other party by registered mail not more than one hundred and twenty (120) days nor less than ninety (90) days prior to August 31, 2006, or any anniversary thereof.

IN WITNESS WHEREOF, the Employer and the Union have executed this Agreement as of the day and year first above written.

EMPLOYER

By: _____

Its: _____

HOTEL EMPLOYEES AND
RESTAURANT EMPLOYEES UNION,
LOCAL NO. 1, A.F.L. - C.I.O.

By: _____
President

HOTEL, MOTEL, CLUB, CAFETERIA,
RESTAURANT EMPLOYEES AND
BARTENDERS UNION, LOCAL 450,
A.F.L.-C.I.O.

By: _____
Financial Secretary - Treasurer

CHICAGO JOINT EXECUTIVE BOARD
OF THE HOTEL EMPLOYEES AND
RESTAURANT EMPLOYEES
INTERNATIONAL UNION, A.F.L.-C.I.O.

By: _____
President

Suppl ment I – Classifications/rates

HEREIU, LOCAL #1 and LOCAL #450

Minimum Hourly Wage Scales for Non-Gratuity Employees Effective September 1, 2002 - August 31, 2006

	09/01/2002	11/01/2003	05/01/2004	11/01/2004	05/01/2005	11/01/2005	05/01/2006
GENERAL INCREASES	+ \$1.17	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35
Culinary							
Cook I - Skilled Cooks	11.76	12.11	12.46	12.81	13.16	13.51	13.86
Cook II - Key Cooks	11.55	11.90	12.25	12.60	12.95	13.30	13.65
Cook III - Cooks	10.83	11.18	11.53	11.88	12.23	12.58	12.93
Cook IV - Assistants	10.17	10.52	10.87	11.22	11.57	11.92	12.27
Cook V - Miscellaneous	9.75	10.10	10.45	10.80	11.15	11.50	11.85
Group I (Skilled Cooks) -	Head Cold Meat, Soup, Fish, Butcher, Baker, Roast, Fry, Swing; Assistant Pastry Chef; Sugar Decorator; Room Chef; or Banquet						
Group II (Key Cooks) -	Second Cook; Cold Meat Decorator; Soup or Fish Cook; Assistant Head Cold Meat or Butcher; Head Broiler or Ice Cream Worker; Pastry Cook or Baker; Carver; Swing						
Group III (Cooks) -	Fry or Roast; Cold Meat or Butcher						
Group IV (Assistants) -	Steam table, Sandwich, or Oyster Worker; Head Pantry and Vegetable or Pastry Service; Chicken or Fish Butcher; Vegetable Cook; or Ice Cream Worker						
Group V (Miscellaneous) -	Vegetable or Pantry						
Food & Beverage							
Convention Services	9.91	10.26	10.61	10.96	11.31	11.66	12.01
Head Convention Services	10.16	10.51	10.86	11.21	11.56	11.91	12.26
Floor Steward	9.97	10.32	10.67	11.02	11.37	11.72	12.07
Utility Worker	9.75	10.10	10.45	10.80	11.15	11.50	11.85
Store Room Clerk	9.91	10.26	10.61	10.96	11.31	11.66	12.01
Receiving Clerk	9.91	10.26	10.61	10.96	11.31	11.66	12.01
Employee Cafeteria Worker	9.75	10.10	10.45	10.80	11.15	11.50	11.85
Head Wait Person, Head Host Person & Assistants	+ \$1.17	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35
Captain or Host person:							
Dining Room 8 hours	9.77	10.12	10.47	10.82	11.17	11.52	11.87
Room Service 8 hours	9.86	10.21	10.56	10.91	11.26	11.61	11.96
Dining Room (1 meal) 3 hours	10.49	10.84	11.19	11.54	11.89	12.24	12.59
Room Service (1 meal) 3 hours	10.67	11.02	11.37	11.72	12.07	12.42	12.77
Room Service (1 meal) 4 hours	9.86	10.21	10.56	10.91	11.26	11.61	11.96
Room Service Order Taker 8 hours	9.90	10.25	10.60	10.95	11.30	11.65	12.00
Cashier and Food Checker 8 hours	9.90	10.25	10.60	10.95	11.30	11.65	12.00
One Meal (Banquets only) 3 hours	11.94	12.29	12.64	12.99	13.34	13.69	14.04

HEREIU, LOCAL #1 and LOCAL #450

Minimum Hourly Wage Scales for Non-Gratuity Employees Effective September 1, 2002 - August 31, 2006

GENERAL INCREASES	09/01/2002	11/01/2003	05/01/2004	11/01/2004	05/01/2005	11/01/2005	05/01/2006
	+ \$1.17	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35
Bartender							
Head Bartender & Assistants	+ \$1.17	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35	+ \$0.35
Public Bartender	11.20	11.55	11.90	12.25	12.60	12.95	13.30
Service Bartender	11.45	11.80	12.15	12.50	12.85	13.20	13.55
Bar Porter	9.91	10.28	10.61	10.98	11.31	11.66	12.01
Housekeeping							
Carpet Shampoo Worker	10.28	10.63	10.98	11.33	11.68	12.03	12.38
Floor Supervisor	10.28	10.63	10.98	11.33	11.68	12.03	12.38
Head Housekeeping Attendant	10.28	10.63	10.98	11.33	11.68	12.03	12.38
Head Night Cleaner	10.28	10.63	10.98	11.33	11.68	12.03	12.38
House person	10.00	10.35	10.70	11.05	11.40	11.75	12.10
Linen Room Workers	9.94	10.29	10.64	10.99	11.34	11.69	12.04
Night Cleaner	10.00	10.35	10.70	11.05	11.40	11.75	12.10
Room Attendant	10.00	10.35	10.70	11.05	11.40	11.75	12.10
*Room Attendant – 4 hours	11.00	11.38	11.77	12.15	12.54	12.93	13.31
Sewing Attendant	9.94	10.29	10.64	10.99	11.34	11.69	12.04
Uniform Services							
Lobby Attendant	9.76	10.11	10.46	10.81	11.16	11.51	11.86
Telephone Operator	9.95	10.30	10.65	11.00	11.35	11.70	12.05
* See Supplement VI (c)							

HEREIU, LOCAL #1 and LOCAL #450
Minimum Hourly Wage Scales for Gratuity Employees Effective September 1, 2002 - October 31, 2005
Non-Gratuity Employees Effective November 1, 2005 - August 31, 2006

		09/01/2002	11/01/2003	05/01/2004	11/01/2004	05/01/2005	11/01/2005	05/01/2006
GENERAL INCREASES		+\$0.50	+\$0.15	+\$0.15	+\$0.15	+\$0.15	+\$0.35	+\$0.35
Food and Beverage								
Bus person	8 hours	-	-	-	-	-	6.59*	6.94*
Excluding dinner	3 hours	-	-	-	-	-	7.11*	7.46*
Excluding dinner	4 hours	-	-	-	-	-	6.59*	6.94*
Bus person	8 hours	5.64	5.79	5.94	6.09	6.24	-	-
Excluding dinner	3 hours	6.16	6.31	6.46	6.61	6.76	-	-
Excluding dinner	4 hours	5.64	5.79	5.94	6.09	6.24	-	-

-(see non-tipped)

***Note:**

Bus Persons will change classification to Non Tipped status effective November 1, 2005 and will receive the Non Tipped Increases.

HEREIU, LOCAL #1 and LOCAL #450
Minimum Hourly Wage Scales for Gratuity Employees Effective September 1, 2002 - August 31, 2006

		09/01/2002	11/01/2003	05/01/2004	11/01/2004	05/01/2005	11/01/2005	05/01/2006
GENERAL INCREASES		+ \$0.50	+ \$0.15	+ \$0.15	+ \$0.15	+ \$0.15	+ \$0.15	+ \$0.15
Uniform Services								
Bell Person		5.29	5.44	5.59	5.74	5.89	6.04	6.19
Bell Person - Midnight Shift		5.50	5.65	5.80	5.95	6.10	6.25	6.40
Bell Captain - Working		5.54	5.69	5.84	5.99	6.14	6.29	6.44
Door Attendant		5.73	5.88	6.03	6.18	6.33	6.48	6.63
Food & Beverage								
Server, Server/Banker	8 hours	5.75	5.90	6.05	6.20	6.35	6.50	6.65
	3 hours	6.27	6.42	6.57	6.72	6.87	7.02	7.17
	4 hours	5.75	5.90	6.05	6.20	6.35	6.50	6.65
excluding dinner								
Cocktail Server	8 hours	5.75	5.90	6.05	6.20	6.35	6.50	6.65
	3 hours	6.27	6.42	6.57	6.72	6.87	7.02	7.17
	4 hours	5.75	5.90	6.05	6.20	6.35	6.50	6.65
excluding dinner								
Two Meals (8hrs.)		5.75	5.90	6.05	6.20	6.35	6.50	6.65
One Meal (3hrs.)		6.27	6.42	6.57	6.72	6.87	7.02	7.17

HEREIU, LOCAL #1 and LOCAL #450

BANQUET Minimum Hourly Wage Scales for Gratuity Employees Effective September 1, 2002 - August 31, 2006

		09/01/2002	11/01/2003	05/01/2004	11/01/2004	05/01/2005	11/01/2005	05/01/2006
GENERAL INCREASES		+ 0.25% *	0.10	0.10	+ 0.25% *	0.00	0.10	0.10
<i>For Banquet Servers</i>		increase in Minimum service charge			increase in minimum service charge			
Banquet								
<i>Captain or Hostess:</i>								
Dinner	4 hours	7.23	7.33	7.43	7.43	7.43	7.53	7.63
Lunch or Breakfast	3 hours	7.16	7.26	7.36	7.36	7.36	7.46	7.56
<i>Servers:</i>								
Dinner	4 hours	5.24	5.34	5.44	5.44	5.44	5.54	5.64
Buffet	4 hours	5.34	5.44	5.54	5.54	5.54	5.64	5.74
Lunch or Breakfast	3 hours	5.31	5.41	5.51	5.51	5.51	5.61	5.71
<i>Bus Persons:</i>								
Dinner	4 hours	5.08	5.18	5.28	5.28	5.28	5.38	5.48
Buffet	4 hours	5.18	5.28	5.38	5.38	5.38	5.48	5.58
Lunch or Breakfast	3 hours	5.17	5.27	5.37	5.37	5.37	5.47	5.57
Set-Up - Time to commence two (2) hours before call-in time for function work		4.79	4.89	4.99	4.99	4.99	5.09	5.19
Clean Up	2 hours	5.16	5.26	5.36	5.36	5.36	5.46	5.56
Other Banquet Charges								
Extra Covers		0.45	0.45	0.45	0.45	0.45	0.45	0.45
Ticket Parties		0.20	0.20	0.20	0.20	0.20	0.20	0.20
Sweet Table Charge		25.00	25.00	25.00	25.00	25.00	25.00	25.00
Commission Service Charge		17.25%	17.25%	17.25%	17.50%	17.50%	17.50%	17.50%
Bartender								
Function Bartender		48.80	49.20	49.60	49.60	49.60	50.00	50.40
Function Bartender (1-1/2 hours or less) **		32.55	32.70	32.85	32.85	32.85	33.00	33.15

* For function not yet under contract or where increasing the service charge is in accordance with the contract and agreed to by the customer.

** Only a function bartender who is obtained directly from the Union Hall for a function scheduled to be 1-1/2 hours or less (excluding set-up or clean-up time) is to be paid the special rate for such function.

Supplement II. - Food and Beverage

All wage increases shall be granted over and above actual wages being paid at the time each increase is effective.

If a regular employee works as a server for one meal and as a captain or hostess for a second meal on the same day, the rate of pay for that day shall be the applicable captain's or hostess's wage scale.

A. *Workday*

(a) There shall not be more than one (1) split shift per day which shall be eight (8) hours within twelve (12) hours; however, where it can be done without additional cost to the Employer, the split shift will be eight (8) hours within ten (10) hours.

(b) Servers in ala carte dining rooms (excluding dinner) and those performing room service may be assigned a four (4) hour shift at one-half the regular eight (8) hour shift rate.

B. *Wages*

(a) An employee hired temporarily in a la carte dining rooms or room service will be paid the same scale of wages and covered by the same time limits as recited in the schedule of banquet department scale and working conditions. If an extra employee within a thirty (30) day period works an average of four (4) days per week, he will become a regular employee and will be paid the regular employee rate.

(b) Any disciplinary action imposed by the Employer on employees who incur multiple "walkouts" and/or "lost checks" shall be subject to review by the Union on an individual basis through the grievance procedure provided in this collective bargaining agreement.

C. *Room Service Charge*

The Employer shall add no less than a fifteen (15%) service charge to the guest check for room service, one hundred (100%) of which shall be distributed to the employees providing the service. In no event shall this result in a reduction of the amount of the service charge currently being distributed to bargaining unit personnel. The Union and Employer shall attempt to mutually agree on how the service charge shall be split. If the parties cannot agree, the Union shall make the final determination as to the split.

The Union agrees to discuss upon request with each individual Hotel the utilization and job duties of Room Service classifications.

Tours Dining in A La Carte Dining Rooms

When prearranged tours are booked to dine in a la carte dining rooms and are served by the regular employees of the room, 100% of the gratuity obtained will be shared among employees in the room who work the function.

Guest Room Mini Bars

Stocking and servicing of self-service mini-bars in guest rooms will not be done by gratuity employees within the bargaining unit.

Supplement III. - Banquets

A one (1) meal, three (3) hour rate for food checkers-cashiers, working functions only, is established at fifty percent (50%) of the regular eight (8) hour rate. Employees in this classification shall be paid overtime after three (3) hours.

All time worked in excess of the above specified time limits shall be compensated at the rate of time and one-half (1½). Employees hired for breakfast or for lunch and clean-up shall be paid for all time worked in excess of five (5) consecutive hours at the clean-up hourly overtime rate. Employees hired for dinner or for buffet and clean-up shall be paid for all time worked in excess of six (6) consecutive hours at the clean-up hourly overtime rate.

All wage increases shall be granted over and above actual wages being paid at the time each increase is effective.

A. Working Conditions, Wages and Holidays

(a) Twenty (20) guests per server shall be the limit; except at buffets where forty (40) guests per server shall be the limit. In the event the station exceeds these limits, servers shall be paid forty-five cents (45¢) per guest in excess of the above limits.

(b) All work performed by banquet steady on a regular payroll who perform work on any of the paid holidays listed in Section 30 of the basic Agreement shall receive two times the wage scales set forth herein.

(c) Special New Year's Eve scales for all banquet steady and banquet extra shall be Seventeen Dollars and Ninety Cents (\$17.90) for six (6) hours and time and one-half (1-1/2) for all work performed in excess of six (6) hours.

(d) When sweet tables are served and the food is not supplied by the Hotel, and the then current gratuity percentage is not applicable, each server assigned to said sweet table shall receive a minimum gratuity of Twenty-Five Dollars (\$25.00).

(e) The set-up rate applies to an employee who reports prior to the start time of the function. The clean-up rate applies to an employee who works after the function is over. There shall be one (1) employee assigned for set-up and clean-up for every one hundred (100) guests or fraction thereof. Set-up or clean-up charges will apply to a roll-in meal (breakfast, lunch or dinner) only if there are fifty (50) or more guests.

(f) Meals shall be provided for all regular, banquet steady and banquet extra employees on duty.

B. Commissions

There shall be a minimum service charge on all banquets which shall be distributed among employees working said banquets. The minimum service charge for all functions under contract prior to September 1, 2002 shall be seventeen percent (17%). For functions not under contract as of September 1, 2002, or which were under contract at that time but where increasing the service charge is in accordance with the contract and agreed to by the customer, the minimum service charge shall be seventeen and one-quarter percent (17.25%). Effective November 1, 2004, the minimum service charge will be seventeen and one-half percent (17.50%). In the event the employer is unable to secure such minimum service charge on banquets, the employees serving said banquets shall have the privilege of soliciting a gratuity.

Any charges above the minimum service charge rate provided by this Agreement is the sole property of the Employer, except no Employer may decrease the service charge rate that it currently distributes in accordance with the 77% - 23% split provided by this Agreement.

The minimum service charge shall apply on the total amount charged for food and beverages. The Employer shall keep a record of amount received from said charge. Such record shall be open to representatives of the Union for examination.

Where beverages on which such a service charge is made are served from a bar, each bartender staffing said bar shall be paid a server's share of the service charge for beverages served from said bar.

Seventy-seven percent (77%) of the service charge shall be divided among the servers, bus persons, and bartenders as above described, and the remaining twenty-three percent (23%) of said service charge shall be divided in accordance with an addendum agreement with the Employer. The service charges to be divided are to be pooled from all banquets being served at the same meal period. For purposes of this calculation, all morning refreshment breaks are to be treated as a separate meal period and all afternoon refreshment breaks are to be treated as a separate period.

For hotels that were distributing more than the minimum service charge provided by the Collective Bargaining Agreement that expired August 31, 2002, the service charge to be distributed shall increase by 0.25% no later than January 1, 2003. This increase applies to functions, which were under contract as of January 1, 2003 and for which an increase in the service charge is in accordance with the contract and agreed to by the customer. An additional 0.25% increase in the service charge distribution to banquet servers, bus persons, and bartenders will become effective on November 1, 2004.

As of January 1, 2003, hotels charging a service charge of 20% or higher, and distributing that entire service charge according to the split in the Collective Bargaining Agreement, may, in lieu of increasing the service charge to the guest, distribute the equivalent of a 0.25% increase in the service charge by deducting that amount from the 23% of the service charge not allocated to the servers, bus persons, and bartenders on the above effective date.

There shall be a minimum service charge of twenty cents (20¢) per drink served at all ticket parties which shall be paid to the servers serving said drinks.

C. Cabaret Functions:

A cabaret function is defined as a sit-down dance function at which no food is served. On all such functions, there shall be a minimum service charge of seventeen and one quarter percent (17.25%) added to all checks presented for individual guest service. Effective November 1, 2004 the said charge will be seventeen and one half (17.50%). Any banquet server working a cabaret function shall be paid a four (4) hour dinner rate covered by the Banquet Wage Scale.

D. Discount Functions and Donated Beverages

The wait staff working a sale and promotion meal or a Hotel-sponsored discount function shall receive the greater of: a gratuity based on the Hotel's cost for the food and beverage service; or, the flat rate which the Hotel had been paying for such meals and functions. A "corkage fee" in an amount to be mutually agreed upon between the Union and the Hotel will be paid for the serving of donated liquor.

Supplement IV. - Culinary

All wage increases shall be granted over and above actual wages being paid at the time each increase is effective.

A. *Combination Jobs*

Employees working more than one (1) job or shift (excluding relief periods) shall be paid the higher classification rate if two (2) hours or more are worked in the higher classification.

B. *Uniforms and Working Conditions*

(a) Coats, pants, aprons, neckerchiefs, smocks for employees, and caps must be furnished and laundered free of charge by the Employer.

(b) The Employer will supply grindstone, or in lieu thereof will assume the responsibility of sharpening tools.

(c) There shall be no deduction for breakage.

C. *Workday*

(a) The workday shall consist of eight (8) productive hours and shall exclude employee dressing and clean-up time.

(b) Each employee shall receive a total of one (1) full hour each day to eat or rest, which shall be divided into two one-half ($\frac{1}{2}$) hour periods, the first of which shall be permitted not sooner than ninety (90) minutes after the employee begins his daily work and not later than three (3) hours after he commences work.

D. *Extra Employees*

Any employee who works an average of four (4) days or more a week must be placed on Regular Payrolls following thirty (30) days of employment.

Supplement V. - Bartenders

All wage increases shall be granted over and above actual wages being paid at the time each increase is effective.

Public and Service Bartenders

A. Working Conditions

(a) Except as provided above, two (2) wholesome meals per day shall be furnished by the Employer.

(b) No employee shall be compelled to perform any duties other than those for which he has been hired.

(c) A public bartender shall be defined as any bartender who has direct contact with the customer regardless of how extensive his service bar duties may be.

(d) Other than for banquets, in the event of an unusual or unexpected need during a peak period the Employer may call for additional Bartenders to work a four hour shift at one-half the rate of Public Bartender. Such bartenders may be used only to supplement the full-time bartending staff and not to reduce the number of full-time bartenders. Only one bartender per outlet may be used in this manner.

(e) A service bartender shall be defined as any bartender who has no direct contact with the customer and whose sole function is to provide service to servers.

Function Bartenders

A. Working Conditions

(f) When a service charge is made by a hotel for a bartender, a Local No. 1 or Local 450 member shall be employed.

(g) A function bartender shall receive the function rate for each function worked regardless of the time involved, except for a 1-1/2 hour function bartender. If a function bartender works over eight (8) hours, he is to receive time and one-half (1½).

(h) Upon request, a function bartender shall have the right to examine the customer's check for the purpose of determining his service charge.

(i) On banquet functions, each Hotel shall be required to submit a listing to Local No. 1 or Local 450, either weekly or monthly, showing the distribution of service charge.

(j) On banquet functions, fifty percent (50%) of the function bartenders shall be supplied by the Local Union Office under the terms and conditions set forth in Section 4 of the basic labor Agreement.

B. Wages and Holiday Pay

(a) All steady bartenders shall be paid weekly or semi-monthly. Extra or relief bartenders shall be paid at the end of the shift or when work is completed.

(b) For New Year's Eve functions, wages of extra employees (i.e., those not already on the Employer's payroll) shall be ten percent (10%) above the then current scale.

Supplement VI. - Housekeeping

A. *Wages and Working Conditions*

(a) All wage increases shall be granted over and above actual wages being paid at the time each increase is effective.

(b) Employees hired in the various job classifications covered by this Supplement shall be paid at no less than the minimum rates set forth herein.

(c) New classifications established under the jurisdiction of the Union shall be added to and made a part of this Supplement with a mutually agreed upon wage rate. Housekeepers may be hired as part-time employees for a four hour shift. Housekeepers hired for a four hour shift may be used only to supplement the full-time housekeeping workforce and not to reduce the number of full-time housekeepers. Contributions to the Union Health & Welfare Fund, Dental Plan, Pension Fund, and Prepaid Legal Plan Fund will be made on an hourly basis in the same manner as the contributions for other Employees who receive such benefits on an hourly basis. These employees will not be eligible for vacations or holidays, but will receive premium pay for a holiday actually worked. Housekeepers hired for a (4) hour shift will be given first consideration for any full-time position which becomes available. Such consideration will be provided in order of seniority.

(d) One meal per shift shall be provided for all regular employees in Housekeeping at no charge.

(e) Protective gloves will be provided to Housekeeping employees upon request.

(f) Room attendants will not be required to make up more than sixteen (16) rooms each shift and a Room Attendant's daily quota may be reduced pursuant to the formula below:

Effective September 1, 2003, if a Room Attendant is assigned 15 or more checkout rooms, the Room Attendant shall have their daily quota for that day reduced by one (1)room. However, the Room Attendant may be asked to clean such dropped room and receive payment of the current bought room rate for such room. One night stays shall not be counted toward checkouts.

Effective September 1, 2004, if a Room Attendant is assigned 14 or more checkout rooms, the Room Attendant shall have their daily quota for that day reduced by one (1)room. However, the Room Attendant may be asked to clean such dropped room and receive payment of the current bought room rate for such room. One night stays shall not be counted toward checkouts.

(g) Room Attendants will be paid a minimum of One Dollar Fifty Cents (\$1.50) for each roll-away they make up.

Supplement VII - Guest Services

A. Tour Baggage

The minimum rate for fixed tour baggage shall be two dollars fifty cents (\$2.50) per room for each check-in and two dollars fifty cents (\$2.50) per room for each check-out to be paid as a portage service charge.

APPENDIX I

DRUG AND ALCOHOL PROHIBITION AND TESTING POLICY

The unauthorized use, possession, distribution or sale of alcohol or drugs by any person while on hotel premises is prohibited. Any use of alcohol or drugs which causes or contributes to unacceptable performance or unusual job behavior is also prohibited.

For purposes of this policy, "drugs" includes any controlled substance, mind-altering chemical, depressant, or stimulant, unless such drug has been prescribed by a physician and is being taken in accordance with the employee's prescription.

Any employee found with alcohol and /or drugs in his/her physical possession or control on hotel property, or is under the influence of alcohol or drugs during the employee's work hours, will be subject to disciplinary action up to and including discharge.

It is understood that consumption of alcohol may be authorized at hotel sponsored events. Employee consuming alcohol at such a hotel sponsored event will be expected to moderate their intake.

If an employee is reasonably suspected to be under the influence of alcohol or drugs, based on the observation of appearance, personality shifts, poor performance, or other factors indicating substance abuse, and such observation is confirmed by at least one other person, the employee may be required to submit to a search as described below and/or test to determine if there is presence of alcohol or drugs on the premises or in the employee's system. No search or tests will be required on the basis of reasonable suspicion without authorization by an employee who has received training, orally or in writing, on how to detect whether an individual is under the influence of drugs or alcohol. The hotel may also require a test of any employee involved in an accident or who engaged in any unsafe act on hotel premises. All test samples will be taken by appropriate medical personnel and all testing will be done by a NIDA-certified testing laboratory. An employee may refuse to provide a sample for one type of test (e.g., blood, breath, urine, or hair), but must then provide consent for the remaining tests.

The employee may be required to cooperate with a search by opening his/her locker, emptying pockets, and opening any purse, briefcase, bag or other carrying case. The hotel may not engage in a body search. Any failure to cooperate with a request to submit to a search or test based on reasonable suspicion will be considered the same as finding of possession or positive test result. Such inspection shall be conducted, if possible, in the presence of a Union Steward, and in the event of a Union Steward's unavailability, two witnesses, one of which shall be a member of the Union.

If initial and confirmatory test results indicate a "positive" with respect to the presence of drugs, the employee shall be referred to an appropriate rehabilitation program. Eligibility for such referral is limited to employees who are not found to have been in possession or control of drugs while on Hotel premises. This program can be inpatient or outpatient, depending on the advice of a professional counselor. If outpatient, the employee will be expected to work his/her normal shift.

If an employee is suspended pending the result of a drug/alcohol test and the test result is negative, the employee will be reinstated with back pay for all scheduled shifts not worked as a result of the suspension. Following completion of the rehabilitation program, the employee will be subject to random testing for a period of twelve months. Any positive test result will result in immediate discharge. A failure to promptly submit to such a test will be considered a positive test result, which will also mean immediate discharge.

A failure to complete the rehabilitation program, or to satisfactorily comply with an aftercare program prescribed by the rehabilitation program professional, will result in disciplinary action up to and including discharge.

Established levels at or above the following numbers are deemed a positive result for the substances listed below. A positive result for other prohibited substances will be based on the opinion of an appropriate medical authority. If the parties cannot agree on an appropriate medical authority, each party shall designate a medical authority and the two medical authorities so designated will select an independent medical authority whose determination will be final as to the level which will be considered a positive result.

Drug Assay	Screening Cut off levels	Confirmatory cut Off levels
Blood Alcohol	0.05	0.05
Cocaine Metabolite	300 ng/ml	150 ng/ml
Phencyclidine	25 ng/ml	25 ng/ml
Opiates	300 ng/ml	300 ng/ml
Amphetamine	1000 ng/ml	300 ng/ml
Cannabinoids	100 ng/ml	20 ng/ml

PTI POLICY ON DRUGS AND ALCOHOL IN THE WORKPLACE

Any Employer who enters into or otherwise adopts the Agreement negotiated by the Hotel Employers Labor Relations Association with the Chicago Joint Executive Board of the Hotel Employees and Restaurant Employees International Union, AFL-CIO, may at its discretion implement the Drug and Alcohol Prohibition and Testing Policy. Said policy may be implemented by providing written notice to the Union and by posting and/or distributing this policy to the Employer's employees.

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