COLLECTIVE BARGAINING AGREEMENT

between

OTG MANAGEMENT MIDWEST, LLC

and

UNITE HERE LOCAL NO. 17, AFL-CIO

at the

MINNEAPOLIS / ST. PAUL INTERNATIONAL AIRPORT

September 25, 2019 through September 24, 2022

THIS AGREEMENT (this "Agreement") is between OTG Management Midwest, LLC at the Minneapolis/St. Paul International Airport (hereinafter referred to as the "Employer" or the "Company") and UNITE HERE Local No. 17 AFL-CIO (hereinafter referred to as the "Union"). This Agreement supersedes and makes null and void any previous Agreement between the "Employer" and the "Union". For purposes of brevity, reference to specific gender shall be construed to refer equally to the other gender.

NOW, THEREFORE, in consideration of the mutual terms, promises, covenants and conditions herein contained, it is agreed as follows:

ARTICLE 1 PURPOSE AND COVERAGE

- 1. <u>Coverage</u> The Employer recognizes the Union as the exclusive bargaining agent for all food and beverage employees listed in Schedule "A" working for the Employer at the Wold-Chamberlain Field Airport, Minneapolis, Minnesota (a.k.a. the Minneapolis-St. Paul International Airport) excluding all office clerical, merchandise warehouse employees, managers, assistant managers and all other supervisory employees.
- 2. <u>Purpose</u> It is the desire of the parties hereto to enter into a collective agreement for the purpose of maintaining harmonious and peaceful labor conditions and establishing methods for a fair and peaceful adjustment of disputes that may arise between the parties.
- 3. <u>Cooperation</u> Both parties mutually pledge that they will cooperate with each other in good faith in the enforcement of the terms of this Agreement so as to secure uninterrupted operation of the business of the Employer in rendering service to the general public and continuous employment of the employees and general stabilization.
- 4. Respect & Dignity The Employer and Union agree that each employee and supervisory representative of the Employer shall be treated with dignity and respect, which means that verbal abuse, threats of physical violence or unlawful harassment by employees, managers, representatives of the union, or supervisors towards each other will not be tolerated. Discipline shall be handled in a professional manner.

ARTICLE 2 UNION RIGHTS AND OBLIGATIONS

- 1. <u>Recognition</u> The Employer recognizes the Union as the sole collective bargaining agent for food and beverage employees listed in Schedule "A" and covered by this Agreement and the Union agrees that the employees shall work for the Employer upon the terms and conditions set forth in this Agreement.
- 2. <u>Union Shop and Membership</u> It shall also be a condition that all employees who are members of the Union on the effective date of this Agreement shall remain members of the Union or pay fees in lieu thereof. Furthermore, any of these employees who are not members of the Union on the effective date of this Agreement shall, on or after the thirty-first day of this Agreement, become and remain members of the Union or pay fees in lieu thereof. It shall also be a condition of employment that all employees covered by this

Agreement and hired on or after its effective date shall, on or after the thirty-first (31st) day of their employment, become and remain members of the Union or pay fees in lieu thereof.

- 3. <u>Check-off.</u> The Employer agrees to check-off and pay to the Union the required full dues or applicable per event dues of employees and to forward same to the Union on or before the twentieth (20th) day of each month, provided, however that no deductions hereunder shall be made without the written authorization of the employee, which authorization shall be in accordance with the provisions of the Labor Management Relations Act, 1947, as amended. New applications will be sent to the Union with the monthly billings.
- 4. <u>Maintenance of Check-Off.</u> The Employer shall adhere to the provisions in each dues check-off authorization agreed to by the employee regarding automatic annual renewal of the authorization and the provisions agreed to by the employee regarding revocation of the authorization only during annual window periods, irrespective of the employee's membership in the union.
- 5. <u>Electronic Authorizations</u>. The Union will provide to the Employer verification that the dues deductions have been authorized by the employee. Employees may express such authorization by submitting to the Union a written application form or by other means of indicating agreement to such authorization as permitted under state and federal law, as supported with reasonable evidence by the Union.
- 6. <u>Hold Harmless</u> The Union agrees to defend, indemnify and hold the Employer harmless from any liability or expense incurred by the Employer arising from the Employer's action pursuant to this Article.
- 7. <u>Bulletin Board and Newspaper Box</u> The Employer agrees to provide a space for the posting of official Union business in a conspicuous area to all union employees.
- 8. <u>Employee Discussion</u> Employees shall have the right to discuss Union business and other matters at all times, provided that such discussions take place on the employee's break time or at the employee's own work station and do not interfere with the operation of the business, service to a customer, or the work of other employees.
- 9. <u>Visitation</u> A duly authorized officer or business agent of the Union will be permitted to visit the premises of the Employer at all reasonable times for the purpose of transacting any business for the Union. The representative shall provide the Terminal Director written notice of his/her visit to the premises, and the Union agrees to provide such notice at least 24 hours' prior to the visit, subject to a shorter notice period in emergency or extraordinary circumstances. The Union agrees that it shall not meet with or conduct union business with employees during their work shift unless an employee is on his/her break. In no event shall the Employer's business be disrupted by the visit.
- 10. <u>Tip Check-off</u> The Employer agrees to honor political contribution deduction authorizations from employees in the following form:

I hereby authorize and direct the payroll department of OTG Management Midwest, LLC to deduct from my salary the sum of \$_____ per week for transmittal to the UNITE HERE INTERNATIONAL at 275 7th Avenue, NY, NY 10001. I understand that this authorization, is voluntarily made based on my understanding that the asking of these contributions to the UNITE HERE is not a condition of membership in UNITE HERE and/or any of its affiliates or of employment with UNITE HERE and/or any of its affiliates; that guideline amounts proposed by the union are only suggestions and I may contribute more or less and will not be favored or disadvantaged by the union by reason of the amount of my contribution or my decision not to contribute; that I may refuse to contribute without reprisal; and that my contribution will be used for political purposes, including support of federal and other elective offices and committees and for addressing political issues of public importance.

Notwithstanding the foregoing, the Employer shall make only such deductions for political contributions as are available after deductions from any such paycheck for employee benefits, deductions that have priority by law, and union dues. In recognition of the administrative impact on the Employer of deducting and forwarding political contributions, any employee who revokes or changes the amount of his or her political contribution deduction authorization may not re-enroll or make any additional changes for at least ninety (90) days following his or her revocation or change. Deductions shall be in whole dollar amounts and may not be changed more often than once every ninety (90) days.

- 11. <u>Union Buttons</u>- While on the job employees may wear Union buttons, so long as the wearing of such buttons does not obscure or interfere with the employees' uniform or any branding or franchisee standards. Such buttons may not exceed one and one-half (1-1/2) inch in diameter and shall not contain offensive or political content and does not defame or disparage the Employer.
- 12. <u>Copies of Agreement</u> The Employer agrees to provide copies of the collective bargaining agreement to all new hires along with the Employer's handbook and/or rules.
- 13. <u>Union Presence at Orientation</u> The Employer agrees to provide thirty (30) minutes unpaid time to the authorized representative of the Union following the conclusion of all new employee orientation sessions during which time management may be present. The Employer agrees to provide the Union with a schedule of orientation meetings.
- 14. <u>Employer Neutrality</u>. The Employer will maintain a neutral approach to whether Employees join the Union. The Employer shall use reasonable efforts to ensure that it its managers, supervisors, agents, and representatives, will not take any action nor make any statement that will directly or indirectly state or imply any opposition to employees joining the Union.

ARTICLE 3 MANAGEMENT RIGHTS

- . 1. Rights to Manage - The Company reserves and retains, solely and exclusively, all of its inherent rights to manage the business. The Company alone shall have the full and exclusive authority to determine and direct the policies, procedures and methods of operating its business. Without limiting the generality of the foregoing, the sole and exclusive rights of management which are not abridged by this Agreement include, but are not confined to, the right to determine, and from time to time, to re-determine the number, types and locations of its rooms and operations, and the methods, equipment and processes to be employed; to discontinue or automate methods, equipment, processes or operations; the right to determine the qualifications for employees, and to select its employees; to determine the size and composition of its work force, to determine production and work schedules and methods of work and production; to require attendance at training sessions; to determine the number and type of equipment, machinery, materials and supplies to be used or operated and the products to be prepared, processed or sold or the services to be rendered or supplied; to hire, promote, transfer, assign, lay off, and recall employees to work; to reprimand, discharge, or otherwise discipline employees; to determine job content and the amount and type of work needed; to determine and make the assignments of work; to schedule the hours to be worked on each job in each room and in each shift; to discontinue, or assign any of its business operations; to expand, reduce, alter, combine, transfer, assign or cease any job, job classification, department, room or operation; to determine the amount of supervision necessary; to control and regulate or discontinue the use of supplies, equipment, machinery and processes and any other property owned, used, leased or possessed by the Company; to establish, modify and enforce reasonable rules or regulations, policies and practices; to introduce new, different or improved methods, means and processes of transportation, production, maintenance, service and operation; and, otherwise, generally to manage the operation and direct the work force; the Company's failure to exercise any function or right in any particular way shall not be deemed a waiver of its rights to exercise such function or right, nor to preclude the Company from exercising the same, in some other way not in conflict with the express provisions of this Agreement. TA
- 2. <u>Non-Inclusive Employer Rights</u> The above enumerated rights of management are not all inclusive, but indicate the types of matters which belong to and are retained by the Company.
- 3. <u>Subcontracting</u> The Union recognizes that the Employer is subject to requirements imposed by various federal, state and local laws and regulations to subcontract to businesses owned by socially and economically disadvantaged business enterprises (DBEs) and may be required by the Employer's landlord or the Metropolitan Airports Commission ("MAC") to subcontract certain portions of the premises leased to the Employer to third parties. The Employer agrees that it will only subcontract work agreed pursuant to this Agreement to be performed by the bargaining unit in the following circumstances: (i) to DBEs; (ii) to the extent actually required by the Employer's landlord or the MAC; (iii) work which is currently subcontracted, (b) it is work of the type not currently performed by the bargaining unit, (c) it is work requiring skills not available in

the bargaining unit, (d) when such subcontract is necessary to comply with the terms of the Employer's lease with the Airport, including, but not limited, to contracts necessary to comply with DOT or local regulations of any kind, or (e) to provide goods or services which the Employer has determined that it cannot or should not provide itself. With respect to any such subcontracting, the Employer will provide the Union with reasonable notice prior to its implementation.

- 4. <u>Rights Retained</u> Except as specifically abridged, delegated, granted or modified by this Agreement, or by any supplementary agreements that may be made hereinafter, all of the rights, powers and authority of the Employer existing prior to the signing of this Agreement are retained by the Company and remain exclusively and without limitation within the rights of management.
- 5. <u>Electronic Surveillance</u> The Employer is free to conduct any form of electronic surveillance of its premises that is permitted by law.

ARTICLE 4 NO STRIKE OR LOCKOUT

During the term of this Agreement the Union agrees on behalf of itself and each of its members and affiliates that there shall be no authorized strike of any kind and there shall be no boycott, picketing, work stoppage, slowdown, strike, sympathy strike, or any other type of organized interference, coercive or otherwise, with the Employer's business, whether such action is attributable to a dispute over existing contract rights, a dispute involving an affiliate of the Company, another employer or Union, or for any other reason. In the event any violation of the previous paragraph occurs which is unauthorized by the Union, the Employer agrees that there shall be no liability on the part of the International or Local Union or any of their officers or agents, provided that in the event of such unauthorized action the Union first meets the following conditions:

- a) The Union shall declare publicly that such action is unauthorized by the Union if requested to do so by the Employer,
- b) The Union shall promptly order its members to cease and desist from said action immediately and to return to work and, in good faith and to the full extent of its power under the Union's Constitution, use its best efforts to bring such unlawful action to a stop, the existence of a picket line notwithstanding.
- c) The Union shall not question the unqualified right of the Employer to discipline or discharge employees engaging in, participating in, or encouraging such action. It is understood that such action on the part of the Employer shall be final and binding upon the Union and its members, and shall in no case be construed as a violation by the Employer of any provision of this Agreement. However, an issue of fact as to whether or not any particular employee has engaged in, participated in, or encouraged any such violation may be subject to grievance and arbitration.

d) This Article shall not serve to prohibit any individual member of the Union, at his own discretion, from refusing to cross a primary sanctioned picket against the Employer.

There shall be no lockout by the Employer.

ARTICLE 5 WAGES, GRATUITIES AND JOB CLASSIFICATIONS

1. <u>Minimum Rates and Merit Increases</u> - The minimum Hourly Wage Rates for all covered employees under this Agreement shall be as listed on the attached Schedule "A". It is understood that these are minimum hourly wage rates and the Employer, in consideration of merit or length of service, may pay in excess of same. The Employer shall notify the Union of any such increases.

The parties agree that the wage rates established in this Agreement for each year of the contract are intended to establish the maximum rates required to be paid by the Employer. In the event that the Employer is required by any federal, state, local, or airport law, regulation, or procedure of any kind, including but not limited to "Minimum Wage" increases, to pay a rate higher than the contractually negotiated rate to any employee (a "mandated increase"), such impacted employees shall receive only the greater of such mandated increase or the contractually agreed upon increase for the twelve month period commencing on the date the mandated increase takes effect, not both, and such contractually agreed upon increase for that twelve month period shall be null and void. Moreover, to the extent the mandated increase in any year also exceeds the contractually agreed upon wage increases in future years, such wage increases shall also become null and void (e.g., if a Minimum Wage law increases the minimum rate by \$1.50 in Year 1 of the contract, there will be no further wage increases required by the contract until the contractually agreed upon increases would have equaled a total of \$1.50 over the life of the contract).

Further, it is agreed that in the event that a future minimum wage law allows for the possibility that it may be waived and superseded by a collective bargaining agreement, at the Employer's request, the parties agree to meet and discuss the possibility of the Union agreeing to such waiver.

- 2. <u>No Reduction</u> There shall be no reduction of wages due to the signing of this Agreement nor shall employees be required to pay for any work related equipment currently being furnished by the Employer. However, if an employee moves into a lower-paid classification following ratification, his or her pay may be adjusted accordingly.
- 3. Wage Discrepancy Claims All wage discrepancy claims must be presented in writing to the employee's appropriate Manager. The Manager may seek the assistance of the Accounting Office or any other appropriate source for information that would lead to resolution of the claim. The Employer shall use commercially reasonable efforts to resolve any pay discrepancy issues by the payday following the receipt by Employer of the report of such discrepancy. If the discrepancy was a result of Employer's error and is more than

- 25% of the employee's pay, Employer shall issue a special check within three (3) days of being notified of the discrepancy, excluding Saturdays, Sundays and holidays.
- 4. Pay on Termination All terminated employees shall receive all monies due not later than the pay period following termination provided the Employer's termination procedures have been completed. An employee whose employment is involuntarily terminated shall receive all monies owed to him or her within twenty-four (24) hours of receipt of a request, in writing, from such employee; provided, however that accrued and unused Paid Time Off shall not be paid to any employee terminated for theft or fraud.
- 5. New Job Classifications Should any classification not listed in this Agreement be established by the Employer during the term hereof, falling within the jurisdiction of the Union, the parties agree that they will negotiate an agreeable wage rate for such classification which shall then be included in and become part of this Agreement. If the parties fail to reach an Agreement, the matter shall be resolved through the Grievance and Arbitration Procedures of this Agreement.
- 6. <u>Combination Work</u> Employees assigned to a job classification other than their own which involves a higher rate of pay shall be paid the higher rate of pay for all hours worked in that classification provided that (i) the employee works a minimum of one hour in such classification, and (ii) the work performed by the employee in the other classification is performed on an unsupervised basis or the employee is not in training.
- 7. <u>Gratuities</u> All gratuities shall be the sole property of the serving person or persons and no employee shall be required to pay the credit card processing fee on the tipped portion of any credit card charge.
- 8. <u>Business Costs</u> In accordance with applicable laws, employees shall not have unauthorized deductions made from their checks for such business costs as walkouts, bad checks, incorrect credit card stamps, addition errors, over pouring, cash register shortages or breakages.
- 9. Perfect Attendance/Mass Transit/Parking Reimbursement Employees with perfect attendance during a month (no absences or tardies) shall be entitled to reimbursement for that month for mass public transit taken to work or for airport parking during work up to 70% of the actual cost. The employee shall be responsible for keeping track of his or her attendance/tardiness record and for applying for the reimbursement on a form to be provided by the Employer, accompanied by the receipt for mass public transit or parking. Application for reimbursement shall be submitted by the employee no later than the 15th day of the following month.

10. Signing Bonuses:

a) <u>Full-Time, Tipped Employees</u>. Within 30 days of the ratification date, each full-time, tipped employee who was employed by Employer on November 11, 2018 (and not on probation), will receive a one-time bonus in the amount of \$400.

- b) <u>Full-Time, Non-Tipped Employees</u>. Within 30 days of the ratification date, each full-time, non-tipped employee who was employed by Employer on November 11, 2018 (and not on probation), will receive a one-time bonus in the amount of \$600.
- c) <u>Part-Time Employees</u>. Within 30 days of the ratification date, each part-time employee who was employed by Employer on November 11, 2018 (and not on probation), will receive a one-time bonus in the amount of \$250.

As it relates to determining whether an employee is full-time or part-time solely for this Section 10, part-time status will include those employees who worked less than 100 hours per month on average from June-August 2019.

11. <u>Pilot Testing of Professional Server Class</u> – The Employer shall have the right, at any time during the term of this Agreement and upon prior written notice to the Union (the "Pilot Notice"), to implement a temporary professional service classification program (the "Pilot Program") in the holdrooms and business units within the Airport; provided, that, other than with respect to holdrooms, the Employer shall not implement the Pilot Program at more than one (1) business unit at a time. The duration of the Pilot Program shall conclude on the first (1st) anniversary of the date of the Pilot Notice.

The professional service classification will be comprised of employees hired following the date of the Pilot Notice and any members of the bargaining unit in a tipped classification as of the date of the Pilot Notice that elect to convert to the professional service classification. Members of the bargaining unit that elect to convert to the professional service classification shall be entitled to a thirty (30) calendar day trial period. The converting employee may choose to return to his/her former position within the trial period without loss of seniority. Members of the bargaining unit that work within a holdroom or business unit participating in the Pilot Program who elect not to convert to the professional service classification shall be transferred to a business unit not participating in the Pilot Program without a loss of seniority.

The temporary professional service classification will be a non-tipped classification, and the Employer shall have the right to set reasonable wages for such classification for the duration of the Pilot Program. If the Employer determines that it wishes to convert all tipped classifications into professional service classifications on a permanent basis, upon prior written notice to the Union, the Union and the Employer agree to negotiate reasonable wages for such a classification reasonably acceptable to both the Employer and the Union, provided that a permanent conversion shall not occur absent an executed agreement between the parties.

ARTICLE 6 HOURS OF WORK, OVERTIME AND PREMIUM PAY

- 1. <u>No Guarantee</u> This Agreement constitutes no guarantee of hours or periods of work.
- 2. <u>Normal Workweek</u> Normally, full-time employees will be scheduled for thirty seven and one-half (37.5) hours of work per week within a seven (7) day period between Sunday to Saturday, consisting of five (5) eight (8) hour days, which will include a thirty (30) minute

- unpaid meal break. Alternatively, to the extent permitted by applicable law and consistent with the Employer's business needs, full time employees will be scheduled for four (4) ten (10) hour days, which will include a thirty (30) minute unpaid meal break.
- 3. Weekly Overtime Time worked by an employee covered by this Agreement in excess of forty (40) hours in any one (1) workweek shall be considered as overtime and shall be paid for at the rate of one and one-half (1 ½) times the regular hourly rate of pay. No Employee shall work overtime unless such overtime work has been authorized previously by his/her department head or designated representative. Overtime shall be verified in writing, which shall include by electronic means, by the employee's manager.
- 4. Overtime Work Scheduled overtime work shall be offered on the basis of seniority per Article 9.3(c).
- 5. <u>No Duplication</u> There shall be no pyramiding or duplication of overtime and/or premium pay for the same hours worked.
- 6. Work Schedules All weekly work schedules shall be posted seven (7) days prior to the first day of the schedule, provided that scheduled hours may be changed with less than seven (7) days' notice due to business condition beyond the Employer's control, Acts of God or emergencies. The Employer shall notify the affected employee in writing (which shall include electronic means such as email) of such changes as soon as possible once such a schedule change has been made.
- 7. Report-in Pay There shall be a minimum four (4) hours report-in time each day, unless an employee chooses to work a lesser amount of time. If the employee chooses the "report in pay" option, the Employer reserves the right to utilize the employee as necessary to meet the needs of the business.
- 8. <u>Call Off Notification</u> The Company shall be required to notify employees a minimum of three (3) hours in advance of the start time, if they are not needed.
- 9. <u>Meetings</u> No employee shall be required to attend a department or staff meeting outside of the employee's regularly scheduled shift or day off without having first been given seven (7) days' notice of such meeting. Included in the definition of meetings shall be information sessions and training sessions. Any employee not scheduled to work that day shall be paid a minimum of the report-in-pay of four (4) hours.
- 10. <u>Lay-Off Notification</u> If it becomes necessary to lay off employees, the Employer shall give the affected employees a minimum of one (1) weeks' notice or pay in lieu thereof, is necessitated or caused by a lack of business, the termination of the Employer's management contract or the termination of the Employer's business by bankruptcy, creditor's actions or any other reason not the fault of the employees, unless the cause of the layoff is beyond the control or knowledge of the Employer.
- 11. Work on Scheduled Days Off When it becomes necessary to schedule an employee on their scheduled day off and management is aware of the need at least twenty-four (24) hours in advance, such work shall be offered first to employees from within the same

classification within the same Location, on the basis of Job Classification Seniority. If the need cannot be filled with volunteers, then qualified employees with the Location may be assigned to cover the temporary need in reverse order of Job Classification Seniority. It shall be management's prerogative, however, to discount seniority where the person accepting the work would work a greater amount of daily overtime hours than other eligible employees or to select the least senior employee at another Location based on Job Classification Seniority. This section shall not apply to shifts which must be filled with less than twenty-four (24) hours' notice.

12. Flex Employee Scheduling - In addition to the standard scheduling provided for in Section 6 of this Article, Employer is permitted to hire flex employees to fill shifts that become available due to call-outs, the use of PTO, bereavement leave, a leave of absence, shifts that go unfilled following a schedule bid or shifts/schedules that otherwise become vacant until such vacant shifts are permanently filled or until the next schedule bid. Employees who receive their schedule pursuant to Section 6 of this Article, cannot be a flex employee; however, a flex employee would be eligible to apply for available full-time positions and become a "regular" employee. While working for the Employer as a flex employee, such employee may pay Union dues on a per shift basis as provided in Article 2 Section 3. Flex employees shall be considered part-time employees (regardless of the number of shifted worked) and not assigned to a particular business category. The flex employees will otherwise be subject to the same terms and conditions and receive the same benefits and protections as the other employees, including Seniority, benefits, etc.

ARTICLE 7 UNIFORMS AND LOCKERS

- 1. <u>Uniform Definition</u> A uniform shall be defined as wearing apparel and accessories of distinctive design or color which bears the Employer's logo, the outlet or concept logo, or not suitable for wear other than at work. The Employer reserves the right to select the style or type of special uniform required in this establishment
- 2. <u>Furnishing Uniforms</u> The Employer shall furnish uniforms without expense to the employee. Employees will be issued a minimum of two (2) sets. The Employer will issue uniforms of appropriate size and will replace them when deemed necessary. It is the Employee's responsibility to maintain a neat and clean appearance.
- 3. <u>Uniform Alteration</u> The Employer shall make arrangements, and pay for all uniform alterations it deems necessary. No alterations by the employee will be permitted.
- 4. <u>Lockers</u> The Employer agrees to provide an appropriate and safe place to store coats and other personal items.

ARTICLE 8 MEALS AND BREAKS

1. <u>Meals</u> – The Employer shall provide a sixty (60%) percent discount to bargaining unit employees for meals at all of their locations.

- 2. <u>Meal Break</u> Employees working six (6) hours or more shall be assigned by the Employer a thirty (30) minute unpaid meal break at a time that works for the business and consistent with applicable law. Meal periods shall generally not be interrupted. If a manager requires that an employee end his/her break early to return to work, the employee shall receive his/her regular rate of pay for such break to the extent required by law.
- 3. <u>Breaks</u> All non-tipped employees shall be eligible to receive a ten (10) minute paid break during a shift that is scheduled for at least eight (8) hours. Such break shall occur during a time that is appropriate for the Location, if any, as reasonably determined Employer. If an employee does not take all or a portion of his/her break, he/she shall not receive additional payment for such period of time. Employees who do not to take their meal break during such shift or the prior shift shall not be eligible to take the break provided in this Section.

ARTICLE 9 SENIORITY

1. Definitions:

"Company Seniority" shall mean the employee's continuous unbroken length of service with the Company.

"Job Classification Seniority" shall mean the employee's length of service in the establishment in the classification categories as listed in Schedule B. Such seniority shall be established by holding a regularly scheduled shift in a classification category. Employees who work on an intermittent basis in a classification category other than their primary one shall not build seniority in those categories.

"Location" means, with respect to (i) any restaurant or fast casual business unit, a standalone food and beverage concept and all holdrooms at which guests may order food and beverage from such stand-alone food and beverage concept for delivery to such holdroom, and (ii) the market business unit, all markets located within a terminal at the airport.

- 2. <u>Probationary Period</u> All new employees shall be considered as probationary employees for the first ninety (90) days of service, during which time they may be dismissed at the discretion of the Employer without recourse by the Union under any provision of this Agreement. After completing the probationary period, the employee's seniority shall then date from the first day of work following the issuance of the employee's Security Badge.
- 3. <u>Use of Seniority</u> The Employer and Union agree to recognize seniority in the following areas:
 - a) Posting of open Shifts All open positions including temporary positions expected to be of at least thirty (30) days duration (posted as such) will be posted. Where permanent changes in scheduling of shifts occur, and ability and past performance are equal, Job Classification Seniority shall prevail. Employees bidding a new schedule vacate their rights to their prior schedule. Anyone bidding a temporary schedule must, at the end of the temporary assignment shall take an open shift.

- b) <u>Holidays</u> Employees regularly scheduled to work the day on which a holiday falls shall work the holiday. Requests off for holidays must be made a minimum of twenty-one (21) calendar days in advance, and will be honored according to Company Seniority, while not being unreasonably denied.
- c) Overtime/Relocation Where unscheduled overtime is required, it shall be offered on the basis of Job Classification Seniority of those working in the Location at that time. In such cases, the overtime will be offered first to the most senior employee based on Job Classification Seniority at the Location and if not accepted by volunteer(s), such overtime will be assigned to the least senior employee based on Job Classification Seniority at the Location. It shall be Management's prerogative, however, to discount seniority where the employee accepting the work would work a greater amount of overtime hours than other eligible employees or to select the least senior employee at another Location based on Job Classification Seniority.
- d) <u>Extended PTO</u> When more than one (1) employee submits an Extended PTO (as defined in Article 18.4) request in the same week for the same Extended PTO period, Company Seniority shall prevail.
- e) <u>Layoffs and Recall</u> The Employer may elect to offer voluntary layoffs by Company Seniority in the affected classifications before requiring mandatory layoffs. If management does not obtain enough volunteers for layoff in a given classification as set out above, the Employer shall honor seniority to reduce the workforce, i.e. the most junior employees being laid off first. Recall shall be done in accordance with Article 9.7 below. During layoffs or reduction in the work force, the employee with the least Job Classification Seniority affected shall be laid off first. When the working force is again increased, employees on layoff shall be recalled in the order of their Job Classification Seniority, unless circumstances have occurred during the layoff which make them disqualified. Ability to perform the work available shall be a determining factor in following the principle that the last employee laid off will be the first employee rehired.
- 4. <u>Bumping</u> Bumping shall not be permitted except in cases of reduction in workforce and layoff of employees.
- 5. <u>Classification Seniority</u> Employees changing classification categories shall begin their seniority in the new classification category upon assuming a regularly scheduled shift, and seniority shall continue to accrue as long as the employee works in the classification category. During layoff or reduction in the work force within a classification category, an employee may exercise any accrued seniority to revert to the least senior shift in the classification category from which he was last transferred if the employee would otherwise lose his employment with the Employer. The employee will retain all seniority formerly accrued in the original classification category and will not lose accrued paid time off ("PTO") benefits.
- 6. <u>Elimination of Entire Weekly Schedule</u> If an employee's entire weekly work schedule is eliminated and that employee has Job Classification Seniority over other employees in the

classification category who the senior employee is qualified to replace, the senior employee may bump any such individual with less seniority who has a schedule with the same or fewer hours.

- Notice of Recall Where an employee is notified at the time of layoff when he is to report back to work, he will promptly report at such time without further notice. When an employee is not notified at the layoff time when he is to report back to work, he shall be given three (3) days' notice of when to report back to work, if the period of layoff has been less than fourteen (14) days. If the layoff period extends for fourteen (14) days or more, the employee shall be given seven (7) days' notice of the time to report back to work. Notice to report back to work shall be given by a letter to the last address properly furnished to the Employer by the employee. While waiting for an employee to report back to work, the Employer may utilize any other available employee. In the event an employee fails to report for work in compliance with the above provisions, he shall be deemed as a voluntary termination. Layoffs which exceed a period of the lesser of one (1) year or the employee's length of service shall be considered just cause for discharge. Subject to Article 9.8, employees shall suffer no loss of seniority during the layoff period.
- 8. <u>Loss of Seniority</u> An employee's seniority will be lost for the following reasons:
 - a) Voluntary termination or resignation.
 - b) Failure or refusal to report for work as scheduled after an accident, injury or sickness when the treating or consulting physician reports the injured employee physically fit to return to work.
 - c) Exceeding an authorized leave of absence.
 - d) Knowingly applying for unemployment compensation benefits while on a medical or personal leave of absence.
 - e) Discharge for just cause.
 - f) Entering a settlement approved by a State District Court or receiving an award relating to Worker's Compensation benefits for total permanent disability benefits.
 - g) Engaging in gainful employment while on leave of absence.
 - h) Failure to report to work without notice for two (2) consecutive days is deemed job abandonment and constitutes a voluntary resignation.
 - i) Failure to return to work within the applicable timeframe forth in Article 9.7.
 - j) Layoffs which exceed a period of the lesser of one (1) year or the employee's length of service
 - k) Accepting a supervisory position and remaining a supervisor for a period greater than thirty (30) days shall lose all seniority.

- 9. <u>Moving to Supervisory Position</u> Employees returning to their previous classifications within the bargaining unit prior to thirty (30) days shall suffer no loss of seniority or benefits.
- 10. <u>Seniority List</u> The Employer shall furnish an accurate seniority list to the Union within ten (10) days of the date of which this Agreement is signed. The Employer shall notify the Union monthly of each employee who has been separated from employment. Seniority lists shall be updated quarterly and forwarded to the Union office. The Employer agrees to notify the Union of all new hires.
- 11. Probationary Period New Classification An employee promoted to a higher or lower paying classification shall serve a twenty (20) working day probationary period. During the probationary period, the Employer may return the employee to his previously held classification for inability to perform the duties of the new job, or the employee may elect to return to his previously held classification. Employees returning to their previous classification in this manner shall suffer no loss of seniority.
- 12. <u>"Same Hire Date" Seniority</u> In the event two (2) or more employees begin work on the same day, a numerical suffix will be attached to the seniority date of such employees based on a lottery witnessed by a Union Representative.
- 13. <u>Vacancy or Promotion</u> Whenever a vacancy or promotion occurs, excluding those created by leaves of absence or Extended PTO, those employees who apply will be considered for filling of vacancies or promotions; provided, however, that the vacancy shall be filled by the most qualified applicant for the position, whether internal or external to the bargaining unit. When skills and ability are equal, qualified applicants from within the bargaining unit shall be given preference, on the basis of Company Seniority.
- 14. <u>Security Badge</u> Notwithstanding anything to the contrary in this Agreement, if an employee is unable to obtain a Security Badge or if any such Security Badge is revoked by such authority, the employee shall be discharged without recourse of any kind.

ARTICLE 10 GRIEVANCE PROCEDURE

- 1. Should differences arise between the Employer, the Union and/or any employee who has completed his/her probationary period, as to the meaning and application of this Agreement, the following procedure shall be followed by an employee and the Union.
 - <u>Step 1</u> The employee may take up the matter with his/her supervisor on an informal basis in order to settle the matter promptly. An aggrieved employee may have the Union Steward assist him/her with Step 1, if he/she so desires. Settlements reached at this level shall be considered non-precedential, unless the Employer and the Union Representative agree that the settlement shall be reduced to writing and may be used as a precedent in the future.
 - Step 2 If the grievance is not satisfactorily settled in Step 1, the aggrieved employee or the Union shall, within ten (10) calendar days from the date on which the incident which gave rise to the grievance occurred, or within ten (10) calendar days of when the grievant

should reasonably have had knowledge of its occurrence, file a written grievance with the Team Leader, provided the ten (10) calendar day requirement and the written grievance requirement may be waived by mutual written agreement between the parties.

The written grievance shall set forth the facts giving rise to the grievance, including the date and persons involved, the remedy sought, and designate the provisions of the Agreement which allegedly have been violated.

Step 3 - The Team Leader, who may be joined by the HR Director at the discretion of the HR Director, the Union Steward and/or Union Business Agent and/or one (1) Committee Member, will confer within ten (10) calendar days after receipt of such written grievance in an effort to resolve the grievance, unless the time limit is extended by mutual written agreement of the Parties. If not settled at this conference, the HR Director, the Terminal Director or Regional Director, as applicable, shall issue a decision in writing on any such written grievance within ten (10) calendar days from the time such grievance meeting is adjourned. If the Union is dissatisfied with such decision, within ten (10) calendar days of such decision, the Union may appeal the matter to the designee of Corporate Human Resources and the General Counsel's office, who shall render a decision within five (5) days of receipt of the Union's appeal.

- 2. <u>Employer/Union Grievances</u> Any grievance the Employer or Union may have raised within the time limits set forth in Step 2 shall be reduced to writing and submitted to the other party's designated representative who will arrange a meeting according to the provisions set out in Step 3, above. If the matter is not satisfactorily settled at this Step, the grievance may be processed through the Arbitration Procedure set forth in Article 11.
- 3. <u>Discharge Grievance</u> Step 1 shall not apply with respect to a grievance regarding an alleged improper discharge and the procedure set forth in this Article 10 shall commence with Step 2 under such circumstances.
- 4. Effect of Failure to File or Appeal.
 - a) Any grievance not filed within the time limits specified in this Article 10 shall be deemed without merit and not entitled to further consideration. Such failure to file by the grievant or Union shall be deemed a withdrawal of the grievance with prejudice.
 - b) Any grievance not appealed within the time limits specified in this Article 10 shall be deemed abandoned and not entitled to further consideration. Such abandonment by the Employer shall be deemed an acceptance of the grievance as stated and the remedy requested shall be accepted and enforced.
- 5. <u>Voluntarily Terminated Employees</u> There shall be no responsibility on the part of the Employer to make any further adjustment of a grievance when the aggrieved employee who signed the original grievance voluntarily terminated his employment with the Employer, except as to the correctness of the amount of his final paycheck which includes overtime, if applicable, and/or accrued and unused PTO payable under this Agreement.

ARTICLE 11 ARBITRATION PROCEDURE

1. <u>Arbitration Procedure</u> - If the grievance cannot be satisfactorily settled by the above steps of the grievance procedure, either of the Parties may request Arbitration by giving the other Party written notice of its desire to arbitrate within fourteen (14) calendar days after the Employer or the Union has made its final written answer as provided in Step 3, unless the Employer and the Union mutually agree in writing to extend the time limit, in which event the grievance shall be arbitrated according to the following procedure:

The Party desiring to arbitrate shall request the Federal Mediation and Conciliation Service (with a copy of such request to the opposite Party) to furnish the Parties with a panel of seven (7) names of impartial arbitrators. From this panel a representative of the Employer and the Union shall select the Arbitrator by alternately striking a name from the list of seven (7) persons, the complaining Party having the first strike. The person remaining on the list after each Party has exercised his/her strikes shall become the Arbitrator. The Parties may select an Arbitrator by other means, if such other method of selection is confirmed by a written stipulation.

The selection of the Arbitrator and the hearing shall be within thirty (30) days of the request for Arbitration, whenever practicable. No evidence shall be introduced as to the withdrawal during negotiations of any proposal to change this Agreement. The Arbitrator shall issue a decision within thirty (30) days of the close of the hearing, or, if oral hearings have been waived, then from the date on which the written final statements and proofs on issues were submitted. The Arbitrator shall have no authority to amend, alter, add to or subtract from this Agreement.

The expenses of the Arbitrator shall be borne equally by the Union and the Employer, each Party bearing its own preparation and presentation expenses.

- 2. <u>Final and Binding</u> Any decision reached at any stage of these grievance proceedings or by the Arbitration Procedure shall be final and binding upon the Employer, the Union and the employee(s) involved.
- 3. <u>Arbitrator Limitations</u> The Arbitrator shall not have the power to add to, ignore, or modify any of the terms, conditions or sections of this Agreement. His/her decision shall not go beyond what is necessary for the interpretation and application of this Agreement in the case of the specific grievance at issue. The Arbitrator shall not substitute his/her judgment for that of the Parties in the exercise of rights granted or retained by this Agreement.
- 4. <u>Contract Remedy</u> When an employee has any complaint, grievance or difference regarding the application of the terms and conditions of this Agreement it is agreed that the grievant will use the grievance/arbitration procedure as set forth above before attempting to take the matter elsewhere.
- 5. <u>Arbitration Awards</u> All claims for wages lost because of unjust suspension or discharge shall be limited in the amount if any, agreed to by the Employer and Union or ordered by the Arbitrator if taken to arbitration, but, in any event, less any unemployment

compensation unless repayment of unemployment compensation is required by law (after final determination by the State).

ARTICLE 12 DISCIPLINE AND DISCHARGE

- 1. <u>Discipline</u> The Employer has the right to meet with an employee to discuss and/or coach and counsel such employee regarding work performance, attendance or other matters prior to or within the specified steps of discipline listed below. Such discussion or counseling shall not be subject to the grievance procedure. The Employer agrees that in disciplining employees, other than with respect to a material violation of the Employer's rules and other than in connection with a violation of the Employer's cash handling or attendance policies, such discipline will normally be in the following form:
 - a) Verbal warning
 - b) Written warning
 - c) Final written warning or suspension
 - d) Discharge

In the case of a material violation of the Employer's rules or a violation of the Employer's cash handling or attendance policies, the preceding progressive discipline need not apply. Following Employer's investigation of a violation, any discipline will be given in a timely manner. The Union shall be notified of any suspension pending investigations.

- 2. <u>Discharge</u> The Employer reserves and has the right to discharge any employee for just cause, but it is further agreed that no employee shall be discriminated against in discipline because of their lawful Union activities. For purposes of this Agreement, just cause for discharge shall include, but not be limited to, the following:
 - a) Physically fighting on the premises of the Employer.
 - b) Willful or unreasonable destruction of Employer's property and/or the surrounding areas including airport parking lots.
 - c) Possession of firearm(s) or illegal weapon(s) on the Employer's or client premises and/or during work time.
 - d) Sleeping on the job.
 - e) Manipulation of payroll records with the intent of defrauding the Employer.
 - f) Theft.
 - g) Conviction of, admission of or entering a plea of *nolo contendere* to a felony.
 - h) Denial or revocation of badge by TSA or Airport authority.

- 3. <u>Discharge Review Time Limits</u> Any employee who feels he has been unjustly discharged shall have the right to appeal to the Union and file a grievance, as permitted by the applicable provisions of this Agreement.
- 4. <u>Written Notices</u> Written warnings, final written warnings, notices of suspension and notices of discharge, which are to become part of the employee's file shall be read and signed by the employee. Such signature shall in no way be an admittance of wrong-doing on the part of the employee. A copy of such warnings and/or notices shall be given to the employee during the disciplinary meeting where the employee is presented with the formal discipline notice by the Employer.
- Suspensions, Final Warnings and Discharges All written warnings, written notices, suspensions, final warnings, and discharges will be in written form and copies will be sent electronically to the Union within seven (7) business days of the later of (i) determining the Employee's violation of work rules or other terminable offense, and (ii) a disciplinary meeting between the employee and the Employer. Except as otherwise set forth in this Agreement, discharges will be preceded by a suspension during which an investigation of the incident leading to the discharge will be conducted. No employee shall be placed on suspension pending investigation status longer than five (5) days; provided, however that such five (5) day period shall automatically be extended by the number of calendar days (a) mutually agreed by the parties, (b) that the investigation is postponed pending the resolution of a law enforcement investigation into the underlying matter or (c) that the investigation is temporarily postponed until a Union Representative or Shop Steward is available to participate, if applicable.
- 6. <u>Personnel Files</u> The Employer's Human Resources Department shall, at reasonable times and at reasonable intervals upon the request of an employee, permit that employee to inspect such employee's personnel file on his own time during regular office hours and within the sight of a management representative. This shall be permitted within twenty-four (24) hours of the employee's written request (provided that this falls within regular business hours). Employees are not allowed to remove any part of the official record.
- Retirement of Warning Notices The Employer shall not use warning notices more than twelve (12) months and not related to violations of attendance policy, cash handling policy, dishonesty, or willful misconduct as the basis for discipline unless there is a current incident manifesting a continuing pattern of serious misconduct, e.g. racial or sexual harassment. If an employee has received a final written warning or suspension, retirement of a warning notice more than twelve (12) months shall not interrupt or modify the next step in an existing progressive discipline process. Because the Employer often is required to demonstrate nondiscriminatory treatment of employees, retired warning notices more than one (1) year old shall remain as part of an employee's record, but, upon the request of the employee, will be placed in a sealed envelope in the employee's personnel file.
- 8. <u>Mystery Shopper Services</u> The Union recognizes that the Employer may utilize shopper services investigators in its operations. The Employer's purpose for using shoppers is to ensure quality of customer service, to ensure that proper procedure is being followed in

cash handling and to ensure the integrity of cash transactions. The Union and Employer agree on the following rules for Employer's use of shopper reports:

- a) Employees shall be informed during their training and/or orientation class of the Employer's use of Shopper Services.
- b) The shoppers shall provide factual reports of their observations of customer service situations or cash handling transactions. The Employer will not condone methods which would intentionally mislead or deceive the employee.
- c) The Employer shall not knowingly employ shopper services which receive an additional fee for generating negative reports or pay their employees a fee or bonus for negative reports.
- d) When shopper reports are used for disciplinary purposes, the Employer shall provide copies of the report(s) to both, the employee and the Union.
- e) The Employer shall inform the employee and Union as soon as practicable and in any event no later than the end of the employee's next scheduled shift; provided that no such notice shall be required with respect to any material irregularity (e.g., theft) discovered in connection with the shopper's report.
- f) The Employer agrees that, when and where possible, counseling and re-training are preferable to disciplinary action in correcting problems that arise in shopper's reports, however, some incidents may result in disciplinary action.

ARTICLE 13 LEAVES OF ABSENCE

- 1. <u>Coordination with Applicable Laws</u> The Union and the Employer agree to follow all federal, state and local laws, regulations and guidelines with respect to the administration of all Leaves of Absence.
 - a) <u>FMLA</u> The Employer will grant a leave of absence in accordance with the Federal Family and Medical Leave Act (FMLA) and/or applicable state family leave laws.
 - b) <u>Medical Leave</u> For employees needing medical leave but who do not qualify under the FMLA or have exhausted their FMLA benefits, the following options for the employee's own personal medical condition are available:

From the completion of the Probationary Period up to one (1) year of service – Employees may be eligible for unpaid non FMLA medical leave for up to twelve (12) consecutive weeks. Such leave shall not be permitted on an intermittent basis, unless required by law.

More than one (1) year of service — Employees shall be eligible for unpaid non FMLA medical leave for up to one (1) year, the calculation of which shall include any time attributable to leave taken under the FMLA. After FMLA leave is

exhausted, the remainder of the leave must be taken in consecutive weeks, unless required by law.

Each leave of absence pursuant to this Article 13.1 is subject to the employee providing a certification of the employee's medical condition signed by the employee's health care provider to the Human Resources Department within three (3) days of the commencement of the leave.

- 2. <u>Union Position Leave</u> In the event that an employee is elected or appointed to a position of full-time service with the Union the Employer shall permit a personal leave of absence of up to six (6) months. It is understood that no more than two (2) employees shall be on Union Position Leave at any one time.
- 3. <u>United States Military Leave</u> Employees, other than those holding temporary positions, who serve in the United States military, shall be entitled to reemployment and benefits rights as required by law.
- 4. <u>Union Business Leave</u> The Employer shall grant up to seven (7) days unpaid leave per year to each of two (2) employees designated by the Union to attend a labor convention. Only two (2) employees may take such leave at one time. The Employer may also grant unpaid leave to any employee elected to or hired for a position of full-time service with the Union.
- 5. <u>Personal Leave</u> Employees who have completed their probationary period desiring an unpaid leave of absence from the job for up to four (4) months because of extraordinary personal or family circumstances must first secure written permission from the Employer. The Employer shall not be expected to grant a personal leave of absence that will interfere with the Employer's operations. In determining if such leave shall be granted the Employer will take into consideration all other leave taken.
- 6. <u>Limitations</u> Leaves of absence, other than military leave and Union position lease, shall not exceed the lesser of one (1) year or the Employee's length of service in the aggregate. Any such leave shall run concurrent with leave provided for under FMLA. Employees shall retain pre-leave seniority and shall accrue seniority during all authorized leaves. Failure to return to work after an authorized leave of absence shall result in complete loss of seniority rights and shall be considered a voluntary termination. Employees shall retain their pre-leave disciplinary standing with the Company and shall not qualify for disciplinary mitigation measures during any authorized leave.
- 7. Return from Leave An employee returning from a non-FMLA leave shall be entitled to return to his or her previously held job classification and schedule, subject to the following conditions:
 - (i) Neither the classification nor schedule has been abolished.
 - (ii) In the case of medical leaves, such return is guaranteed only for leaves lasting twelve (12) weeks or less.

(iii) In the case of personal leaves, such return is guaranteed only for leaves lasting thirty (30) days or less.

ARTICLE 14 BEREAVEMENT LEAVE

1. <u>Bereavement Leave</u> - Employees who have completed their probationary period shall be entitled to a leave of absence of up to three (3) working days with pay, at their current Hourly Wage Rate, based on the straight time hours they would have worked, to make funeral arrangements or attend the mourning service of their spouse, child, mother, father, mother-in-law, father-in-law, brother, sister, domestic partner, grandmother, grandfather, and Grandchild. The employee shall provide proper verification of the basis for bereavement leave upon his or her return from leave.

ARTICLE 15 JURY DUTY

1. <u>Jury Duty</u> - Non-probationary employees who are called for jury duty and serve as jurors on regularly scheduled work days shall be paid the difference between the amount received for such service and their straight time hourly earnings, not to exceed their daily scheduled hours per day, nor fourteen (14) days in any calendar year.

All jury duty pay shall be subject to the following conditions:

- a) The employee shall give notice of his summons to the Employer as soon as possible; but no less than (7) days prior.
- b) The employee shall provide adequate proof of dates and time served and compensation received.
- c) The employee shall state that he did not volunteer for jury service.
- d) The employee shall receive holiday pay according to Article 16 of this Agreement.
- e) Where an employee's service on a jury would hamper the proper operation of the Employer's business, the Employer reserves the right to request of the appropriate Court that the employee's participation be postponed

ARTICLE 16 HOLIDAYS AND PERSONAL DAYS

1. Holidays Observed - The Company shall recognize the following as holidays:

New Year's Day Memorial Day Independence Day Labor Day Thanksgiving Day Christmas Day

- 2. <u>Holidays Worked</u> Each non-probationary employee covered by this Agreement who works on a recognized holiday and who works their regularly scheduled shift immediately before and after the holiday worked, shall receive pay for the straight-time hours at the rate of one and one-half (1 ½) times the regular hourly rate of pay. Such requirements of working the scheduled day preceding and following a holiday may be waived by the Employer in extenuating circumstances.
- 3. <u>Seniority on Holidays</u> Work on holidays shall be on a Job Classification Seniority as provided in Article 9.
- 4. <u>Holiday During Extended PTO Period</u> Where an employee is entitled to a paid holiday as provided above, and the holiday falls within a properly scheduled Extended PTO, such employee shall be allowed an additional day of PTO, or holiday pay, at the option of the Employer.
- 5. Rescheduling Employees shall not be rescheduled to defeat the purpose of holiday pay unless by mutual agreement between the Employer and the employee(s).

ARTICLE 17 FULL-TIME/PART-TIME CLASSIFCATION

- 1. There are two classifications of employees in the bargaining unit: (1) full-time employees; and (2) part-time employees.
- 2. As used herein, the term "full-time" or "full-time employee" means an employee that is regularly scheduled to work an average of at least thirty (30) hours per week during any consecutive three calendar month period (or such other amount as prescribed by applicable law). The hours associated with any paid vacation, paid funeral leave or approved FMLA leave will be included in the calculation for purposes of determining full time status.
- 3. As used herein, the term "part-time" or "part-time employee" means an employee that does not meet the criteria for full-time status as set forth in Section2 of this Article.
- 4. A change in status from part time to full-time or from full-time to part-time after initial hiring will be at the election of the employee, however Employer's obligation to accept a change in status will be subject to the availability of positions and the ability of Employer to avoid disruptions in scheduling. A change from full-time status to part-time status (or vice versa) based on the immediately preceding 3-month period will automatically trigger discontinuance or adjustment of the benefits associated with full-time status as of the date of determination of any change in status.

ARTICLE 18 PAID TIME OFF

1. <u>Paid Time Off</u>: Employees shall be eligible for paid time off according to the following schedule:

Length of Service	PTO Days
After one (1) year of continuous service	56 hours
After two (2) years of continuous service	64 hours
After three (3) years of continuous service	104 hours
After six (6) years of continuous service	152 hours
After ten (10) years of continuous service	160 hours

Length of continuous employment for the purpose of determining the amount of PTO entitlement shall be determined as of the employee's most recent anniversary date. PTO will be paid according to the number of hours an employee is regularly scheduled to work. Employees who work less than twenty hours per week are not eligible for PTO. Employees may use all available PTO upon the anniversary date. PTO will be paid at the regular base pay. PTO days shall not result in the employee being disciplined under the Employer's time and attendance policy, provided they have been pre-approved and/or the employee has complied with call-out procedures.

- 2. <u>PTO Requests</u> To use PTO, employees shall provide a written request at least fourteen (14) days in advance of the day or days requested. The Employer shall respond in writing within five (5) days of the request and shall not unreasonably deny a requested day or days off.
- 3. <u>Family or Personal Illness</u> PTO may be used without the fourteen (14) day advance notice for illness of the employee or the employee's family following the first full day of absence; provided, however that the employee notifies his or her supervisor of his or her intention to take unscheduled PTO no later than eight (8) hours prior to the start of the employee's regularly scheduled shift on each subsequent day, unless the supervisor indicates otherwise.
- 4. Extended PTO Requests To the extent business requirements permit, written employee requests to the employee's immediate supervisor for specific periods in which to take paid time off of three (3) or more consecutive shifts ("Extended PTO") will be submitted not less than thirty (30) days nor more than one hundred eighty (180) days prior to the requested dates of Extended PTO and will be honored on a first come, first serve basis; provided, however, when more than one employee submits an Extended PTO request in the same week for the same period, Company Seniority shall prevail.
- 5. <u>Extended PTO Confirmation</u> Subsequent to submission of the written Extended PTO request, the Employer shall inform the employee of approval or disapproval of the Extended PTO period requested, in writing, within seven (7) calendar days.
- 6. <u>No Change in Extended PTO</u> Once a specific written request for Extended PTO has received the Employer's written approval, the approved Extended PTO dates shall not be changed unless by mutual consent of the Employer and the employee.

- 7. <u>PTO Pay Upon Termination of Employment</u> Upon termination of employment for any reason other than theft or fraud, employees shall be paid for their accrued but unused PTO. However, any payout of accrued but unused PTO upon termination of employment will be prorated based on a monthly accrual (1/12 per month) rate.
- 8. <u>Carry Over of PTO</u> The Employer shall not require that employees use all of their PTO time by the end of each year. However, there will be no carry over of PTO to the next year.

ARTICLE 19 HEALTH AND WELFARE

- 1. Commencing on January 1, 2020 for Eligible Employees (as defined below) employed on the date of ratification (and not on probation), and on the 1st of the month that follows the 90th day of employment for Eligible Employees hired after the ratification date (or on probation at ratification), and continuing for the duration of the Agreement (and any renewals or extension thereof), the Employer agrees to make payments to the Local 17 Hospitality Benefit Fund (the "Health Fund") for and on behalf of each Eligible Employee.
- 2. <u>Employer's Contribution Percentage</u>. Employer agrees to contribute a percentage of the Health Rate for each Eligible Employee as set forth below, and each Eligible Employee will be responsible for the balance of the Health Rate (whether by paying the Health Fund directly or reimbursing Employer if it pays 100% of the Health Rate to the Health Fund).
 - a) For Full-Time Employees employed by Employer on the ratification date (but not on probation), Employer will contribute a portion of such Eligible Employee's Health Rate as set forth below:

Years of Service	Employer's Contribution %
FT Eligible Employees – 0-2 years	75%
FT Eligible Employees – 2 – 6 years	79%
FT Eligible Employees – 7+ years	83%

For Full-Time Eligible Employees hired after the ratification date (or on probation on the ratification date), Employer will contribute 70% of the Health Rate until such employee's second employment anniversary date, and then Employer will contribute in accordance with the above table.

b) For Part-Time Eligible Employees employed by the Employer on the ratification date (but not on probation), Employer will contribute 45% of the Health Rate; provided, however, that for Part-Time Eligible Employees hired after the ratification date (or on probation on the ratification date), Employer will contribute 35% of the Health Rate until such employee's second employment anniversary date, and then Employer will contribute 45% of the Health Rate. For each calendar month, each Eligible Employee will be Full-Time or Part-Time based on the immediately, preceding 3-month period.

"Eligible Employee" means an employee who (i) is eligible to enroll for benefits pursuant to the terms of the Health Plan; (ii) has been employed by Employer for at

least 90 days; and (iii) has actually enrolled in (and receives) health benefits under the Health Fund.

"Health Rate" means the monthly premium due to the Health Fund as required and in accordance with the terms of the Health Fund; <u>provided</u>, <u>however</u>, that the Health Rate shall not increase by more than 7.0% year over year for the purpose of Employer's contribution amount/percentage set forth in this Section. Therefore, to the extent that the Health Rate increases by more than 7.0% from one year to the next, each Eligible Employee shall be solely responsible for such amount in excess of 7.0%.

- 3. The Health Rate shall be \$540 from the date of ratification through February 28, 2020.
- 4. To the extent that Employer remits 100% of the Health Rate to the Health Fund, it is acknowledged and agreed that a portion of such payment is being made on behalf of such Eligible Employee, and the Eligible Employees shall reimburse the Employer for such amount advanced by the Employer, whether by authorizing the Employer to deduct such amount from their paychecks or such other means that are mutually agreed upon by an Eligible Employee and the Employer.
- 5. Employees may elect or decline coverage as defined by the Health Fund's Summary Plan Document. However, following January 1, 2020 (or such later date as required by law), employees are no longer eligible to participate in the Employer's group insurance plans.
- 6. The contributions of the Employer shall be used to purchase group insurance, such as life, hospitalization, accident and health, sick benefits, dental and other forms of group insurance as the Trustees of the said Welfare Fund may wish to provide for employees and/or their dependents.
- 7. The Employer hereby irrevocably designates as its representatives on the Board of Trustees, such Trustees as are now serving, or who will in the future serve, as Employer Trustees, together with their successors. The Employer further agrees to be bound by all actions taken by the Trustees pursuant to the said Agreement and Declaration of Trust, as amended from time to time.
- 8. No later than 20th day of each calendar month, Employer shall provide the Health Fund a report that sets forth the Eligible Employees and their FT/PT status. Based on such report, the Health Fund shall invoice Employer for the next month and Employer shall remit payment to the Health Fund by the 15th day of the month.
- 9. Upon reasonable notice, the Trustees and Employer may audit the other party for the immediately preceding 90-day period to determine whether there has been an underpayment or overpayment by Employer. Notwithstanding any audit, at no time shall any amount be due by either party for any employee that was not an Eligible Employee during the specified period of time.

- 10. The Employer will have no liability under the Health Fund or to the Fund other than to make contributions to the Health Fund in accordance with the Plan, and, for greater certainty, the Employer shall have no obligation to make additional contributions upon withdrawal if the Employer ceases to be a participating employer in the Health Fund or if there are insufficient assets in the Health Fund.
- 11. The Employer shall have no obligation to pay benefits directly to any Eligible Employee covered by the Health Fund or otherwise if not paid out of the Health Fund, including in the event there are insufficient assets in the Health Fund to pay eligible claims under the Plan.
- 12. The Trustees shall use Employer's contributions solely for providing benefits to Eligible Employees.
- 13. The Trustees shall indemnify and hold harmless the Employer and its directors, officers and employees and its subsidiaries and affiliates and their directors, officers and employees and any of their successors and assigns against any claims, demands, losses, damages, costs, expenses (including reasonable legal expenses) and/or liabilities arising out of or relating to the Employer's participation in the Health Fund.

ARTICLE 20 401k Plan

The Employer shall continue its practice with respect to employee participation in the Employer's 401(k) plan (which may be modified by the Employer in its sole discretion without negotiations with the Union). The Employer shall notify the Union in advance of any changes.

ARTICLE 21 CREW INCENTIVE COMPENSATION PLAN

All employees shall be eligible to participate in the Employer's then-current Crew Incentive Compensation Plan (which may be modified by the Employer in its sole discretion without negotiations with the Union). The Employer shall notify the Union in advance of any changes.

ARTICLE 22 STATE AND FEDERAL LAW

- 1. <u>Recognition of Applicable Laws</u> The Union and the Employer agree to comply with all applicable laws.
- 2. <u>No Discrimination</u> The Union and Employer agree that there shall be no discrimination by either party which violates any of the City of Minneapolis, State of Minnesota or Federal laws, ordinances or regulations or any equal opportunity law.

ARTICLE 23 FITNESS FOR DUTY

A physician's statement of fitness for duty may be required of employees returning to work following a serious illness or injury.

ARTICLE 24 SUCCESSORS AND ASSIGNS

In the event that the Employer sells or assigns its business, or in the event that there is a change of control of the equity ownership of the Employer, the Employer shall notify the Union as soon as practical in writing and shall make all payments which are then due or which shall be due as of the date of transfer of the business for wages, PTO and/or health and welfare for Employees. The Employer shall use its best efforts to secure a meeting between the Union and the new owner.

ARTICLE 25 SAVINGS CLAUSE

If any sections of this Agreement should be held invalid by operation or law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any provision should be restrained by such tribunal pending final determination as to its validity, the remaining provisions of this Agreement shall not be affected thereby, but shall continue in full force and effect. Provided, furthermore, the Union and the Employer agree to meet and confer within two (2) weeks of any ruling invalidating any article, section or portion of this Agreement to negotiate a lawful provision on the same subject if practicable.

ARTICLE 26 FULL AGREEMENT

- 1. The parties hereto acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed from the area of collective bargaining, and the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. This clause shall not be construed to limit, impair or act as a waiver or impede or bar the Union's right to bargain collectively on changes contemplated or effected by the Employer which may modify the traditional operation of the basic terms and conditions set forth.
- 2. The waiver in any particular instance or series of instances of any terms or condition of this Agreement or any breach hereof by either party shall not constitute a waiver of such term or condition or any breach hereof in any other instances.
- 3. All existing practices for the benefit and welfare of the employees, presently in effect as of the execution of this Agreement and not specifically covered by the terms of this Agreement, shall be continued and not reduced unless agreed to through negotiations between the parties.

ARTICLE 27 DIRECT DEPOSIT

The Employer agrees to make direct deposit of paychecks available to employees upon hire.

ARTICLE 28 SHOP STEWARDS

The Company agrees to recognize shop stewards. The Union agrees to notify the Employer in writing as to the name of the Shop Stewards. Shop Stewards shall be allowed to attend all Union meetings without pay upon proper notice to the Employer, provided the Employer's business shall not be disrupted. Shop Stewards and one (1) Committee Member will investigate and process grievances.

ARTICLE 29 LABOR MANAGEMENT COMMITTEE

The parties agree to form and actively utilize a Labor Management Committee in order to improve upon the cooperative working relationship by addressing on-going concerns in the business. The committee shall not address grievances, negotiate changes to this agreement or create company policies that fall within the realm of Article 3, Management Rights. The committee shall consist of no more than six (6) members of management and six (6) employees determined by the Union. The Union business agent or their representative and a representative from Human Resources shall participate in an advisory capacity. This committee shall meet on a regular basis as determined by the members. Employees shall not be compensated for participating in such regular meetings.

ARTICLE 30 TERM OF AGREEMENT

This Agreement shall become effective September 25, 2019 and shall remain in full force and effect through and including September 24, 2022. This Agreement shall continue from year to year thereafter unless either party gives written notice by registered mail, return receipt, to the other party and to the Federal Mediation & Conciliation Services (FMCS), to be received no more than ninety (90) days nor less than sixty (60) days prior to initial expiration or any yearly anniversary date thereafter, of intention to reopen or modify the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their duly authorized officers, as indicated below:

OTG Management Midwest, LLC at the Minneapolis/St. Paul International Airport

Name: Christopher J. Redd

Title: Vice President

Date: September 25, 2019

UNITE HERE Local 17

Christa Mello

President, Local 17

Date: September 25, 2019

Senior Vice President, Local 17 Date: September 25, 2019

Schedule "A"

Wages

Section 1: Minimum Rates

The below rates are minimums. Individual employees may be paid at rates above, but not below, these minimum rates.

Classification	Ratifi	ication	Sep	tember 25, 2020	September 25, 2021 September 25, 20		ember 25, 2022	
Barista	\$	12.75	\$	13.00	\$	13.25	\$	13.50
Cashier	\$	12.75	\$	13.00	\$	13.25	\$	13.50
Cook I	\$	13.50	\$	13.70	\$	13.90	\$	14.10
Cook II	\$	14.50	\$	14.70	\$	14.90	\$	15.10
Cook III	\$	15.50	\$	15.70	\$	15.90	\$	16.10
Dishwasher	\$	12.75	\$	13.00	\$	13.25	\$	13.50
Server/Bartender	Min wag	e	Min w	/age	Min v	vage	Min wa	age
Sushi Cook	\$	16.00	\$	16.00	\$	16.00	\$	16.00
Utility	\$	12.75	_\$	13.00	\$	13.25	\$	13.50
Warehouse	\$	12.75	\$	13.00	\$	13.25	\$	13.50

Section 2: Minimum Raises

All employees in non-tipped classifications shall receive no less than the greater of (i) the wage increase required to comply with the applicable minimum rate for such classification set forth in Section 1 of this Schedule A or (ii) the following wage increases:

Ratification	\$0.30	
March 25, 2020	\$0.30	
September 25, 2020	\$0.50	
September 25, 2021	\$0.55	

Section 3: Leads and Trainers; Premiums

Employer may designate certain employees as "Lead" employees in its sole discretion. Each Lead employee shall be paid an additional \$1.00 per hour in wages for so long as such employee remains designated as a Lead by the Employer. It is agreed that the Employer has no obligation to appoint Leads in the future, and existing Leads are expected to continue to perform their Lead duties,

including training, when requested by the Employer and complete an annual certification program reasonably established by the Employer.

Employer may designate certain employees as "Trainer" employees in its sole discretion. Each Trainer employee shall be paid an additional \$1.00 per hour in wages for each hour (or portion thereof) during which such employee is actively engaged in the training of another employee.

An employee who works a shift as a cashier which starts at 4:00 A.M. or earlier shall be paid a shift premium in the amount of \$2.00 per hour worked on such shift.

An employee who works as a bartender at Flybar shall be paid a shift premium in the amount of \$1.00 per hour worked on such shift; however, if a bartender who works at Flybar works a shift that begins at 6:00 A.M. or earlier, he/she will instead receive a shift premium in the amount of \$2.50 per hour worked on such shift.

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