

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

ISLAND HOSPITALITY MANAGEMENT V, LLC

AND

UNITE HERE, LOCAL 24, AFL-CIO

EFFECTIVE: APRIL 1, 2016

EXPIRES: APRIL 1, 2020

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AGREEMENT

THIS AGREEMENT, effective the 1st day of April, 2016, until April 1, 2020 by and between UNITE HERE, LOCAL 24, AFL-CIO ("Union"), and Island Hospitality Management V, LLC d/b/a Courtyard by Marriott, Ann Arbor ("Employer").

WITNESSETH:

In consideration of the premises and the mutual covenants and promises of the parties hereto, it is hereby agreed as follows:

ARTICLE 1- RECOGNITION AND UNION SHOP

Section 1. Recognition. The Employer recognizes the Union as the sole and exclusive collective bargaining agent for all the Employer's employees covered in the classifications noted under the attached schedules, and represented by the Union stated above, excluding, however, temporary agency employees, confidential employees, guards, watchmen, managers and supervisory employees as defined in the Labor Management Relations Act of 1947, as amended. The bargaining unit includes one location: the Courtyard by Marriott, Ann Arbor, Michigan.

Section 2. New Classifications. In the event the Employer employs or establishes any new classifications within this bargaining unit, the parties to this Agreement shall meet and agree to appropriate rates for said classification. Failure to meet or agree on such rates shall be subject to the grievance procedure hereinafter described.

Section 3. Union Shop.

- (A) Effect of State Law. The former union shop provisions of this Agreement as set forth below shall be of no force and effect so long as such provisions are contrary to Michigan law as expressed in 2012 Public Act No. 348 (MCL 423.14); provided, however, that if such state law is either declared invalid or is repealed or modified to make union shop (including any form thereof) lawful, the union shop provisions of this Agreement will again be in force and effect to the fullest extent permitted by law, including without limitation such lesser forms of union shop such as "fair share" or "agency fee" if those lesser forms of union shop are all that is permitted by law:

Section 3. Union Shop. The Employer agrees that as a condition of employment, all employees who are presently members of the Union shall retain their membership in said Union, and all new employees shall become and remain members of said Union on the thirty-first (31st) day following the beginning of their employment, or the effective date of this Agreement, or the signing of this Agreement, whichever is later.

Section 4. Failure to Maintain Union Membership. The Employer agrees, upon the written request of the Union, to discharge any employee who fails to tender his or her regular initiation fees, periodic dues, or reinstatement fees in accordance with the provisions of Section 5 of this Article. Such discharge will be executed within forty-eight (48) hours of the receipt of such written request if such fees or dues remain unpaid.

- (B) Unless the Union shop provisions of this Agreement become operative as set forth in subparagraph (A) above, Union membership on the part of any employee shall be voluntary. The Employer shall continue its neutral approach to Union membership, and thus shall not make adverse or positive comments about Union membership or Union dues deduction cards, and shall not advise applicants or employees regarding the need for or desirability of Union membership.

Section 4. Check-off.

- (A) The Employer agrees, upon written authorization from each employee, to deduct the initiation fees and dues from each Union member's pay check due to him or her. Said deductions shall be made in equal installments in each payroll period by taking the total amount of the initiation fee and/or dues owed for a year and dividing that amount by the number of the Employer's payroll periods in a year. No such sums shall be deducted by the Employer from any employee's wages unless and until the employee has voluntarily signed a waiver card authorizing the deduction of the same, such assignment being irrevocable for one (1) year or at the termination of this Agreement, whichever first occurs. Failure by the employee to revoke such authorization in accordance with the Union's dues authorization form shall automatically renew the authorization on a year-to-year basis. Any member who does not receive a pay check or who has other deductions from said paycheck which have priority by law (e.g., FICA, federal, state, city income taxes, etc.), and does not have sufficient pay remaining to have the initiation fees and/or dues checked off, in full or in part, shall have his or her dues and/or initiation fees, or any portion thereof not previously deducted, deducted from the paycheck of the next pay day or succeeding pay days until deducted in full. Dues not already deducted for the current month must be deducted from last pay check of a Union member when he or she leaves the employ of the Employer for any reason.
- (B) The Employer agrees to provide the Union with a list of employees in the bargaining unit on a monthly basis. This list shall be transmitted electronically and shall include each employee's full name, date of hire, classification and rate of pay, address, and phone number. The Union, in turn, will provide the Employer with a list of employees each month for whom dues deductions/initiation fees should be deducted. The Employer agrees to notify the Union, by notation on the monthly Union check-off list, when employees are terminated, granted leaves of absence, or are absent due to illness or injury where such absence will affect the deduction of dues, initiation or reinstatement fees. The Employer will transmit the authorized dues/initiation fees deducted during a calendar month to the Union by the 15th of the following calendar month.

Section 5. Hold Harmless. The Union agrees to defend, indemnify and hold the Employer harmless from any liability or expense incurred by the Employer from the Employer's action pursuant to this Article.

Section 6. Temporary Agency Employees. The Employer normally will not utilize temporary agency employees (who are excluded from the bargaining unit) for more than ninety (90) consecutive days, unless it has made reasonable efforts to hire qualified employees and has been unsuccessful.

ARTICLE 2 - NONDISCRIMINATION

Section 1. Equal Opportunity. In order to facilitate the employment of necessary help, to assure qualified employees of an efficient system of locating employment and insure the employer of a regular source of available employees, the Union agrees to operate a job referral system in a non-discriminatory manner for persons within its jurisdiction. All persons who are referred to the Employer by the Union shall be identified by job referral slips issued by the Union and delivered to the Employer by the individual being referred. It is understood and agreed by the Union that the operation of said job referral system shall be on a non-discriminatory basis and in accordance with the following terms, conditions and standards:

- (A) It is agreed that the Employer shall have the right to reject any job applicant referred by the Union.
- (B) The Employer may engage new employees from any other source, including fee charging employment agencies, provided, however, that such fees shall be paid by the Employer.
- (C) The Employer and the Union agree that there shall be no discrimination by either party which violates any local, Michigan or federal equal employment opportunity laws.

Section 2. Application for Union Membership. Anyone employed by the Employer shall be admitted to the Union membership under terms no more burdensome than those then applying to all other applicants for Union membership.

Section 3. Notification to Union. The Employer agrees to provide the Union with the name, address, classification and department of all newly hired employees, within two (2) weeks of their employment.

ARTICLE 3 - HOURS OF WORK

Section 1. Back-to-Back Shifts. The Employer will not schedule an employee to work a shift which begins less than ten (10) hours after the end of the employee's previous shift unless the employee agrees.

Section 2. Time and One-Half. Time and one-half shall be paid for all hours worked in excess of forty (40) hours within the workweek; for all hours worked on the sixth (6th) day within the same work week or seventh (7th) consecutive day of work provided the employee works in

the same department of the Employer on those days as he or she worked on the previous five (5) days; and for all hours worked in excess of ten (10) hours in any one work day.

Section 3. Overtime Assignments.

- (A) The Employer shall not make a practice of requiring employees to work overtime. In general, overtime will be required only whenever necessary, and then on two (2) hours' notice for daily overtime, or in case of emergency, and then maximum possible advance notice will be given. Only a reasonable amount of overtime will be required of any employee.
- (B) Scheduled overtime assignments and, where practicable, unscheduled overtime assignments shall be offered to those employees within the classification who voluntarily wish to work the overtime. Where no such volunteers are available, the employee(s) with the least seniority in the classification in the Employer's department on that shift shall be assigned to work the overtime assignments.
- (C) It is fully understood and agreed that employees when initially bidding on a shift or requesting additional days off which requires a schedule change, shall not be entitled to the overtime provision of this Agreement caused by that bidding or request.

Section 4. No Pyramiding. There shall be no pyramiding of overtime or premium rates.

Section 5. Reporting Time. Any employee required to report for work on a regularly scheduled work day and for whom no work is available in his/her job classification shall be paid for four (4) hours at his/her base hourly wage rate. "Base hourly wage rate" refers to the straight time hourly wage rate paid to the employee excluding overtime and any premium pay. It is agreed, however, that the foregoing provisions of this Article shall not apply when work is unavailable due to fog, fire, strike, utility failure, acts of God, or any other conditions beyond the control of the Employer. Employees shall, however, when working during such an emergency, be paid for hours of actual work or four (4) hours, whichever is greater.

Section 6. Leaving Early.

- (A) When business conditions are such that a full complement of employees is not needed, the Employer shall ask for volunteers to leave work early. If there are not sufficient volunteers to leave early, the Employer may send employees home early, based on seniority, provided that no individual employee may be sent home involuntarily more than two (2) times per month; provided, however, room attendants may be sent home involuntarily no more than four (4) times per month, as long as the Employer offers room attendants other work to perform when it is available or reduces the work of temporary agency employees prior to sending room attendants home early.
- (B) Employees who leave early (either voluntarily or involuntary) will be paid for four (4) hours or their actual hours of work at their base hourly wage rate, whatever is greater. If the employee is sent home early involuntarily (but not if the employee voluntarily leaves

early), the employee will receive credit for the entire shift for the purpose of calculating full-time status.

Section 7. Reporting Time Notification. It is further agreed that these reporting pay provisions do not apply when the employee is notified by the Employer at least two (2) hours previous to his or her regular scheduled reporting time.

Section 8. Employee's Notification Responsibility. It is the responsibility of each employee to notify the employee's supervisor (or the front desk in the supervisor's absence) that the employee will be absent. All employees scheduled before 10 a.m. shall be required to give a two (2) hour advance notice. All employees scheduled after 10 a.m. shall be required to give a four (4) hour advance notice.

Section 9. Definition of Full-Time, Part-Time and Extra Employee.

- (A) A full-time employee is defined as any employee who regularly works thirty (30) or more hours per week, except that an employee employed in the restaurant will be considered full-time if he or she regularly works twenty-five (25) or more hours per week. A full-time employee who works less than thirty (30) hours per week (less than twenty-five (25) hours per week for restaurant employees) in each week for twelve (12) consecutive weeks shall become a part-time employee at the beginning of the thirteenth (13th) week. Provided, however, that a full-time employee who voluntarily chooses a part-time schedule shall immediately become a part-time employee.
- (B) The parties agree that the normal work week for full-time employees is forty (40) hours, and shall be utilized whenever feasible. The normal work day for a non-tipped employee is eight (8) hours, and shall be utilized whenever feasible. Split shifts may be utilized for tipped employees only. This Section does not, however, serve as a guarantee of hours or specific shifts.
- (C) A part-time employee is defined as any employee who regularly works less than thirty (30) hours per week, except that an employee employed in the restaurant will be considered part-time if he or she regularly works less than twenty-five (25) hours per week. A part-time employee who works thirty (30) or more hours per week (twenty-five (25) hours or more per week for restaurant employees) in each week for twelve (12) consecutive weeks shall become a full-time employee at the beginning of the thirteenth (13th) week.
- (D) A temporary (extra) employee is defined as any employee who is called by the Employer for special work assignments (excluding employees referred by a temporary agency). Such extra employees shall be paid at the rate listed on the attached wage scale for the position/classification they are filling.
- (E) Except for part-time employees and part-time schedules, the Employer will, if consistent with its business and operational needs, seek to maximize the number of full-time schedules which are available in a job classification each work week; provided, however,

this Paragraph shall not limit the Employer's rights as set forth in Section 6 of this Article 3.

Section 10. Schedule Changes. The Employer shall not change work schedules of employees for the purpose of circumventing payment of overtime or holiday pay premium, provided, that if within the discretion of the Employer it is found that certain shifts or certain departments are not required on a holiday, it shall not be construed as a circumvention of holiday pay premium. If a change of schedule is made for circumventing overtime payment or holiday pay premium, such shall be paid. It is further understood and agreed that employees, when initially bidding on a shift or promotion which requires a schedule change, shall not be entitled to the overtime provisions of this contract, caused by that bidding or promotion.

Section 11. Posting of Work Schedules. All work schedules shall be posted forty-eight (48) hours in advance. Once a weekly work schedule is posted, it shall not be modified except in case of emergency or in compliance with Article 3, Sections 3, 6 and 7 of this Agreement.

Section 12. Mandatory Meeting Pay. Where the Employer requires an employee to attend a meeting on the employee's day off, the employee shall be paid for two (2) hours at his/her base hourly wage rate or for the length of the meeting, whichever is longer.

ARTICLE 4 - WAGES

Section 1. Wage Schedules. All wage schedules shall be attached hereto and made a part of this Agreement. Except as provided below, any individual who is employed on the dates set forth below will receive the following increases to the employee's base hourly wage rate:

April 1, 2016 - 25¢

April 1, 2017 - 25¢

April 1, 2018 - 25¢

April 1, 2019 - 30¢

Any employee hired on or after April 1, 2008 will not receive any increase scheduled during the employee's first six (6) months of employment with the Employer, and, instead, such an employee shall not begin receiving the increases set forth above until after the employee has completed six (6) months of service with the Employer. Current employees will receive the greater of the minimum wage for the classification as set forth in the Wage Schedule or the 4/1/16 wage increase of 25¢, both of which will be paid retroactively to 4/1/16.

Section 2. Non-Mandatory Hiring. The listing of the job classifications in the schedules attached shall not be construed to mean that the Employer must hire employees in such classifications, but when employees are hired by the Employer in any of said job classifications, such employees shall be paid at no less than the rates fixed for their specific job classifications.

Section 3. Combination Jobs. When an employee occupies a position in which the employee is required to perform job duties of a lower classification while also continuing to perform the duties of the employee's higher job classification, the employee will be paid at the higher classification rate. However, whenever an employee in a higher job classification is reassigned to a lower job classification, the employee will be paid at the lower classification rate for all time spent working in that lower classification. Employees who are reassigned to higher or lower job classifications on the same day will be required to clock in and out when they change job classifications. (For employees hired prior to 4/1/08 who are assigned to two (2) or more job classifications on the same day, all hours worked shall be paid at the higher classification rate, but they still will be required to clock in and out when they change job classifications on the same day.) Overtime worked in the higher classification shall be paid at the overtime rate of the higher classification base. There will be no rotation of employees for the purpose of circumventing the conditions established in this Section.

Section 4. Payment Above Scale. The Employer shall have the right to pay an employee above the base hourly wage rate for his classification listed in the attached Wage Schedule because of the employee's superior knowledge or ability. If the Employer decides to grant an employee a wage increase above the classification rate, it shall remain in effect for as long as the employee is in that classification and it shall not affect any future contractual wage increase to which the employee is entitled.

ARTICLE 5 - HEALTH AND WELFARE AND PENSION

Section I. Welfare-Culinary Plan.

- (A) Subject to Section 2(B), the Employer shall contribute to the UNITE HERE HEALTH FUND ("Welfare Fund") on a monthly basis the following sums for each day worked by a part-time employee starting with the first day of the next calendar month after the employee's completion of six months of service with the Employer for coverage:

<u>Effective 4/1/16</u>	<u>Effective 1/1/17</u>	<u>Effective 1/1/18</u>	<u>Effective 1/1/19</u>
\$2.48	\$2.48	\$2.48	Amount required by Welfare Fund

The Employer shall also contribute the following sums for each month worked by a full-time employee starting with the first day of the next calendar month after the employee's completion of six months of service with the Employer for coverage:

<u>Effective 4/1/16</u>	<u>Effective 1/1/17</u>	<u>Effective 1/1/18</u>	<u>Effective 1/1/19</u>
\$49.69	\$49.69	\$49.69	Amount required by Welfare Fund

Such contributions shall be used for providing health and welfare benefits (specifically, optical, dental, short term disability and life insurance benefits) for employees eligible for contributions under the Welfare Fund or such new merged or consolidated plan as may be adopted by the

Trustees. The parties agree and understand that if the appropriate welfare contribution rates are not paid by the Employer and/or the employees, the Trustees of the Welfare Fund may eliminate benefits to otherwise eligible participants and terminate the Employer's participation pursuant to the Welfare Fund's Minimum Standards.

- (B) For employees hired after November 9, 2012 the contributions specified in Section 1(A) of this Article will be made only for employees who elect to participate in the health insurance benefit set forth in Section 2 of this Article.

Section 2. Health Insurance.

- (A) The Employer shall contract directly with Blue Care Network ("BCN") to provide individual health (medical and prescription drug) insurance coverage for eligible full-time employees. On the first (1st) day of the month following sixty (60) days of employment, all full-time employees who are not covered as an individual or dependent on a comparable group plan fully paid for by another employer, and who are eligible for individual coverage under the BCN Plan, shall, upon written application to the Employer, become enrolled in BCN for individual insurance coverage. Employees are required to make the following monthly co-payments for the cost of health insurance premiums commencing with the first (1st) month of each year of the Agreement as follows:

<u>Effective 4/1/16</u>	<u>Effective 6/1/17</u>	<u>Effective 6/1/18</u>	<u>Effective 6/1/19</u>
\$90.00	\$97.50	\$105.00	\$112.50

These amounts shall be deducted directly from each employee's paycheck, which shall be a condition of receiving coverage, provided that the employee signs a written authorization for such deductions. As soon as possible after the start of this Agreement, the Employer will establish a Section 125 Plan for the purpose of making employee contributions towards the cost of health insurance premiums on a pre-tax basis as may be permitted under applicable law. Health insurance coverage will be discontinued for any employee who fails to pay his or her share of the cost. Should any employee desire to cover his or her spouse and/or family under the program, said employee shall be permitted to do so at the employee's own expense in accordance with the rules of BCN.

- (B) The Employer shall have the right to terminate its participation in the Welfare Fund provided it gives thirty (30) days' advance written notice of its intention to do so to the Union and the Fund, and it replaces the Welfare Fund with insurance which is comparable to the coverages provided by the Welfare Fund. Further, should the premiums for the BCN increase by more than ten percent (10%) in any plan year after the June 1, 2016 - May 31, 2017 plan year, the Employer may, at its option, reopen this Agreement for a sixty (60) day period for the purpose of negotiating replacement insurance or modifications to the BCN coverage previously provided. If the parties cannot agree on health insurance during the sixty (60) day reopener period, this Agreement shall expire. This time period can be extended by a written mutual agreement by the parties.

- (C) Notwithstanding the foregoing Paragraphs (A) and (B), if by continuing to provide the BCN to employees on or after January 1, 2014 the Employer is subject to any penalties, fees, taxes or other costs as a result of the Patient Protection and Affordable Care Act ("PPACA") or similar federal legislation, the Employer may, at its option, reopen this Agreement for the purpose of negotiating over changes to the health insurance benefits provided to employees, including the possibility of providing health insurance through either private or public health insurance exchanges created as a result of or pursuant to the PPACA or other applicable law. If the parties cannot agree on health insurance during the sixty (60) day reopener period, this Agreement shall expire. This time period can be extended by a written mutual agreement by the parties.

Section 3. Retirement Plan

- (A) Full-time employees who have completed six months of employment and are at least 21 years old will be eligible for participation in an Employer-sponsored 401(k) Retirement Plan ("the 401(k) Plan") in conformity with the eligibility requirements and terms and conditions of that Plan as determined solely by reference to the then existing Plan Document and applicable law. Likewise, the Employer and employee contributions to the 401(k) Plan and investment options all will be in conformity with the terms and provisions of the then existing Plan Document and applicable law. The parties understand and agree that the Plan Document may be amended to conform to any modifications required in the 401(k) Plan due to any changes in applicable law, in the 401(k) Plan's administrator or sponsor, or in regard to investment options, all of which may be determined solely by the Employer; and they agree to be bound by any such modification to the 401(k) Plan without any further bargaining obligation.
- (B) Eligible employees will have the right to make voluntary contributions to the 401(k) Plan in conformity with the terms and provisions of the Plan Document and applicable law. Additionally, each employee who participates in the 401(k) Plan is eligible for a matching contribution from the Employer as follows: For any employee contribution of up to 3% of the employee's income, a 100% match and for any employee contribution over 3% and up to 5% of the employee's income, a 50% match. All Employer matching contributions will be made in conformity with the terms and provisions of the then-existing Plan Document and applicable law.
- (C) Until the employees in the bargaining unit become eligible to participate in the 401(k) Plan, the Employer will contribute into the National Retirement Fund ("NRF") at the rate of \$1.94 per hour worked for each employee who has completed six months of service. On the date that the employees become eligible to participate in the 401(k) Plan ("the entry date"), the Employer will cease making contributions into the NRF. Effective with the entry date, the Employer will increase the hourly rate of any employee with six months of service as of the entry date by \$1.25, and for any such employee not already covered in the Welfare-Culinary Plan, the Employer will make contributions into that Plan in the amounts set forth in Article 5, Section 1 beginning with the calendar month of the entry date. Any employee employed as of August 18, 2016 with less than six months of service as of the entry date will receive a \$1.25 per hour increase upon reaching six months of service and will have contributions made on his behalf into the Welfare-

Culinary Plan in the amounts set forth in Article 5, Section 1 beginning with the first calendar month after the employee reaches six months of service.

Section 4. Contributions. Contributions as provided in this Article are payable for any period while an employee is on a paid vacation or a paid holiday.

Section 5. Employee Data. The contributions provided in Sections 1 and 3 shall be paid monthly, together with a report of employee data prescribed by the Trust Funds no later than the fifteenth (15th) day of the month following the month for which they are to be made. Said employee data shall include name, address, sex, date of birth, date of hire, days or weeks of employment, length of employment and such other information as the Trustees may determine necessary in order to comply with the record keeping requirements of ERISA and/or to properly provide welfare and pension benefits to participants.

Section 6. Layoff, Leave, Resign and Discharge.

- (A) In the event of a layoff, the Employer shall continue health insurance coverage for an employee eligible for and enrolled in BCN and the Welfare Fund as provided in Sections 1 and 2 above for the month following said layoff, provided that the employee continues to make all co-payment(s) required under Article 5, Section 2.
- (B) If an employee eligible for and enrolled in BCN and the Welfare Fund as provided in Sections 1 and 2 above is on an approved leave of absence for reasons of *bona fide* illness or proven temporary disability in accordance with the terms and conditions of this Agreement, the Employer shall continue health insurance coverage contributions for the first three (3) months of said approved leave, provided that the employee continues to make all co-payment(s) required under Article 5, Section 2.
- (C) Those employees eligible for and enrolled in BCN and the Welfare Fund as provided in Sections 1 and 2 above who shall take or will be on a leave of absence, may continue said coverage at their own option and their own expenses, for a period as provided by law.
- (D) The Employer agrees that when an employee returns from a layoff and works at least fifteen (15) days of the returning month, the Employer shall make the full contribution on behalf of that employee for the month of return.
- (E) An eligible employee who quits or is discharged shall lose health insurance coverage as of the last date of employment, but may be eligible to continue his or her coverage at his or her own expense under COBRA.

Section 7. Binding Agreement. The Employer and the Union agree to be bound by the Agreement and Declaration of Trust of the said Welfare Fund and Pension Plan as may, from time to time, be amended, and they do hereby irrevocably designate as their respective representatives of the Board of Trustees, such Trustees named in said Agreement and Declaration of Trust as the 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.

Section 8. Records. In order to properly pay benefits, keep a record of employees' rights to benefits, and to comply with Federal Law, the Employer and the Union agree to make available for inspection and audit by the Fund/Pension Fund such records of bargaining unit employees as the Fund/Pension Fund and/or the HMO's may require, including, but not limited to, names of employees and dependents, ages, dates of hire, classification, sex, wages and hours, days or weeks of employment.

Section 9. Arrearage. In the event the Employer is in arrears in the payment of contributions it shall be liable for late fees, interest and liquidated damages as established by the Trustees, legal fees, court and/or arbitration costs, and audit and other expenses incidental to the collection of said delinquency.

ARTICLE 6 - HOLIDAYS

Section 1. Designated Holidays. Full-time employees shall be paid their base hourly wage rate for the following holidays if not worked and will receive holiday pay and their base hourly wage rate for hours worked on the holiday if worked. Designated holidays are as follows: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, Martin Luther King's birthday and the employee's birthday. When a holiday is celebrated on a Monday (e.g., Memorial Day and Labor Day), that shall be the holiday recognized by the Employer for purposes of this Article.

Section 2. Part-Time Employees' Holiday Pay. Part-time employees actually working on a holiday shall be paid double their straight time base hourly wage rate of pay.

Section 3. Eligibility. In order to become eligible for holiday pay in accordance with the foregoing sections, an employee must work his or her last scheduled workday preceding and the first scheduled workday following said holidays unless excused by the Employer on account of sickness, physical disability or other reasons or unless the employee is on approved vacation.

Section 4. Non-Eligibility. A newly-hired full-time employee shall not be eligible for holiday pay for a holiday worked or not worked until completion of ninety (90) days of employment.

Section 5. Vacation Holiday Pay. If one of the aforesaid holidays falls during a period when an employee is on approved vacation, said employee shall receive an extra day's pay or an additional vacation day.

Section 6. Forfeiture of Holiday Pay. If an employee fails to show up for work on a holiday that he is scheduled to work, such employee shall forfeit all pay for that holiday unless such employee is excused by the Employer on account of sickness or physical disability.

ARTICLE 7 - VACATIONS

Section 1. Vacation Pay Computation.

- (A) Employees other than extras who have been in the continuous active service of the Employer for a period of one (1) year shall, on that date, be deemed to have earned a vacation of one (1) week with pay for their regular work week. Employees who have completed two (2) years of continuous active service shall have earned two (2) weeks' vacation with pay. Employees who have completed five (5) years of continuous active service shall have earned three (3) weeks' vacation with pay. Employees who have completed fifteen (15) years of continuous active service shall have earned four (4) weeks' vacation with pay. Continuous active service means that there shall have been no break in employee's seniority.
- (B) The amount of vacation pay shall be based on the average number of hours worked weekly during the twelve (12) months preceding the eligibility date and will be computed at the employee's current rate of pay on the employee's vacation anniversary date. Vacation hours will be rounded up to the next full hour. Exception: Full-time banquet employees will receive vacation pay based on (a) thirty-five (35) hours vacation time for each week of vacation earned or (b) actual hours worked, whichever is greater.
- (C) Leaves of absence of less than one hundred twenty (120) days due to a work related injury shall be considered as time worked for the purpose of computing vacation pay.
- (D) Paid vacation time and paid holidays shall be considered as time worked for the purpose of computing of vacation pay.
- (E) The Employer will not pay for accrued but unearned vacation time. Vacation is deemed to be earned at the conclusion of the year, on the employee's anniversary date. For example, if an employee resigns or is discharged after his or her anniversary date during 1997, any unused 1996 vacation time would be paid to the employee, but no 1997 vacation time would be paid.

Section 2. Vacation Schedules. Vacations shall be scheduled on a year-round basis according to the preference of the employee, according to seniority by job classification and the requirements of continuous and proper operations as set by the Employer's departments.

It shall be the responsibility of the eligible employees to make their preferences known to management by March 1 of each year, provided the vacation schedule is posted by February 1 of each year.

Once the vacation schedule is posted, the most senior half of the eligible employees in the classification in the department shall indicate their preference within fourteen (14) days thereafter. The remaining employees shall then indicate their preference within the next fourteen (14) days. After all employees have indicated their vacation preference, any employee

who must change their vacation period or who did not make their preference known within the above time limits, shall be granted a vacation during open weeks only. There shall be no bumping of vacation periods after the vacation schedule has been properly posted and bid upon.

Eligible employees may elect to take their vacation pay on their yearly anniversary date or defer payment until such time as they actually take their vacation. The employee shall make his or her vacation pay selection known in writing to the Employer at least three (3) weeks prior to his or her anniversary date.

All vacation periods shall coincide with the Employer's payroll week.

Section 3. Vacation Obligations. In the event the owner sells its establishment or by any other means ceases to operate such establishment, the Employer shall pay each of its employees whose period of employment shall have entitled them to a vacation, the cash equivalent of any vacation which said employees shall have earned but not used at the time of such cessation of operations. The Employer will not pay accrued but unearned vacation time.

Section 4. Vacation Obligation Waiver. In the event of the sale of the establishment, Section 3 of this Article may be waived if the new owner or operator agrees, in writing, and the Union is supplied with a copy of such written agreement, to schedule and pay vacations on the basis of employment with the former company, bridged to its own period of operations.

ARTICLE 8 - LEAVES OF ABSENCE

Section 1. Leave of Absence Procedures. All unpaid excused absences beyond five (5) working days shall be considered leaves of absence and shall be processed in the following manner:

- (A) Except in case of emergency, all requests for leave of absence shall be submitted in writing and at least seven (7) calendar days, but not more than thirty (30) calendar days, prior to the date such leave shall take effect and shall include:
 - (i) The reason for such leave.
 - (ii) The effective date of such leave.
 - (iii) The approximate date of return to work.
- (B) The written request for a leave of absence shall be submitted on a form supplied by the Employer to the employee. After reviewing such request, the Employer shall make the final disposition known.
- (C) If the request for a leave of absence is approved, a copy of the approved leave of absence will be given to the employee and the Union.

Section 2. Leaves of Absence Provisions. All leaves shall be subject to the following general provisions:

- (A) All leaves shall be without pay and other benefits, with the exception of loss of seniority, unless otherwise provided in this Agreement.
- (B) Any employee who received a leave of absence for a definite period of time shall not be entitled to return to work until the expiration of such leave, unless the employee provides two (2) weeks advance written notice of his or her intent to return to work early.
- (C) An employee who has a vacation due at the time of being granted an approved leave of absence or who is absent because of illness may elect to include such vacation in his or her time off.

Section 3. Leave of Absence — Personal. Any non-probationary employee may be granted a leave of absence without pay for a specific period not exceeding ninety (90) calendar days if, in the opinion of the Employer, good and sufficient reasons exist to warrant such leave. Leaves of absence may be extended upon the written application of the employee, for periods not exceeding ninety (90) calendar days, if, in the opinion of the Employer, good and sufficient reasons exist to warrant such an extension.

Section 4. Leave of Absence — Military. An employee shall be granted a military leave of absence, as required under the federal law, for the time spent in full-time active duty in the Armed Forces of the United States. The period of such leave, and reinstatement with the Employer upon the expiration of such leave, shall be determined in accordance with applicable federal laws in effect at the time of such leave.

Section 5. Leaves of Absence — Medical. A non-probationary employee shall be granted an unpaid medical leave of absence for a specific period not to exceed one (1) year or length of seniority, whichever is less, unless a longer period is required by law, provided the medical condition is made known to the Employer in accordance with the provisions of this Article, and is accompanied by a doctor's certificate showing the nature of the illness and the estimated length of time the employee will be unable to perform his or her job. Upon expiration of said leave, the employee shall furnish the Employer with a statement, signed by a physician, establishing the fitness of the employee to return to his or her job. Any Family and Medical Leave Act leave to which an employee is entitled will run concurrent with a medical leave of absence pursuant to this Section.

ARTICLE 9 - MANAGEMENT RIGHTS

Section 1. General Management Rights Clause. The Employer shall remain vested with full and exclusive control and direction of the management and operation of its hotel and its employees. By way of illustration, the Employer retains the sole right:

- (A) To direct the work force and to determine the policies and methods of operating its business, except as expressly limited by the specific provisions of this Agreement;

- (B) To decide the number and type of machines, equipment, material, products and supplies to be used or operated;
- (C) To determine the extent to which the hotel and/or its equipment, and the various departments/rooms, and sub-departments/rooms thereof, shall *be* operated, expanded, reduced, shut down, discontinued, merged, liquidated or relocated;
- (D) To decide the amount of supervision and direction of the working force;
- (E) To be the sole and final judge of the qualifications of all applicants, with the absolute right to select and determine the employees it will hire;
- (F) To determine staffing levels for a department/room;
- (G) To establish or revise work schedules; and
- (H) To introduce new, different, or improved methods and procedures in its operations, and to otherwise generally manage the business.

Section 2. Management Rights Regarding Employees. The Employer further retains the right to suspend, promote, demote, transfer, discipline, release, layoff, and discharge employees, provided the exercise of this right will not discipline unjustly or discharge employees subject to other applicable provisions of this Agreement.

Section 3. Work Rules. It is agreed that the Employer has the right to make such rules and regulations, not in conflict with this Agreement, as it may from time to time deem best for the purpose of maintaining order, safety, and/or effective and efficient operation of the hotel, and/or the individual departments thereof.

Section 4. Non-Waiver. The Employer's not exercising any function hereby reserved to it, or exercising any such function in a particular way, shall not be deemed a waiver of the right to exercise such function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

Section 5. Entire Agreement. This Agreement constitutes the complete and full understanding of Employer and the Union with respect to wages, hours of work and conditions of employment. This Agreement can only be added to, altered, amended or modified by a document in writing signed by the authorized representative of the Union and the Employer. This Agreement supersedes all prior agreements and practices. It is fully understood that there are and shall be no side letters or so-called "private" understandings between the Union and Employer which are not contained within this Agreement or which are not duly executed modifications entered into pursuant to this Section, except that the parties may enter into written memorandums of understanding separate from this Agreement which shall be binding on the parties if signed by their duly authorized representatives.

ARTICLE 10 - SHOP STEWARDS AND UNION VISITATION

Section 1. Union Prerogative — Shop Stewards.

- (A) The Employer agrees to recognize shop stewards.
- (B) The Union agrees to notify the Employer in writing as to the name of the shop steward and the particular departmental or chief responsibility of such shop steward.
- (C) Shop stewards shall be allowed to attend all Union meetings, without pay, upon proper notice to the Employer.
- (D) Shop stewards may, on the Employer's time and with the Employer's permission, investigate and process employee grievances for a reasonable and necessary period of time.
- (E) Shop stewards shall have super seniority for the purpose of layoffs and recall.

Section 2. Union Prerogative — Bulletin Boards. A bulletin board shall be provided by the Employer for the sole use of the Union for posting notices of Union meetings and other proper Union activities.

Section 3. Union Prerogative — Visitation Rights. Properly authorized representatives of the Union shall be permitted to visit the premises of the Employer at reasonable hours to conduct proper Union business. Representatives of the Union shall not interfere with the operations of the Employer while transacting such business.

Section 4. New Hire Orientation. A Union representative shall be afforded the opportunity to meet with each new employee for up to 15 minutes during the employee's orientation in order to present dues checkoff/membership forms and other Union information to new employees in a private setting without a management representative **present**.

Section 5. Labor-Management Committee. A labor-management committee will be established for the purpose of discussing matters that would improve the workforce, labor-management relations, and/or the Employer's operations or business. The labor-management committee shall be composed of no more than three Union representatives, including a Union staff person, and no more than three Employer representatives. The labor-management committee shall meet at a mutually convenient time on a quarterly basis, unless the parties agree that a meeting is not necessary or they agree to meet more often. The labor-management committee meetings shall have an agenda, which either or both parties must provide in advance of any meeting. These meetings are not intended to discuss individual grievances, and, instead, are intended to resolve employment-related issues as referenced above and potential group grievances. Both the Union and the Employer shall give good faith consideration to the suggestions and solutions made by the other party.

Section 6. Conduct. The Employer and the Union representatives shall conduct themselves in such a manner as to carry out the intent and spirit of this Section.

ARTICLE 11- BREAKS

Section 1. Meal and Break Periods. All employees working an eight (8) hour shift shall receive one (1) unpaid meal break, not to exceed one-half (1/2) hour, and two (2) paid fifteen (15) minute breaks within their scheduled shift.

Prepared vending food shall be made available for employees to purchase at the Employer's cost. Equipment for preparing such food (e.g., a microwave oven) shall be provided at the Employer's expense. Employees may also purchase food from the menu at half the normal price as long as the kitchen at the Courtyard is open.

These meal/break periods will be scheduled by the Employer as business permits and at such times as not to interfere with the efficient operations of the hotels.

ARTICLE 12 - SENIORITY

Section 1. Probationary Employees.

- (A) New full-time employees shall be considered probationary employees and shall not acquire any seniority rights until they have been employed for a period of sixty (60) calendar days. Such probationary period may be extended for an additional thirty (30) calendar days, provided written notice to the employee and the Union is given by the Employer prior to end of the original period.
- (B) New part-time employees shall be considered probationary employees and shall not acquire any seniority rights until they have been employed for a period of ninety (90) days. This period of ninety (90) days may be extended by mutual agreement between the Employer and the Union, with notification to the employee in writing.
- (C) A probationary employee may be discharged without recourse by the Union or the Employer to the grievance and arbitration procedure.

Section 2. Seniority. Seniority is determined by an employee's most recent date of hire.

Section 3. Layoff and Recall. The Employer agrees to recognize seniority along with qualifications in specific job classifications and employees shall be laid off and recalled to work according to their seniority.

In cases of emergencies involving a layoff of two (2) days or less, seniority shall be applied if possible; however, under no circumstances shall such emergencies involve a layoff of more than two (2) days. Such layoff shall be subject to the grievance procedure.

Section 4. Seniority Termination. Seniority rights shall terminate if an employee:

- (A) Quits or retires.

- (B) Is discharged for cause.
- (C) Is absent for three (3) consecutive days without reasonable excuse for the absence or without notice to the Employer, except in any event where an employee is unable to give such notice and proof to the Employer due to circumstances beyond his/her control.
- (D) Fails to return to work from an approved leave of absence.
- (E) Is laid off or on a leave of absence for a period equal to the employee's seniority or one (1) year, whichever is the lesser period of time.
- (F) Engaged in gainful employment while on a leave of absence, unless on Union business or unless personal or family problems, including but not limited to medical, require that the employee be otherwise employed. This shall not preclude an employee from working for another employer while working for the Employer, so long as the employee's obligations to the Employer are met.

Section 5. Use of Part-Time Employees.

- (A) Where any full-time employee is on layoff and the Employer desires to fill a part-time schedule, the full-time employee(s) laid off shall be offered the part-time schedule based on skill, ability and seniority. When skill and ability are equal, the senior employee shall have preference, provided, however, the Employer reserves the right to make the final determination on skill and ability. Employees must exercise this option at the time of layoff.
- (B) In the event full-time positions within the same classifications become available, they shall be offered to part-time employees based on skill, ability and seniority. When skill and ability are equal, the senior employee shall have preference, provided, however, the Employer reserves the right to make the final determination on skill and ability prior to the hiring of any new employees.
- (C) Full-time employees who request a part-time position shall have preference over new employees.

Section 6. Transfers. An employee promoted to a supervisory position shall retain his/her seniority as of the date of promotion. An employee transferred to a supervisory position shall not accumulate seniority while occupying a supervisory position outside the bargaining unit. If an employee occupies a supervisory position outside the bargaining unit for a period of one (1) year, he shall lose all seniority rights.

Section 7. Day Off Preference. Although schedules will be determined by the Employer, where possible, the Employer will attempt to accommodate employees' requested days off. If more than one employee requests the same day off, and not everyone's request can be accommodated, any conflict will be resolved on the basis of seniority. Further, the most senior employee within a department (but for the housekeeping department, the two most senior room attendants and the most senior laundry attendant) shall have the right to choose his or her days

off from weekend days (Saturday and Sunday) or any other days of his or her preference, and these days shall be scheduled consecutively, unless otherwise requested by the employee. These most senior employees, however, may be scheduled on their normal days off by reverse order of seniority when the Employer determines this is necessary due to the large amount of work needed to be performed on those days.

Section 8. Vacancy or New Position. When a full-time position becomes vacant or a new position covered by this Agreement is created, the position shall be posted on the employee bulletin board for seven (7) days, giving full explanation of responsibilities and job description. Except for new hires in their first position with the Employer, employees desiring consideration for the new classification must have been in their current position for at least six (6) months. When skill and ability are equal, the senior employee shall have preference over other employees and applicants, provided, however, the Employer reserves the right to make the final determination on skill and ability. The Union shall be notified of the successful candidate. A successful bidder shall not be allowed to bid on another position for six (6) months.

Section 9. Bargaining Unit Work. Managers, supervisors, and non-bargaining unit employees of the Employer shall not perform bargaining unit work except in the case of emergency, when there are call-outs or no-shows, and when necessary on the front desk in order to properly service guests due to surges in guest activity or to provide reasonable periods of relief for a front desk agent. Additionally, a manager may fill in at the front desk for employees taking vacation or personal days when occupancy is below 35%.

ARTICLE 13 - GRIEVANCE/ARBITRATION

Section 1. Definition of Grievance. A grievance shall mean any dispute between parties concerning the interpretation of this Agreement.

Section 2. Grievance Procedure. The number of days provided for the presentation and processing of grievances in each step of the grievance procedure shall establish the maximum time allowed for the presentation and processing of a grievance. The time limits specified may, however, be extended by mutual agreement in writing. The failure of an employee or the Union to proceed to the next step of the grievance procedure within the time limits specified shall be deemed an acceptance of the decision previously rendered and shall constitute a waiver of any future appeal concerning the grievance. The failure of the Employer to answer a grievance within the time limits specified shall permit the grievant to proceed to the next step of the grievance procedure.

Section 3. Steps in Grievance Procedure. All grievances shall be presented and processed in accordance with the following procedure:

- (A) **Step One.** Any employee having a grievance or the Union acting on behalf of an employee or a group of employees having a grievance shall discuss the grievance with the appropriate department head. The employee may have his steward present at such discussion.
- (B) **Step Two.** If the grievance is not resolved at step one, the grievance shall be reduced to writing and presented to the Employer's General Manager within ten (10) working days

(e.g., Monday through Friday excluding legal holidays) of the occurrence of the event(s) giving rise to the grievance. The written grievance shall be signed by the grieving employee(s) or on their behalf by the Union and shall set forth the specific nature of the grievance, the specific sections of this Agreement allegedly violated and the adjustment sought. The Employer or his designee shall meet with the Union Shop Steward within five (5) working days after the grievance is referred to him pursuant to the procedures contained herein in an effort to resolve the grievance. The Employer or his designee shall render his written decision within five (5) working days after the date of said meeting. A copy of this decision shall be furnished to the grievant and the Union.

- (C) Step Three. In the event no satisfactory adjustment is reached at the step two conference, then the Union shall request, within seven (7) working days after rendering the decision in step two, a meeting between the Employer and the Union. Such request shall be in writing. Representatives designated each by the Union and Employer shall meet promptly to attempt a final adjustment of the dispute, which in the event of such adjustment, shall be reduced to writing within five (5) working days of the completion of such conference, signed by both parties and become the final and binding adjustment of the dispute. If a satisfactory adjustment of the grievance is not reached, the grievance may be submitted to voluntary mediation, provided that both parties agree to mediate the grievance. If the parties agree to mediate the grievance, they will mutually agree to a mediator from the Federal Mediation and Conciliation Service at no cost. Each party shall give good faith consideration to the mediator's findings and recommendations, but is under no obligation to accept them. Any findings or recommendations made by the mediator shall not be presented to or considered by the arbitrator in any arbitration proceeding.
- (D) Step Four. The Union shall have thirty (30) days from the completion of Step Three to refer the grievance to arbitration by so notifying the Employer in writing.

The following two (2) arbitrators to hear and decide all grievances arising pursuant to this Agreement on a rotating basis:

Mario Chiesa
Pat MacDonald

An arbitrator shall be assigned to grievances which are referred to arbitration in the order listed, starting from the first listed to the last. Once a grievance has been assigned to an arbitrator, regardless of whether it is settled, proceeds to arbitration or is otherwise resolved, the next grievance referred to arbitration will be assigned to the next arbitrator.

In the event that neither of the foregoing arbitrators is available, the parties will attempt to agree on an arbitrator. If they are unable to agree on an arbitrator, they shall request a list of nine (9) possible arbitrators from the American Arbitration Association ("AAA"), with either party having the right to reject one (1) panel of arbitrators and request another panel from AAA. If the parties are unable to agree on one person from the list to serve as the arbitrator, the Union shall strike four (4) names from the list and then the Company shall strike four names from the list, and the remaining name shall be the arbitrator.

- (E) Witnesses called by either advocate at such hearing shall be paid for time absent from work by the calling party. The Union and Employer shall split the arbitrator's fee and expenses.
- (F) After a grievance has been submitted to arbitration, and prior to any arbitration hearing, the parties may mutually agree to mediate the grievance in an effort to resolve it. In such event, the parties shall request a mediator from the Federal Mediation and Conciliation Service at no cost to the parties.

Section 4. Limitation of Arbitration. An arbitrator shall not have any right or authority to add to, subtract from or modify the terms and provisions of this Agreement. Further, the renewal, extension, modification, or amendment of this Agreement shall not be the subject matter of any grievance or arbitration procedure.

Section 5. Time Limitations. The Employer shall be under no obligation to process a grievance that is not made within ten (10) working days after the grievance becomes known to the employee.

ARTICLE 14 - UNIFORMS/LOCKERS

Section 1. Uniforms and Linens. The Employer shall furnish and launder all uniforms and linens. Employees may launder their own uniforms if they wish to do so, but they are not required to launder their own uniforms.

Section 2. Lockers. The Employer shall provide a clean and comfortable dressing room for its employees to which the public shall not have access. The Employer shall also provide lockers and locker keys for the safekeeping of employees' clothing and work tools, as space permits. Employees' lockers shall be considered private and no representatives of management shall, except in the case of an emergency, enter same without the employee's or shop steward's presence or the presence of another employee designated by the shop steward if the shop steward is not available.

ARTICLE 15 - NO STRIKE/NO LOCKOUT

Section 1. Work Interruption. During the term of this Agreement, neither the Union nor any employee, individually or collectively, who is covered by this Agreement shall authorize or take part in any strike, sympathy strike, slowdown, or other interruption or impediment of production at any operation of the Employer covered by this Agreement. This Article is intended to preclude all strikes, whether or not the dispute which led to the strike is subject to the contractual grievance procedure. Any employee violating this Section may be discharged from the employ of the Employer.

Section 2. Discipline. The Union agrees that it will not oppose the discharge or discipline of anyone who commits acts of obstruction, leads or induces another employee to take part in

any strike, sympathy strike, work stoppage, or slowdown, provided, however, that no employee covered by the Agreement shall be required to violate a primary picket line of a sanctioned strike.

Section 3. Lockouts. The Employer agrees that there shall be no lockouts with the terms and provisions of this Agreement.

Section 4. Dispute Resolution Procedure. The parties agree that any and all disputes arising out of the interpretation or application of the terms and provisions of this Agreement shall be settled in accordance with the grievance and arbitration procedure heretofore described.

ARTICLE 16 - LEASE/NOTICE OF SALE

Section 1. Concessionaire. In the event the Employer turns over to any person or persons the operation of any department or its restaurant, the Employer shall notify the tenant of the terms and provisions of the Agreement before the execution of any lease. In addition, the Employer shall give ten (10) days' notice to the Union in advance of the execution of any lease so that the Union may contact and negotiate terms and conditions with the Lessee for the execution of an agreement by the Lessee to be bound by the terms and provisions of this Agreement. Failure of the Lessee to meet this obligation shall give the Union the right to strike the Lessee.

Section 2. Employer Notification. It shall be the duty of the Employer to inform the Union in writing at least fifteen (15) days in advance of any voluntary sale, transfer, or other change in ownership.

Section 3. Successor Clause. In the event the Employer voluntarily sells, transfers, or assigns its contract to manage the hotels, or in the event there is a change in the form of ownership of the Employer, the Employer shall give the Union reasonable advance notice thereof in writing and the Employer further agrees that as a condition to any such sale, assignment, or transfer, the Employer will obtain from the successor manager a written assumption of this Agreement.

ARTICLE 17 - SEPARABILITY AND SAVINGS CLAUSE

If any provision of the Agreement shall be or become invalid by reason of any applicable federal or state law, or be held invalid by any court or agency of competent jurisdiction, the remaining portions hereof shall not be invalid, but shall continue in full force and effect. In the event of such invalidation of any section of this Agreement, the parties agree to meet for the purpose of discussing appropriate replacements or substitutions for such stricken provisions.

ARTICLE 18 - WORK RELATED INJURIES/PHYSICAL EXAMINATIONS

Section 1. An employee who is injured on the job and is sent home or to a hospital or clinic shall receive pay at the applicable hourly rate for the balance of his or her regular shift on that day.

Section 2. The Employer agrees to cooperate toward the prompt settlement of the employee's on-the-job injury and sickness claims when such claims are due and owing. Benefits, where applicable, shall be payable provided the employee agrees:

- (A) To cooperate with the Employer toward the prompt settlement of claims;
- (B) To promptly notify the treating physician and the Employer of any changes in his/her condition; and
- (C) To follow the instructions of the treating physician and promptly supply information requested by the physician, the Employer, or insurance carrier necessary to evaluate or continue a claim for benefits.

Section 3. The Employer shall have the right to require an employee to submit to a physical examination by a physician designated by the Employer or its insurance company, at the Employer's expense. If necessary, a third opinion may be required, at the Employer's expense. The final doctor shall be chosen by mutual agreement of the Employer and the Union. The third doctor's determination shall be binding on all parties.

ARTICLE 19 – DEFECTIVE EQUIPMENT

Employees shall immediately or at the end of their shift report on forms supplied by the Employer all defects of equipment. In the event such reported defect affects safety, the Employer shall investigate the condition to determine its safety and, if necessary, effect repairs to operate such equipment.

ARTICLE 20 - FUNERAL LEAVE

Full-time employees who have completed their probationary period and who suffer a death of a member of their immediate family shall be permitted time off for up to three (3) consecutive work days, following the day of the death, and they will be paid their base hourly wage rate of pay for any schedule hours missed during those three (3) days while attending the funeral.

The Employer may request the employee to furnish evidence of entitlement to funeral leave.

Members of the employee's immediate family shall include only the following: current spouse (or domestic partner, as defined by the Employer, which definition may be changed by the Employer as it changes the definition for employees generally), child, current legal step-children, parent, grandparent, grandchild, sister, brother, or parent of spouse.

ARTICLE 21- PERSONAL LEAVE

Section 1. Personal Leave Days. All full-time employees, upon completion of two (2) years continuous service, shall be allowed one (1) personal leave day, upon completion of three (3) years continuous service, shall be allowed three (3) personal leave days, upon completion of four (4) years of continuous service, shall be allowed four (4) personal leave days, and upon completion of five (5) years of continuous service shall be allowed five (5) personal leave days. Earned personal leave days may be taken upon a five (5) day advance written notice to the Employer, except in cases of emergency or sickness where such notice cannot be given. A request for a personal leave day will not be unreasonably denied by the Employer. All employees are requested to take their personal leave days during their anniversary year and at such times as to not interfere with the normal operation of the Employer's business. If, however, upon completion of the employees' anniversary year, earned personal leave has not been taken, they shall be paid for in lieu thereof.

Section 2. Federal Laws. The Employer is subject to the Family Medical Leave Act ("FMLA") and the Americans With Disabilities Act ("ADA"). No provision of this Agreement is to be construed in any way to encourage, promote, or compel a violation of the FMLA or the ADA. The parties to this Agreement acknowledge that because of the Employer's obligation to comply with FMLA and ADA, it will be necessary for management to resolve issues in compliance with FMLA and ADA. Every effort will be made to abide by the terms of this Agreement in a manner consistent with FMLA and ADA. However, the parties acknowledge that these federal statutes take precedence over the terms of this Agreement.

ARTICLE 22 - JURY DUTY

Section 1. Any non-probationary full-time employee who is called to and reports for jury duty shall be paid by the Employer for each day spent in performing jury duty, up to a maximum of fourteen (14) calendar days in any one (1) calendar year, if the employee otherwise would have been scheduled to work for the Employer and does not work, the difference between:

- (A) The employee's base hourly wage rate for the number of hours up to eight (8) that he otherwise would have been scheduled to work, and
- (B) The daily jury duty fee paid by the court, not including travel allowance or reimbursement of expenses. If the employee is dismissed from jury duty, he shall report for work during the balance of his regular work shift.

Section 2. In order to receive payment under this section, an employee must give the Employer one (1) week advance notice, or must notify the Employer immediately upon receipt of notice from the court, that he or she has been summoned for jury duty and must furnish satisfactory evidence that jury duty has been performed on the days for which payment is claimed.

ARTICLE 23 - PAYROLL DEDUCTIONS/SAVING PROGRAM

Section 1. Employer agrees to make payroll deductions for employees for city income taxes and for credit union deposits to one (1) credit union selected by the Union. Employees desiring such deduction from their pay must complete an application with Employer's Personnel Department. Such payroll deduction shall be remitted no later than the twenty-fourth (24th) day of the month following the month the deductions were made.

ARTICLE 24 - POLITICAL ACTION COMMITTEE

Section 1. The Employer agrees to honor 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 Political Committee ("the PAC"), 275 7th Ave, New York, New York 10006. This authorization is signed voluntarily and with the understanding that the PAC 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 Political Committee, 275 7th Ave, New York, New York 10006, and to the Employer.

Section 2. 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 PAC, accompanied by a form stating the name, and address of each employee for whom a deduction has been made, and the amount deducted. The costs to the Employer of the administration of these deductions have been taken into account by the parties in their negotiation of the wage and benefits provisions of this Agreement.

Section 3. The Union shall indemnify, defend and save the Employer harmless against any and all claims, demands, suits or other terms of liability that shall arise out of or by reason of action taken by the Employer in reliance upon payroll deduction authorization cards submitted to the Employer.

ARTICLE 25 - PAYROLL CORRECTIONS

Section 1. Any payroll errors should be brought immediately to the attention of the Employer. If the error involves eight (8) hours or more of pay, the error will be corrected within seventy-two (72) hours after the Employer is notified of the error. Otherwise, it will be corrected on the next paycheck.

ARTICLE 26 - TERMINATION AND MODIFICATION

Section 1. Agreement Start and Termination. The terms and provisions of this Agreement shall be effective April 1, 2016 and continue in full force and effect until 12:01 a.m. on April 1, 2020 and from year-to-year thereafter, unless either party shall notify the other, in writing, via certified mail, of its desire to modify or terminate this Agreement.

Section 2. Complete Agreement. With the exception of any Memoranda of Agreement, Amendments or Memoranda of Understanding signed by the authorized representatives of the Employer and the Union prior to the effective date of this Agreement, this Agreement represents the entire Agreement between the Employer and the Union. Any changes, modifications or additions to this Agreement must be in writing and signed by the parties' authorized representatives. Further, any past practices which existed prior to or which arose during the term of this Agreement shall not be binding on the Employer.

Agreement Modification. In the event either party desires to modify or terminate this Agreement at 12:01 a.m. on April 1, 2020, or on any subsequent anniversary date thereafter, such party shall, not less than sixty (60) days nor more than one hundred twenty (120) days prior to said date, serve written notice by certified mail on the other party, giving notice of termination or setting forth the proposed changes and amendments in this Agreement. In the absence of such notice, this Agreement shall remain in full force and effect year to year thereafter.

ISLAND HOSPITALITY MANAGEMENT V,
LLC., D/B/A COURTYARD BY MARRIOTT,
ANN ARBOR

UNITE HERE, LOCAL 24, AFL-CIO

By: Roger Pallak

Date: 10/13/2016

By: Heidi G. Hughes

Date: 10-13-2016

WAGE SCHEDULE

The minimum base hourly wage rates shall be as follows:

<u>Non-Tipped Classifications</u>	<u>4/1/16</u>	<u>4/1/17</u>	<u>4/1/18</u>
Cooks	\$10.60	\$10.85	\$11.10
Kitchen Utility	\$9.00	\$9.25	\$9.50
Banquet Setup	\$9.00	\$9.25	\$9.50
Front Desk Clerk	\$10.50	\$10.75	\$11.00
Lead Front Desk Clerk	\$11.00	\$11.25	\$11.50
Night Audit	\$11.50	\$11.75	\$12.00
Room Attendant*	\$9.25	\$9.75	\$10.00
Houseperson	\$9.25	\$9.75	\$10.00
Laundry	\$9.25	\$9.75	\$10.00
<u>Tipped Classifications</u>			
Bistro Server	\$9.00	\$9.00	\$9.25
Banquet Bartender	\$10.15	\$10.15	\$10.25
Banquet Servers	\$6.40	\$6.40	\$6.40
Banquet Captain	\$9.00	\$9.00	\$9.25

*Any room attendant hired after 4/1/08 who is assigned inspection duties will be classified as a Housekeeping Assistant while performing those duties and paid \$1.00 per hour over the employee's then-existing base hourly wage rate for any time actually spent in performing such duties. Room attendants must punch in and out when performing inspection duties.

DISCRETIONARY BONUSES/INCENTIVE PROGRAMS

The Employer retains the right to grant bonuses or incentives as gifts to any of its employees in its discretion. It is agreed that any discretionary bonuses or incentive granted to an employee under this Section will be considered to be a gift and not be precedent setting and will not become part of that employee's wages, benefits, or conditions of employment.

WORKING CONDITIONS

- (1) (A) Room attendants shall not be required to clean more than sixteen (16) rooms within eight (8) hours of work. More than one (1) floor change (*i.e.*, the number of times a room attendant is required to change floors) during a shift shall be considered equivalent to one (1) room cleaned. Large suites shall be considered two (2) rooms, and these are rooms 124, 224, 324 and 424 in the Courtyard by Marriott. If they are requested to clean more than sixteen (16) rooms, the room attendants shall receive three dollars (\$3.00) for each room cleaned in excess of sixteen (16) rooms in one eight (8) hour day.

(B) On Sundays, room attendants, shall receive eight (8) hours of pay for cleaning fifteen (15) rooms, even if performed in less than eight (8) hours. If a room attendant is requested to clean more than fifteen (15) rooms on a Sunday, the room attendant shall receive four dollars (\$4.00) for each room cleaned in excess of fifteen (15) rooms in one eight (8) hour shift. Additionally, on Sundays, room attendants shall not be required to clean more than thirteen (13) check-out rooms. However, if a room attendant cleans thirteen (13) check-out rooms on a Sunday in less than eight (8) hours, the room attendant will be paid only for time actually worked.
- (2) Extra employees will be paid at the applicable base hourly wage.
- (3) All employees shall be paid time and one half (1-1/2) of their regular straight time hourly rate of pay (as defined by applicable law) for all hours worked commencing at 6:00 p.m. December 31st to 2:00 a.m. January 1st.
- (4) (A) All disciplinary action shall take place within a reasonable time after the Employer (or the Employer's agent) learns of the infraction, or the date of the infraction, whichever is sooner.

(B) Employees shall not be reprimanded for following conflicting orders.

(C) Warning notices issued to employees shall not remain in effect for a period of more than twelve (12) months from the date they are issued unless such notices are for repeated infractions of a similar nature.

BANQUET EMPLOYEES

- (1) **Function from 6:00 a.m. to 2:00 p.m.** Three (3) hours or less (including setup and clear off) – servers shall be paid at the hourly rate shown in the wage schedule for banquet servers.
- (2) **Functions after 2:00 p.m.** Four (4) hours or less (including setup and clear off) – servers shall be paid at the hourly rate shown in the wage schedule for banquet servers.
- (3) **Coffee Breaks, Meetings and Continental Breakfasts** shall be paid at the base hourly wage rate shown in the Wage Schedule, plus the service charge.

Servers shall set up and service fifty (50) guests for continental breakfasts and 100 guests for coffee breaks.

- (4) **Buffets Before 2:00 p.m.** Three (3) hours or less (including setup and clear off) – servers shall be paid at the hourly rate shown in the wage schedule.
- (5) **Receptions.** A reception is a function where only bite sized hors d'oeuvres are served.

A banquet server shall be required to set up and clear their own station in addition to hors d'oeuvres service and passing hors d'oeuvres.

There shall be one server for every fifty (50) guests. For each increment of fifty (50) guests served, the server will receive one (1) additional function rate.

- (6) **French Service.** French Service shall be when any portion of the main course is French served, or when any three (3) or more courses are French served, excluding beverage, rolls, butter, sauces, etc.
- (7) **Number of Guests.** For the various banquet functions, the number of guests to be assigned per server, and the wage increment for each guest served in excess of the number, shall be as follows:

<u>FUNCTIONS FROM:</u>	<u>NUMBER OF GUESTS</u>	<u>WAGE INCREMENT FOR ADDITIONAL GUESTS</u>
6:00 a.m. to 2:00 p.m.	20	50¢
2:00 p.m. to 10:00 p.m.	20	65¢
10:00 p.m. to 6:00 a.m.	20	65¢
Buffets: Before 2:00 p.m.	35	50¢
After 2:00 p.m.	35	65¢
French Service	10	95¢

- (8) **Dead Work.** Dead work (as defined in Paragraph 4 of the "Other Banquet Working Conditions") done in excess of the above listed shifts shall be compensated for at a premium rate to the one-quarter (1/4) hour in excess of the above-listed function rates. This rate shall be the hourly rate listed in the wage schedule for banquet servers.
- (9) **Multiple Functions.** When banquet servers are called upon to serve more than one (1) function they shall be paid, in addition to their guaranteed function rate, one-half (1/2) additional rate for each additional function served, providing the functions are served within the same meal period.
- (10) **Cake Cutting.** Banquet employees shall receive thirty five dollars (\$35.00) per cake for cutting and serving of the cake, which shall be shared by the waiters and waitresses, when the guest pays this cake cutting and serving fee.
- (11) **Corkage.** When the servers are called upon to open bottles of wine or champagne, they shall receive seventy-five cents (\$0.75) per bottle.
- (12) **Non-Revenue Functions.** Banquet servers serving non-revenue functions shall receive a flat rate of nine dollars (\$9.00) per hour for all hours worked.
- (13) **Complimentary Sweet Tables.** On "complimentary" sweet tables, a base amount of two dollars (\$2.00) per guest is to be used to compute a service charge for servers working the function. Servers shall receive fourteen percent (14%) of the two dollars (\$2.00) figure for each guest attending the function.
- (14) **Split Functions.** If a banquet contract with a guest provides for the use of buffet food as hors d'oeuvres before the main function begins, a banquet server shall be paid nine dollars (\$9.00) to set up service and move the hors d'oeuvres, in addition to any wages and gratuities owed for the main function. There shall be one (1) banquet server up to 100 guests, and one (1) additional banquet server for each additional 100 guests.

BANQUET SERVICE CHARGE

- (1) A service charge of at least fifteen percent (15%) shall be added to all food and beverage banquet checks. This service charge shall be divided as follows:

(A) Food Service. Fourteen percent (14%) to the servers.

(B) Liquor Service. Fourteen percent (14%) to the banquet bartenders.

Should the Employer increase the service charge which is added to all food and beverage banquet checks from twenty percent (20%) (which is the percentage charged as of the effective date of this Agreement) to twenty-one percent (21%), one-half (1/2) of the increase shall be retained by the Employer and the other half will be distributed to servers and bartenders in accordance with this Paragraph. Any increases in the service charge above twenty-one percent (21%) shall be retained by the Employer.

- (2) When a bartender is not employed, the fourteen percent (14%) liquor service charge shall go to the server.
- (3) The fourteen percent (14%) beverage service charge on wine and champagne (by the bottle or carafe) or punch, served by servers, shall be shared equally by the servers.
- (4) At functions where a cash bar is used, a service charge shall be added to the price of the drinks. The fourteen percent (14%) service charge shall be divided between the bartenders working the function. The total amount of the service charge shall be based on the guest check.
- (5) Upon reasonable request, the Employer will make available banquet event orders to a designated Union representative for the purpose of assessing whether distribution of the service charge specified herein was correct.
- (6) Hors D'oeuvres. The servers working hors d'oeuvres shall share the fourteen percent (14%) service charge equally.

OTHER BANQUET WORKING CONDITIONS

- (1) Servers shall perform setup, service and clear off for their assigned station for the function rate of pay.
- (2) Setup shall be defined as when tables are in place with tablecloths on them and all setup equipment is in the room or immediately adjacent to the room.
- (3) Clear off shall be defined as when all setup and service equipment is removed down to the tablecloths.
- (4) Dead work is defined as when banquet servers are called upon to set up and clear off for more than the number of guests assigned to them or to perform any service not on their own station within the said meal period.
- (5) During their regular periods of work as specified in the wage section above, employees may be assigned side work (related in any way to the function being worked) for periods when they are not serving or on their meal break.
- (6) Banquet servers may be required to set up and clear their own assigned stations. Servers may be requested but not required to either set up or clear other than their assigned station within the function period shall receive, in addition to the function rate, the dead work rate to the nearest quarter percent (1/4%) hour.
- (7) Banquet bus attendants, when used, shall assist the servers but receive their assigned banquet duties from supervisors and food and beverage management only.
- (8) Banquet servers may mix and serve highballs and may serve cocktails previously mixed by Union bartenders.
- (9) No cash collections or plate passing of any kind by banquet servers or bartenders shall be permitted.
- (10) Banquet employees shall be entitled to one meal for each meal worked, meals to be eaten when employees are not busy, and at such times as not to interfere with the efficient operations of the Employer. Unpaid time allowed for meals shall not exceed one-half (1/2) hour for each meal worked. The station of any employee during his eating period shall be covered by another employee whenever necessary or required.
- (11) If any extra service charge or enumeration for food and beverage is left by the party holding or sponsoring the banquet for the employees who are employed at the banquet, the full amount thereof shall be made known to those in charge of the banquet. The amount of such extra service charge or enumeration shall be distributed to the employees working the banquet, with any captains, head servers who supervised or were in charge of the banquet to participate on the same basis as provided in the agreed contract distribution.

- (12) The Union reserves the right to see that the distribution of the fixed service charge and extra service charge or enumeration is in accordance with the terms of the Agreement. The Union reserves the right to see each check. The Employer shall maintain records of service charges received or distributed and the actual banquet checks. Such records shall be kept for at least one (1) year.
- (13) Banquet servers shall not be required to sweep floors, wash glasses or silverware, move pianos, tables, chairs or do other housepersons' or porters' work, except under emergency conditions where prompt action needs to be taken for employee and/or public safety.
- (14) All full-time banquet servers shall be paid holiday pay for the holidays set forth in Article 6. Holiday pay shall be four (4) hours at the base hourly wage rate shown in the wage schedule. All banquet servers shall be paid double the function rate for work performed.
- (15) Banquet functions of ten (10) people or less will be given to the servers of the dining rooms. This will be the norm, except if the staffing levels of the dining room make it impossible to accommodate the function (i.e., if there are not enough servers to cover the dining room and the function).
- (16) If there is a function that is scheduled only as a coffee break, then the coffee break shall be assigned to a houseman.
- (17) Notwithstanding the number of hours actually worked, the Employer shall consider a minimum of three (3) banquet employees to be full-time employees for purposes of fringe benefit eligibility. However, this section shall not be construed as a guarantee of any number of hours of actual work.

IN WITNESS WHEREOF, the respective parties, representing that they have authority to do so, have hereunto subscribed their names on the said day and year.

ISLAND HOSPITALITY MANAGEMENT V,
LLC., D/B/A COURTYARD BY MARRIOTT,
ANN ARBOR

UNITE HERE, LOCAL 24, AFL-CIO

By: Roger Pallat
Date: 11/11/2016

By: Heidi G. Hughes
Date: 10-13-2016