

AGREEMENT

Between



PARAGON SYSTEMS, INC

and the

**United Government Security Officers of America,
International Union**

And

Its Local 236

Representing the

PROTECTIVE SECURITY OFFICERS

at

Tampa, Florida and surrounding areas

July 1, 2018 through June 30, 2021

AGREEMENT

This Agreement is entered into upon ratification and full execution by all parties, by and between Paragon Systems, Inc. (“Company” or “Employer”), and the United Government Security Officers of America, International Union and its affiliated Local 236 (“Union”).

Should there be any conflict between the Paragon Policies and Procedures and the Collective Bargaining Agreement, the Collective Bargaining Agreement will control. Should there be any conflict between the Contract between Paragon and the Government, and the Collective Bargaining Agreement, the Contract between Paragon and the Government will control.

ARTICLE 1 PARTIES AND TERMS

Section 1.1 This agreement shall become effective at 12:01 a.m. on July 1, 2018, and shall continue in full force and effect through and until Midnight **June 30, 2021**.

Section 1.2 The Company recognizes the United Government Security Officers of America, International Union and its Local 236, as sole and exclusive bargaining representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment, for the employees of the Company as described in Section 1.2 of this Article and in accordance with the National Labor Relations Act, as amended.

Section 1.3 For the purpose of this Agreement, the term “Employee” shall include all armed and unarmed security officers employed by Paragon Systems performing guard duties as defined by Section 9(b)(3) of the National Labor Relations Act, assigned to Federal facilities in Bradenton, Clearwater, Dade City, Fort Myers, Lakeland, Naples, Port Charlotte, Port Richey, Sarasota, St. Petersburg, Sebring, Tampa, Valrico, Venice, Winter Haven **and Ocala** FL and surrounding areas under the Company’s contract with the Department of Homeland Security excluding office clerical employees, managerial personnel, supervisors as defined by the National Labor Relations Act, and all other personnel. It is expressly agreed and understood between the parties that neither probationary employees as defined in this agreement, nor persons enrolled or participating in pre-hire training programs offered by the Company, shall be considered employees under this Section.

Section 1.4 This agreement shall be binding upon both parties and their successors. In the event of a sale or transfer of the business of the employer, or any part thereof, the purchaser or transferee shall be bound by this agreement.

Section 1.5 Any other site(s), including FEMA and ODAR, to which Security Officers covered by this Agreement are assigned.

Section 1.6 Probationary Employees. All employees newly hired, or rehired after termination of their seniority, shall be classified as probationary employees for a period of ninety (90) calendar days from the date of hire or rehire. **During the probationary period, employees shall be paid at a rate that is \$2.50 per hour less than the straight-time rate set forth in Article 14; for the next ninety days thereafter, employees shall be paid at a rate that is \$1.25 per hour less than the straight-time rate set forth in Article 14.** During their probationary period, the employment relationship between the Company and the probationary employee shall be at will and the probationary employee may be subject to discipline or discharge at the discretion of the Company without regard to the provisions of Article 12 of this Agreement. Probationary employees do not have seniority until completion of the probation period, at which time seniority dates back to the date of hire. The union will be notified whenever a new hire training class is scheduled. The union shall have the right to speak to the new hires the first week of orientation or training period and the company will facilitate the Union by allowing time to speak for fifteen (15) minutes.

ARTICLE 2

PURPOSE OF THE AGREEMENT

It is the intent and purpose of the Company and the Union that this Agreement shall promote and improve industrial and economic relations between the Company and its employees, and to set forth provisions with respect to rates of pay, wages, hours of work and other conditions of employment covering employees of the Company, and to provide a peaceful method of adjusting grievances that may arise in the course of employment between the Employer and the employees with respect to wages, hours, and other conditions of employment and to provide for an orderly collective bargaining relationship between the Company and the Union.

ARTICLE 3

UNION SECURITY & DUES DEDUCTIONS

Section 3.1 For the convenience of the Union and employees who are members of the Union, the Company agrees to deduct the initiation fee and regular monthly Union dues from the pay check of such employees who authorize such deduction as provided for herein.

Section 3.2 An employee who desires the Union dues to be deducted from her pay shall submit to the Company a fully executed authorization card, as approved by the parties, assigned by said employee, from whom wage deductions are to be made as provided herein.

Section 3.3 Deductions shall be made monthly for the accrued regular monthly dues of each employee in the bargaining unit, for whom the above authorization has been received, beginning with the pay for the first full pay period beginning in each month following the month in which an employee's authorization is received and deduction shall continue in like manner monthly thereafter. The Company will remit all such deductions

to the International Union Treasurer via check on a monthly basis within fifteen (15) business days from the last day of the month.

Section 3.4 The Union accepts all responsibility for the authenticity of each of said authorizations and any said authorizations which are incomplete or in error shall be disregarded by the Company. Authorizations which are incomplete or in error will be returned to the Union immediately for correction. The Union shall indemnify and hold the Company harmless against any claims, demands, lawsuits, or other forms of liability that may arise out of or by reason of action taken by the Company in making payroll deductions as herein provided or in complying with this Union Security Article.

Section 3.5 In cases where deductions for dues are made from the pay of any employees who has previously paid such dues, the Union will make refund directly to such employee.

Section 3.6 The authorization for dues deductions for any employee who is transferred to a classification outside the bargaining unit shall be automatically voided upon the effective date of such transfer.

ARTICLE 4 **UNION RIGHTS**

Section 4.1 Stewards.

A. Recognition. The Company recognizes the right of the Union to designate shop stewards. The Company agrees to recognize the maximum of 2 Chief Shop Steward for all employees and 6 stewards. Within ten (10) calendar days of the execution of this Agreement, the Union shall furnish to the Company, in writing, the names of each of the Union's designated stewards. Changes to these assignments shall be provided by the Union to the Company, in writing, within two (2) calendar days of such change becoming effective.

B. Steward Authority. The authority of Stewards shall be limited to, and shall not exceed, the following duties and activities: (1) representation of employees in disciplinary interviews consistent with Section 12.6 of this Agreement and as permitted under the National Labor Relations Act; (2) the investigation and presentation of grievances in accordance with this Agreement; (3) the transmission of such information and messages to and from the Union, which shall originate with and are authorized by the Union's Officers, provided such messages have been reduced to writing; and (4) the right to bring a grievance to the Company's attention at the time of the occurrence in accordance with the terms of this Agreement. Such duties shall be conducted during non-working time and may not interfere with the operations of the Company. Such activities may be conducted during working time, in exceptional cases, where agreed upon by the Company, but neither the Steward nor the employee shall depart from their normal job assignment without the clear written consent of the Company's Project Manager.

Stewards or other employees, who conduct Union business on working time, in violation of this provision, shall be subject to discipline for dereliction of duty under Article 12 of this Agreement; provided that it is expressly agreed and understood between the

Parties that the Company may schedule disciplinary interviews consistent with Section 12 of this Agreement during working time.

Section 4.2 Union Activities. Neither Union officials nor employees shall, during the working time of any employees participating, solicit membership, receive applications, hold meetings of any kind for the transaction of Union business, or conduct any Union activity other than the handling of grievances to the extent such work time activity is specifically allowed by the Company.

Section 4.3 Government Cooperation. The Union acknowledges and agrees that the terms and conditions of this Agreement, and employees' employment with the Company, are subject to certain priorities, rules, procedures and restrictions of the United States Government. The Union agrees to cooperate with the Company in all matters required by the Government and to comply with all such Government priorities, rules, procedures and restrictions. Documentation will be provided to the Union verifying the change/request did come from the Government, if available. The Union further agrees that any actions taken by the Company pursuant to a request from DHS or other agency of the United States Government shall not constitute a breach of this Agreement. Any action that DHS or other agency of the United States requests the Company to take immediately, may be taken without prior notice to or discussion with the Union. However, whenever such action affects a term or condition or employment, the Company agrees to notify and discuss with the Union the effects of that action.

ARTICLE 5

MANAGEMENT RIGHTS

Section 5.1 The Union recognizes that any and all rights concerned with the management of the business and the direction of work force are exclusively those of the Company. The Company retains all of its normal, inherent common law rights to manage the business, whether or not exercised, as such rights existed prior to the time any union became the bargaining representative of the employees covered by this Agreement, except as limited by, and consistent with the rights of the Union and its represented employees as set forth in this Agreement or as established by law, statutes, and government regulations. The rights of management shall include the right to: hire, assign, schedule, lay off, recall, promote, demote, transfer, suspend, discharge, or otherwise discipline employees for just cause; determine, establish, and implement terms and conditions of employment, determine, establish, or continue reasonable policies, practices, and procedures for the conduct of the business and, from time to time, to change or abolish such policies, practices, or procedures in order to prevent any redundancy or duplication of work or for any other reason provided such rights and policies are not in conflict with any provision of this Agreement and do not abridge the rights and benefits of employees as conferred by this or otherwise; determine and select the uniform and equipment to be used in the Company's operations and, from time to time, to change or to discontinue the use of any uniform or equipment and to select new uniforms or equipment for its operations, including equipment for new operations; determine the number of hours per day or week that operations shall be carried on; establish day and night shifts, set the hours of work and the number of employees for such shifts, and from time to time, to change the shifts and the hours of

employees thereof; determine the fact of lack of work; make and enforce safety rules and rules governing the conduct of employees within the work site and for the maintenance of discipline; and take any other measures which are reasonable and necessary for the orderly, efficient, and profitable operation of its business.

Section 5.2. The Company shall have the right at any time to establish, administrate or alter the practices or customs of break periods and telephone calls by employees and to limit or restrict such practices or customs as the Company may determine necessary. Current practices will remain in place with the understanding that in some circumstances due to operational necessity, breaks may not occur.

Section 5.3. The Company shall have the right to require of any employee at any time a physical examination by a physician of its choosing to determine said employee's physical and mental ability to perform their job assignment efficiently and safely. The Company shall have the right to evaluate the ability of the employee to perform their job assignment efficiently and safely. The Company may promote, demote, lay off, transfer, or discharge said employee as a result of such evaluation. This Section shall be interpreted in accordance with applicable federal and state law.

Section 5.4. The Company shall have the right to evaluate the work performance of the employees by this Agreement, and shall have the right to transfer, or discharge employees for inefficiency, incompetence, or inability to perform the work assigned to them.

Section 5.5. The Company shall have the right to establish, administer, or change a drug and alcohol abuse prevention program in accordance with federal and state regulations. The Company shall have the right to test employees for drugs or alcohol upon reasonable suspicion, and to discipline employees based on the results of such tests.

Section 5.6 No waiver. The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the Company's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Company's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

Section 5.7 The above rights of management are not inclusive of all manners or rights which belong to management. Any other rights, powers or authority the Company had prior to signing this Agreement are retained by the Company, except those which violate express provisions of this Agreement.

Section 5.8 The Company agrees to notify the Union, in writing, prior to any changes in policy or work rules affecting the Bargaining Unit Employees in order for the Union to register any suggestions or objection prior to implementation. This applies to permanent or extended policy or rules and not immediate or temporary policy or rules required to handle imminent or emergency situations.

ARTICLE 6
NONDISCRIMINATION

Section 6.1 The parties hereto agree that there will be no discrimination against any employee or applicant for employment because of race, color, religion, sex, national origin, or membership or non-membership in any labor organization, as provided by law. The Company shall give due consideration to qualified Vietnam era veterans and to disabled individuals as provided by law. The Company agrees that it shall comply with all federal and state (where applicable) employment discrimination laws, which are incorporated herein in their entirety, and will not discriminate against any employee with regard to race, color, religion, age, sex, national origin, or disability in violation of law.

Section 6.2 It is expressly agreed and understood that the dispute resolution procedures set forth in Article 13 of this agreement shall be the sole and exclusive forum for resolving all claims, demands or actions arising under state or federal law arising from the employment relationship between the Company and you to the fullest extent permitted by such laws. Such laws shall include, but not be limited to, the Age Discrimination in Employment Act (29 U.S.C. § 621 et seq.), Title VII of the Civil Rights Act of 1964 (42 U.S.O. §2000e et seq.), the Rehabilitation (29 U.S.C. § 793 et seq.), the Civil Rights Act of 1966 and 1971 (42 U.S.C. § 1981 & 1983), Executive Order 11246 the Americans with Disabilities Act (42 U.S.C §12101 et seq.), the Civil Rights Act of 1991 (Pub. L 102-66), the Family and Medical Leave Act of 1993 (29 U.S.G. § 2601 et seq.), the Equal Pay Act (29 U.S.C. § 201 et seq.), and Disabled & Viet Nam Veterans Act (38 U.S.C. §4212), applicable state employment and wage and hour laws, the Fair Labor Standards Act, and any other state or federal law relating to employment discrimination or termination, statute or common law.

ARTICLE 7
HOURS OF WORK

Section 7.1 Purpose of this Article. The sole purpose of this Article is to provide a basis for the computation of straight time, overtime and fringe benefits, and nothing contained in this Article or this Agreement shall be construed as a guarantee or commitment by the Company to any employee of a minimum or maximum number of hours of work per day, per week or per year. It is expressly agreed and understood by the Parties that such scheduling and personnel needs shall be the sole prerogative of the Company.

Section 7.2 Workweek and Workday. The Company's workweek shall consist of seven (7) days, beginning on Friday at 12:00 a.m. and ending the following Thursday at 11:59 p.m. A workday shall be defined as from 0000 hours until 2359 hours.

Section 7.3 Full Time / Part Time definition. A full time employee is an employee that is scheduled and works an average of 37.5 or more hours a week. A part time employee is an employee that is regularly scheduled and works less than 37.5 hours a week or less. Employer will use its best efforts to maintain current full-time employees at full-time hours, operational necessities permitting.

Section 7.4 Overtime Work. Employees may be required to work reasonable overtime assignments at the discretion of the Company. An employee not excused by the Company from performing assigned overtime, and who refuses to work overtime, will be subject to appropriate discipline. In accordance with Article 12 of this Agreement, opportunity to work overtime shall be provided consistent with the Company's needs and circumstances and must be authorized in advance by the Company.

Section 7.5 Overtime Work. For purposes of this Agreement overtime is defined as hours worked in excess of 40 hours during a work week will be paid at overtime as discussed in Article 14 of this Agreement.

Section 7.6. Officers will sign-in at their scheduled start time and sign-out when they are properly relieved. If an officer is instructed to document an erroneous arrival or departure time then that officer must immediately contact Management without fear of reprisal.

Section 7.7. The Company shall have the exclusive right to establish new shifts in addition to the shifts in effect at the time this Agreement was executed. Any change of shift hours will be discussed with the Union prior to implementation; however the Company will have final authority in establishing shifts.

Section 7.8. Posts and hours are contingent upon the contractual agreement between the Company and the Government. Any changes of shift hours will be discussed with the Union prior to implementation; however, the Company will have final authority in establishing shifts.

Section 7.9 DISTRIBUTION -The Company shall make every reasonable effort to distribute overtime as evenly as possible during the term of this agreement among employees regularly assigned to the particular work location (including part-time employees). Seniority shall be used in the assignment of overtime (on a rotating schedule) as far as practicable except in situations dictated by availability of personnel and amount of notice given for overtime. In the event that overtime is not filled by personnel working at the specific location, it will be made available to all collective bargaining unit personnel in accordance with seniority as far as practicable.

Section 7.10 REQUIREMENT -If requested to work overtime (i.e. over forty (40) hours in a work week or extra hours), and the seniority system is not invoked due to shortness of notice, the Employee who is subject of the request shall be required to work the overtime unless the employee can arrange for the post to be filled.

Section 7.11 Breaks. For those posts that are self-relieving, each employee shall be permitted to take reasonable breaks of up to fifteen (15) minutes twice in each shift when operational necessities permit, provided the employee remain in ready service status to respond as needed. Such rest periods shall be counted as hours worked and shall be paid without any deduction in wages.

For those posts that require a relief officer (continuous coverage), the Company will use its best efforts to provide an unpaid lunch period, not to exceed thirty (30) minutes, on each shift. The Company shall designate the time of said period as close as reasonably possible to the mid-point of the shift. In addition, the Company will use its best efforts to provide a paid ten (10) minute break every four (4) hours of continuous work. Under normal circumstances, the employee must take the rest period away from their work assignment.

Section 7.12 In the event that it is operationally impossible (i.e. in outlying posts or night shift) to provide relief for the lunch break or the break time and as a result an employee is required to remain at the location (building), the employee shall be compensated at a straight time base wage rate for the break time and meal period. The Company will ensure that any employee affected by this section will be able to practically take their break(s) and meal period.

Section 7.13 Once a shift has started and a bargaining unit employee is caused to travel from their assigned post to cover another post on a temporary basis, the bargaining unit employee will be compensated for their time spent in transit at the regular hourly rate of pay.

Section 7.14 Travel. In the event that an employee is required to work a temporary assignment, other than his/her normal assignment, which is more than 20 miles distant from his/her normal assignment, the travel time in excess of the commute to the normal post assignment (as documented by MapQuest) such travel time shall not be considered duty time. Such travel time shall be compensated in the following manner: The excess travel time up to 60 minutes each way shall be compensated at \$18.50 per hour unless the state or municipality mandates a higher minimum wage. Excess travel time that is more than 60 minutes each way shall be compensated at the straight-time rate set forth in this Agreement.

The Company will make the necessary hotel reservations and arrangements. Company related travel expenses will not be approved unless authorized in advance in writing by an employee's supervisor or other company designated manager. The employee will be required to submit a completed Company expense form, including all receipts, within two weeks after incurring the expense. Authorized expenses will be paid promptly after the Company's Finance Department has received a fully completed expense form. Expenses should ordinarily be reimbursed within thirty (30) days of receipt of a properly completed form. In the event reimbursement will be delayed beyond 30 days, the employee will receive a written explanation of the delay from the supervisor.

Gasoline expenses on travel for temporary assignments shall be reimbursed for all travel that is more than twenty (20) miles from the employee's normal assignment. Gasoline expenses are calculated assuming 20 miles to the gallon of gasoline, and an average gasoline cost of \$3.00 per gallon. The parties agree to meet and negotiate this rate on an annual basis, to ensure that the cost of gasoline in the agreement reflects actual costs.

ARTICLE 8
STRIKES AND LOCKOUTS

Section 1 – No Strikes. Both the Company and the Union agree that continuity of operations is of utmost importance to the Company’s operations. It is further understood and acknowledged that it is the intention of the parties that all claims, disputes, or grievances arising under this Agreement be resolved by resort to the grievance and arbitration procedures provided herein. It is therefore agreed that, during the term of this Agreement, there shall be no cessation of work, whether by strike, walkout, lockout, sickout, mass absenteeism, boycott, picketing, or other interference with or curtailment of production of any kind, including sympathy strikes, and that the Union will not cause or permit employees to cause, nor will any member of the Union take part in, any strikes, including a sympathy strike, slowdown, stoppage of work, planned inefficiency or any other curtailment of work or restriction or interference with the Company’s or Government’s operations for any reason whatsoever. Nor will the Union authorize or sanction the same.

Upon hearing of any unauthorized strike, slowdown, stoppage of work, planned inefficiency or any curtailment of work or restriction or interference with the operation of the Company, the Union shall take affirmative action to avert or bring such activity to a prompt termination. During the term of this Agreement, a refusal by an employee or employees to cross a strike line at the employees’ regular place of employment, established by any other labor organization or established by any other group, shall constitute a violation of this Article.

Any employee who violates this provision may be immediately discharged. Furthermore, it is agreed and understood that, in addition to other remedies, the provisions of this Article may be judicially enforced, including specific performance by way of injunctive relief.

Section 2 – **No Lockouts.** During the term of this Agreement, the Company shall not lockout any employee.

ARTICLE 9
HOLIDAYS

Section 9.1 Eligibility. All employees will receive paid leave for the following ten (10) holidays (or holiday pay in lieu thereof, if required to work the holiday):

Christmas Day	Memorial Day
New Year's Day	Labor Day
Martin Luther King, Jr. Birthday	Columbus Day
President's Day	Veterans' Day
Independence Day	Thanksgiving Day

Employees must work the day before and the day after a holiday to receive the holiday benefit, provided the day before and the day after a holiday is not the employee's

regularly scheduled day off, or the employee was on a pre-approved vacation day or pre-approved paid personal day.

An employee who is requested and agrees to work on any of the above named holidays, but fails to report to work for such holiday shall not receive holiday pay, and shall be subject to discipline up to and including discharge.

It is expressly agreed and understood that employees shall not be entitled to holiday pay when on leave, including leave taken under state workers' compensation laws.

Section 9.2 Rate of Pay. An eligible full -time employee who is not required to work a holiday shall be paid eight (8) hours pay at his or her straight time rate of pay. An eligible full-time employee assigned to work on a holiday will receive their straight- time wage for all hours worked plus the eight (8) hours holiday pay specified above.

An eligible part-time employee who is not required to work on a holiday shall be paid a proration of the full-time holiday benefit based upon his or her average weekly hours for the previous two (2) weeks' work. An eligible part-time Employee, assigned to work on a holiday, will receive his or her straight-time wage for all hours worked plus a proration of the full-time holiday benefit up to eight (8) hours based upon their average weekly hours for the previous two (2) weeks work. Holiday pay that is prorated under this Article shall be rounded up or down to the nearest whole dollar.

Hours which an employee does not work but for which he or she is compensated under this Article shall not be considered hours worked for the purposes of computing overtime nor shall fringe benefits accrue during such leave.

Section 9.3 The above designated holidays will be paid as follows:

- All employees covered by this Agreement will receive holiday pay only on the day the holiday is observed by the client. (E.g., if the holiday falls on a weekend and is observed the following Monday, employees will receive holiday pay only for the Monday on which the holiday was observed, not the weekend day upon which it falls.)
- Any work performed on a holiday will be paid at the employee's regular rate of pay in addition to the holiday pay.

Section 9.4 Time paid for but not worked as a Holiday shall not be considered as time worked for the purpose of computing weekly overtime.

ARTICLE 10 **LEAVES OF ABSENCE**

Section 10.1 Court Leave - An employee who has completed his or her probationary period and who is required to report for jury duty, shall be entitled to leave

with pay from regularly scheduled hours of work for the time spent in such service up to a maximum of five (5) work days; provided, however, for the employee to be eligible for compensation, the employee must have notified the Company within forty-eight (48) hours of receiving the jury duty questionnaire or notice that he or she is subject to a jury duty call. For each hour of such leave taken, the employee will be compensated by the Company in an amount equal to his/her straight time rate of pay, less the amount received by the employee from the court or government agency.

Section 10.2 Military Leave. The Company will comply with the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §4301 et seq. ("USERRA"). Leave taken under USERRA shall be unpaid; provided that, an employee may elect to use any accrued vacation in lieu of unpaid military leave.

Section 10.3 Bereavement Leave. An employee shall be entitled to leave with pay for a maximum of twenty-four (24) scheduled work hours lost in the event of the death of the employee's parent, sibling, child, step-parent, step-child, stepsibling, spouse, mother in law, father in law or employee's grandparent. Leave under this section shall be conditioned upon the employee submitting to the Company, if the Company so requests, proof of the death of the deceased and the employee's relationship to the deceased. If employees require more time off (**no more than ten (10) calendar days**) they will be allowed to use their benefit time or use unpaid time off.

Section 10.4 Union Leaves of Absence. The Company will permit an authorized representative of the Union an unpaid leave of absence to attend meetings, training and/or conventions for the Union, provided a written request is received by the Program Manager at least three (3) weeks prior to the beginning of such leave, and providing that this leave does not negatively impact Company operations. In no event will more than three (3) Union representatives be permitted leave under this provision. The maximum total period of such leave shall be fourteen (14) days total in any calendar year.

Section 10.5 Family and Medical Leave.

A. Leave Entitlement. An employee who has been employed by the Company for 12 months and who completed 1250 hours of work during the 12 month period immediately preceding the commencement of such leave, will be entitled to leave under the Family and Medical Leave Act ("Act") in accordance with its provisions.

B. Year for Purposes of Determining Leave Entitlement. For purposes of determining an employee's Leave entitlement under the Act, the 52-week period immediately preceding the commencement of leave under the Act shall be the applicable measuring period.

Section 10.6 Non-Medical Emergency Leaves of Absence may be granted at the discretion of the Employer, in accordance with Paragon Policies and Procedures, without loss of seniority to the Employee. Such leaves, if granted, are not to exceed fifteen (15) days, unless approved by the employer. If the Leave of Absence exceeds forty-five (45) days, seniority will be adjusted to reflect the absence for purposes of job bids, vacations and overtime assignments. Employees on any other unpaid leaves of absence may be

required to use available vacation. Length of service with the employer shall not accrue for purposes of vacation, holiday or other accrued benefits for any unpaid leave of absence over fifteen (15) days. The Employer will make every reasonable effort to maintain an Employee's position while on a non-statutory, unpaid leave of absence.

Section 10.7 Personal/Sick Leave with Pay.

A. Effective December 1, 2018, all non-probationary, full time employees employed as of that date will be allotted four (4) personal days (32 hours) and seven (7) sick days (56 hours) paid leave annually.

B. Effective December 1, 2019, all non-probationary, full time employees employed as of that date will be allotted four (4) personal days (32 hours) and seven (7) sick days (56 hours) paid leave annually.

C. Effective December 1, 2020, all non-probationary, full time employees employed as of that date will be allotted four (4) personal days (32 hours) and seven (7) sick days (56 hours) paid leave annually.

D. Eligible part-time employees shall be entitled to pro-rated personal/sick leave based on the number of hours worked in the previous year, divided by 1950. Employees who commence service on the contract between the eligibility dates set forth above shall be entitled to accrue sick leave (but not personal leave) at the rate of one (1) hour of sick leave for every thirty (30) hours of duty time, to a maximum of 56 hours, until they reach the following eligibility date.

E. Employees may take personal leave with forty-eight (48) hours' advance notice. Employees may take sick leave with four (4) hours' notice, for their own illness or for the purpose of caring for a family member. An employee who uses sick leave shall not be subject to discipline for absenteeism, provided the employee provides four hours' notice to his or her supervisor.

F. Employees taking personal leave shall be compensated at the straight-time rate of pay set forth in Article 14. Employees taking sick leave shall be compensated at the rate of \$20.00 per hour. Unused sick and personal leave shall be paid out in cash in the pay period immediately following December 1 of each year and shall be paid at the straight time rate of pay set forth in Article 14. Unused sick and personal leave shall be paid out in cash upon separation from employment at the straight time rate of pay set forth in Article 14. Only time actually taken as sick leave during the year shall be paid at the lower rate.

G. Sick/personal leave shall not be deemed hours of work for the purposes of computing overtime or other premium pay under this Agreement, nor shall fringe benefits accrue during such leave. An employee may not take sick or personal leave in increments less than two (2) hours.

H. An employee with sick leave remaining on the books may not use vacation time or personal leave time to compensate for time lost due to illness or injury. An employee must exhaust his or her sick leave before using vacation or personal leave for that purpose.

I. Any existing sick or personal leave that employees may have vested effective December 1, 2017 shall be governed by the contract language in effect at the time of vesting, and shall not be affected by this Section.

Section 10.8 Notice of Absence. An employee who will be absent due to illness or injury or for other medical reasons (including dental and medical examinations) must provide the Company notice of his/her anticipated absence as required in Section 12.2, regardless of the length of the anticipated absence and .regardless of whether the employee seeks vacation pay for the absence. Failure to do so will result in discipline up to and including discharge in accordance with Article 12.

Section 10.9. Rate of Pay. Except as otherwise provided in this Article, for any paid leave taken under this Article, an employee shall be compensated at the straight-time rate of pay at the time the leave is accrued. Except as otherwise specifically provided in this Article, hours of leave, whether paid or unpaid, shall not be deemed hours of actual work for the purposes of computing overtime.

Section 10.10 Except as otherwise herein provided, it is agreed by the parties that there shall not be any loss of seniority while employees are on such leaves of absence as provided for in this Article; however, employees shall not accrue vacation or sick leave or receive holiday pay during any leave of absence that extends beyond thirty (30) days.

Section 10.11 No employee will engage in employment with another employer while on a leave of absence as provided for herein.

ARTICLE 11 **VACATION**

Section 11.1 Eligibility. All employees will earn vacation time up to the maximum amounts set forth below.

- Upon completion of one (1) year of service: 80 hours
- Upon completion of five (5) years of service: 120 hours
- Upon completion of ten (10) years of service: 140 hours
- Upon completion of fifteen (15) years of service: 160 hours

Those employees who completed ten (10) years of service as of **July 1, 2013**: 160 hours.

Those employees who completed fifteen (15) years of service as of **July 1, 2013**: 200 hours.

Employees shall be eligible for earned vacation upon the completion of one (1) year of continuous employment (not to include pre-assignment training) and each

subsequent anniversary to the date of hire with the Company or predecessor to the Contract between the Company and the Government. Vacation shall not vest and employees shall not be entitled to vacation under the above schedule until the employee has completed each twelve (12) months of employment. If an employee separates from employment for any reason with less than one year and one day of employment with the Company or its predecessor shall not be entitled to any vacation pay.

Section 11.2 Vacation will be administered according to CFR 29, sections 4.173 and 4.176. Employees whose pay records indicate that they regularly worked 40 hours (including regular productive and training time taken) or more per defined workweek from the prior year's Government Seniority anniversary date to the current year's Government Seniority anniversary date will receive the full maximum hours of vacation earned for their years of service. All other employee's VACATION will be administered in the following manner:

1. Employees earn vacation based upon the number of regular hours worked (regular productive and training time taken) from the previous year's Government Seniority date to the current year's Government Seniority date divided by 1950 hours. The result is multiplied by the maximum number of vacation hours attainable for their years of service. The maximum amount of vacation earned by any employee as a result of this calculation shall not exceed the maximum hours attainable for their years of service. Vacation pay will be earned in whole hour increments only, fractions of hours will not be considered.
2. The maximum amount of vacation earned by any employee as a result of this calculation shall not exceed the maximum hours attainable for their years of service and will be recorded and paid in whole hour increments only, fractions of hours will not be considered.

Section 11.3 When more than 5% of employees request vacation during the same time period and the Company cannot release them due to work requirements; Bargaining Unit seniority shall be the deciding factor, except in emergency situations.

Section 11.4 Vacation Bidding. In June and December of each calendar year, the Employer will collect vacation requests for the following six months. Vacation requests submitted during that window will be granted in order of seniority, up to a maximum of 5% of the workforce in the particular geographical area unless the Employer determines its operations permit a greater number. Vacation requests submitted outside these bidding windows and throughout the year will be granted on a first-come, first served basis, up to 5% of the workforce unless the Employer determines its operations permit a greater number.

All vacation requests shall be in writing on the Employer's vacation request form and delivered to the employee's immediate supervisor. All vacation requests shall be acknowledged by the supervisor in writing. All vacation requests outside the bidding window shall be granted or denied in writing within five (5) business days of receipt.

Section 11.5 The Employer will recognize seniority when scheduling Employees for vacation in accordance with this Agreement. The Employer will allow the maximum number of personnel off at any one time for vacation that allows the Company to maintain efficient operation. It is the right of the Employer to ensure that vacation absences do not prevent full coverage of operational work requirements. Once an employee's vacation is scheduled, it cannot be rescheduled unless mutually agreed upon by both parties.

Section 11.6 For the Purposes of all economic and non-economic Articles of this Agreement, the Union and the Company agree to recognize that there may be a difference between an Employee's anniversary date on the Government Contract (Government Seniority) and the Employee's Bargaining Unit Seniority date.

Section 11.7 Employees will be allowed to cash out a total of 80 hours of vacation per year in (40) hour increments.

ARTICLE 12

DISCIPLINE AND DISCHARGE

Section 12.1 Just Cause. No employee shall be discharged or disciplined without just cause, and discharge and discipline matters shall be subject to the grievance and arbitration procedures contained in this Agreement. The employer agrees that the principles of progressive discipline should be used when applying discipline unless serious misconduct or a serious infraction occurs. However, provided the employer **proves the offense**, an arbitrator shall not have the authority to reduce a discharge or otherwise modify the discipline imposed by the Company for a proven violation of any of the following:

A. Violation of Rules and Regulations of Government Public Building and Grounds, 41 CFR Sections 101-20.3.

B. Neglect of Duty (including sleeping while on duty or action which causes the assessment of a penalty against the Company by the United States Government or DHS).

C. Insubordination (including, without limitation, deliberate failure to carry out assigned tasks, refusal of a direct order, and/or abusive language directed toward a supervisor).

D. Conducting personal affairs during official time without prior approval from the Employee's supervisor or Project Manager.

E. Falsification or unlawful concealment, removal, mutilation or destruction of any official documents or records, and/or concealment of material facts by willful omissions from official documents or records.

F. Fighting on Government property or while on duty. Participating in disruptive or disorderly conduct which interferes with the normal and efficient operations of the Government or Company.

G. Theft, vandalism, or criminal acts.

H. Drinking or drunkenness on the job; use or possession on the job or being impaired by unlawful drugs/stimulants or alcoholic beverages on the job, or violation of the Company's Alcohol and Drug Abuse Policy.

I. Improper use of official authority or credentials.

J. Unauthorized use of Government communications equipment or other Government property.

K. Misuse of weapon(s), violation of the Company weapons policy, or possession of private firearm or other private weapon on the job.

L. Violation of Government security procedures or regulations, including, without limitation, those set forth in the Security Guard Information Manual or SmartBook.

M. Violation of state or federal laws regarding the possession or use of a firearm.

N. Unauthorized post abandonment.

O. Failure to cooperate with Government officials, local law enforcement authorities, or the Company during an official investigation.

P. Falsification of time records.

Q. Deliberate or negligent conduct causing monetary damages, penalties or invoice deductions to the Company.

R. Sexual, racial or verbal harassment in violation of Company policy.

S. Failure to appear for work without notice ("no-call no-show").

It is expressly agreed and understood that the Company shall have the right to establish from time to time other reasonable rules of conduct and the right to discipline, up to and including the right to terminate, for violating same. The employer shall have the right to determine the level of discipline. The Company will follow Article 5.8 when making any changes to work rules, standards of conduct, or disciplinary approach. The Company will provide the Union with copies of all disciplinary actions upon request.

The Company shall have the right to discipline and discharge Bargaining Unit Employees for just cause. The disciplinary action will be administered within five days upon completion of the investigation, excluding Saturday, Sunday, and holidays, unless for operational reasons the five (5) business day period has to be extended, however, disciplinary action will not be withheld for an unreasonable period of time. Company agrees all discipline will be administered in a mature, professional manner. No employee shall be subjected to degrading verbal abuse from a supervisor or management.

Section 12.2 Absenteeism. Employees are required to report and be ready for work at their required times. It shall constitute an offense for an employee to be absent from work or late

reporting to work without prior authorization, unless the employee uses available sick leave to account for the absence. Sick leave shall not be used to account for tardiness.

Employees shall provide as much advance notice as possible of an absence or tardiness. In no case shall such notice be given less than four (4) hours in advance. The failure to provide less than four (4) hours' notice to the Lieutenant in advance will result in skipping of a step in the progression of discipline described below, and the employee shall not be eligible to use sick leave to account for the absence.

Each unauthorized absence or late reporting for work will result in the following disciplinary progression, unless the Company determines, in its sole discretion, that mitigating circumstances rendered the event beyond the employee's control.

With respect to the first unauthorized absence or late reporting within any consecutive 12 month period, counseling shall be given.

With respect to the second unauthorized absence or late reporting within any consecutive 12 month period, a verbal reprimand will be given.

With respect to the third unauthorized absence or late reporting within any consecutive 12 month period, a written reprimand will be given.

With respect to the fourth unauthorized absence or late reporting within any consecutive 12 month period, a one-day suspension will be given.

With respect to the fifth unauthorized absence or late reporting within any consecutive 12 month period, a three-day suspension will be given.

With respect to a sixth unauthorized absence or late reporting within any consecutive 12-month period, the employee will be terminated.

It is expressly agreed and understood between the parties that this is a "strict liability" absentee policy.

Section 12.3 Open Posts: Notwithstanding the progression of discipline set forth above, if an employee's unexcused lateness reporting to work causes an Open Post, a three-day suspension will be given on the first offense. On the second such offense within any 12 month period, a five-day suspension will be given. On the third offense within a consecutive 12 month period, the employee will be terminated.

It is expressly understood and agreed that this Open Post policy is to be administered in a spirit of fairness, and that the Company retains the right to waive such circumstances entirely beyond the employee's control. It is further expressly understood and agreed that traffic delays and congestion, weather delays, childcare issues, and similar circumstances are part of every employee's daily commute, and it is the employee's responsibility to anticipate such delays and structure their commute accordingly.

Section 12.4 Standards of Conduct. It is acknowledged and recognized that the Company is in the business of providing security services to the United States Government, and that the provision of these services is highly sensitive. It is therefore essential and expected by the Company and Union that all employees shall act in a highly professional, courteous manner and shall be held responsible for their duties, functions and job requirements. Deviation from or failure to meet this standard shall constitute just cause and result in disciplinary action up to and including termination. It is agreed and understood that the issuance of a 2820 by the Government shall constitute prima facie evidence of failure to meet this standard. **The Union shall be shown a copy of the 2820. However, nothing in this section shall be considered to relieve the Employer of its obligation to perform an independent investigation of all disciplinary matters.**

Section 12.5 Personal Electronics: The unauthorized use or visible possession of personal cell phones, tablets, laptops, gaming devices, Bluetooth earpieces, headphones, smart watches*, or any other unauthorized electronic device while manning a post is forbidden. For the purpose of this section, “use or visible possession” includes any visible possession or engagement of the device on post, including making or receiving a call, checking the time, checking email, checking texts, engaging or disengaging an alarm, charging of the device, and any other unauthorized use or visible possession whatsoever. *Note: a Smart Watch is a wrist worn device with phone, text, email, or internet communication capabilities. A Smart Watch in “airplane” mode shall not be considered a violation of this Section.

For violation of this section, a three day suspension will be given on the first offense. On the second offense within any consecutive twelve month period, a five day suspension will be given. On the third such offense within any consecutive twelve month period, the employee will be terminated.

An employee with a bona fide emergency need to have means of contact with family members while on duty (such as hospitalization of a family member) shall notify his or her supervisor of the need and make arrangements with the supervisor to communicate emergency messages. This section shall not apply to electronic equipment issued by the Company or the Government for the employee’s use in performance of his or her duties. This section shall also not apply to a cellular telephone carried in an employee’s pocket that is not in use.

ARTICLE 13

GRIEVANCE, MEDIATION AND ARBITRATION PROCEDURE

Section 13.1 - Grievances. A grievance shall mean a disagreement or dispute raised by the Union or an employee which arises during the term of this Agreement concerning the application, meaning or interpretation of an express provision of this Agreement or the employment relationship between the Company and employee, including but not limited to claims of unlawful employment discrimination as set forth in Article 6 of this Agreement.

Only grievances which involve an alleged violation by the Company of a provision in this Agreement and which are processed in the manner and within the time limits herein provided shall be subject to arbitration.

Except as otherwise expressly stated in this Agreement, the procedures set forth in this Article shall be the sole and exclusive remedy for any grievance asserted by the Union or an employee. Grievances involving the discharge or suspension of an employee will begin at Step Three. A grievance shall be resolved in the following manner:

Step 1 – Notice to Supervisor. The employee and/or his Union representative shall present the grievance or dispute in writing to the employee’s supervisor within ten (10) calendar days of its occurrence or when the employee knew, or by reasonable diligence should have known, of its occurrence. The supervisor shall respond in writing to the grievance within ten (10) calendar days of his/her receipt of the grievance to the Union.

Step 2 – Notice to Project Manager. If the grievance is not settled at Step 1 or the supervisor does not respond within ten (10) calendar days of the Step 1 notice, the employee and/or his or her Union representative shall, within ten (10) calendar days of the date the supervisor responded or the date on which the supervisor should have responded, whichever is sooner, submit the grievance in writing to the Company’s Project Manager or his/her designee. The Company’s Project Manager shall respond to the grievance within ten (10) calendar days of receipt of the grievance.

Step 3 – Notice to Director of Labor Relations. If the grievance is not settled at Step 2 or if the Project Manager does not respond within ten (10) calendar days, the Union shall within ten (10) calendar days, present the grievance in writing to the Company’s Director of Labor Relations or his/her designee. **The Company’s designated email address for receipt of Step Three grievances is grievances@parasys.com.** The Company’s Director of Labor Relations or his/her shall respond in writing to the grievance within ten (10) calendar days.

A. **Written Presentation.** All grievances shall set forth the facts giving rise to the grievance, the provisions of the Agreement, if any, alleged to have been violated the names of the aggrieved employees and the remedy sought. All grievances shall be signed and dated by the employee or the Union representative. All written answers submitted by the Company shall be signed and dated by the appropriate Company representative, and shall be presented to the aggrieved employee and the Union.

B. **Provisions of the Essence.** The time limitations set forth in this Article are deemed of the essence of this Agreement. No grievance shall be accepted by the Company unless it is submitted within the time limitations and written presentations provisions set forth in Article 13.1. If the grievance is not timely and properly submitted at Step 1, it shall be deemed waived. If the grievance is not properly submitted at Step 2 or 3, it shall be deemed finally settled in accordance with the Company’s Step 1 or 2 responses, if any, and the parties shall be bound thereby without recourse to Section 13.3.

C. Representation. An employee shall be permitted to have a Union representative at each step of the grievance procedure.

The Union and the Company may mutually agree to waive the time limits set forth in this Article.

Section 13.2 – Voluntary Grievance Mediation. If, after receiving receipt of the Company’s Director of Labor Relations response, the grievance is not settled at Step 3, upon mutual agreement of the Company and the Union, the parties may submit the grievance to Federal Mediation and Conciliation Service for resolution through non-binding mediation. Submission of the grievance to mediation shall not toll or otherwise effect the time and procedure of the grievance to arbitration pursuant to Section 13.3.

Section 13.3 – Arbitration. If, after receiving receipt of the Director of Labor Relations response, the grievance is not settled at Step 3, the Union may, within ten (10) calendar days after receipt of the Director of Labor Relations response to Step 3, proceed to binding arbitration. Notice that arbitration is desired must be received by the Company ten (10) calendar days after the Union receives the Company’s Step 3 answer. Such notice shall identify the provisions of the Agreement allegedly violated and shall set forth such facts and circumstances as will provide the Company with reasonable notice of the nature of the grievance. An FMCS panel of arbitrators will be provided by FMCS and struck until one is left.

Except as otherwise expressly provided herein, the American Arbitration’s Rules for the Resolution of Employment Disputes shall control the resolution of any and all disputes submitted to arbitration under this Agreement. The Arbitrator shall conduct a hearing on the grievance. The decision or order of an Arbitrator shall be final and binding and shall be in writing. Any back pay award shall be reduced by any sums received as unemployment compensation or from other interim employment.

It is expressly agreed and understood by the parties that the failure of an Arbitrator to issue the award within sixty (60) calendar days shall render any award issued as null and void. It is further agreed that as a condition for selecting an arbitrator, all prospective arbitrators shall be informed in writing, prior to retention of the arbitrator, that the arbitrator’s award must be rendered in writing within sixty (60) calendar days of the close of the hearing or receipt of the briefs. If an award is rendered null and void because of the failure of an arbitrator to render a timely decision either party may re-submit the dispute to arbitration before another arbitrator within ten (10) calendar days of the expiration of the sixty (60) calendar day period.

The Arbitrator shall have no authority to alter, amend or add to this Agreement. None of the time limits or presentation requirements contained in this Article may be waived or extended except by mutual agreement in writing. All fees and expenses of the Arbitrator shall be borne equally by the Parties, except where one of the Parties to the Agreement requests a postponement of a previously scheduled arbitration hearing which results in a postponement charge. The postponing Party shall pay such charge unless the postponement results in a settlement of the grievance, in which case the postponement charge shall be

borne equally by the Parties. A postponement charge resulting from a joint postponement request shall be borne equally by the Parties. Each Party will bear its own legal expenses and costs incident to witnesses.

Section 13.4 – Access to Personnel Files. The President of the Local Union or his/her designee shall have access to personnel records of the employee who brought the grievance for use in an arbitration or grievance proceeding but must otherwise maintain the confidentiality of all information contained therein. The Union will provide a written release by the member at the time of information request, by a form provided by the Union.

Section 13.5 Only grievances which involve an alleged violation by the Company of a provision in this Agreement and which are processed in the manner and within the time limits herein provided shall be subject to arbitration. Notwithstanding any other provision of the Agreement, no grievance shall be arbitrable with respect to:

(a) Any matter involving the administration, interpretation, or application of any insurance plans;

(b) A decision of the Company to discipline, discharge, or otherwise not retain or hire an employee based on the U.S. Government's or any of its Officials' determinations that an employee is unacceptable to the Government to perform service on the service contract irrespective of the reason or reasons the U.S. Government, or any of its Officials find the employee unacceptable to perform services. Evidence of the Government's determination shall be given to the employee upon termination from the Company.

Section 13.6 Arbitrator's fees and expenses shall be shared equally by the Union and the Company. Each party will bear its own legal expenses and costs incident to witnesses.

ARTICLE 14 **WAGES**

Section 14.1 Straight Time Rate of Pay. The Company agrees to pay employees at the straight time rate of pay set forth below:

Current	\$22.00
Effective December 1, 2018	
All work performed at Top Secret-level posts at the FBI Building:	\$24.61
All work performed at Secret-level posts at the FBI Building:	\$23.61
All work performed at all other locations:	\$22.61

Effective December 1, 2019

All work performed at Top Secret-level posts at the FBI Building:	\$25.17
All work performed at Secret-level posts at the FBI Building:	\$24.17
All work performed at all other locations:	\$23.17

Effective December 1, 2020

All work performed at Top Secret-level posts at the FBI Building:	\$25.75
All work performed at Secret-level posts at the FBI Building:	\$24.75
All work performed at all other locations:	\$23.75

Section 14.2 Overtime. Overtime pay is calculated at one and one-half (1.5) times the employee's straight rate for all hours of work in excess of forty (40) hours of actual work in any single work week. There will not be any pyramiding of hours worked. Only hours actually worked will be recognized in determining overtime eligibility.

Section 14.3 Call in & Reporting Pay. An employee who has been called in to work on an unscheduled work day and has not been advised either orally or in writing not to report, shall receive a minimum of two (2) hours pay at his/her regular straight-time hourly rate of pay, including all benefits and allowances. An employee who reports to work for his/her scheduled shift without having been notified not to report and work is not available, shall be paid two (2) hours reporting pay at his/her regular rate of pay, including all benefits and allowances. Employees will be allowed to use personal or vacation hours.

Section 14.4 Training Time. The Company agrees to pay employees who are required to participate in mandated Company or government training, firearms qualification and testing, health and fitness examinations (of up to four hours), CPR/First Aid certification, and retraining to the extent required by any contract between the Government and the Company at the applicable rate (straight time rate or overtime rate) of pay effective at the time of testing/training. Notwithstanding the foregoing, in the event that an employee is required to repeat a training course/qualification, the Company shall pay for the employee's work time while taking such courses; training, additional weapons range time or any time for health and fitness exams in excess of four hours at the FLSA minimum wage rate or the State minimum wage rate, whichever is higher.

Section 14.5 The Company will pay for all required fees, licenses and certifications and will reimburse employees in accordance with the contract between Paragon Systems Inc. and the Department of Homeland Security.

Section 14.6 All Other Time. Except for training and testing discussed in Section 14.3, above, the Company agrees to pay employees the State or FLSA minimum wage rate (whichever is higher) for all hours worked (as that term is defined under the FLSA)

that are not considered work on the contract, and thus are not paid at Service Contract Act rates. Examples of such duties include travel to a special assignment that is not all in a day's work, FBI clearance interviews and other similar duties.

In case of an undisputed error on the part of the Company as to an employee's pay, proper adjustment will be made within one (1) week (5 days) for undisputed errors over \$100.00 after the Company is given written notification of the error. All other such undisputed errors will be made on the next paycheck. Employees shall notify the Company of all errors on the part of the Company as to an employee's pay within the shorter of: (1) two working days of learning of the error, or (2) two working days of when the employee should have known by reasonable diligence of the error. It is expressly agreed and understood that this Section 7.5 shall apply, without limitation, to those instances where an employee has separated from employment and believes that his/her final pay was incorrect.

ARTICLE 15 **HEALTH AND WELFARE BENEFITS**

Section 15.1 The Employer will make the following health and welfare payments on all hours worked plus vacation hours taken up to forty (40) hours per week and up to a total of 2080 hours per contract year for all Employees covered by this Agreement as described in this Article.

Current	\$4.41
Effective December 1, 2018	\$4.41

The parties agree to meet and negotiate this rate on an annual basis ninety (90) days in advance of the effective December date.

All employees and their eligible dependents shall be entitled to participate in the fringe benefit plans offered by the Company or Union. These plans shall include a major medical plan, group life insurance, dental insurance and 401(k) savings plan established by the Company or the Union.

- A. Effective **December 1, 2018**, the Company agrees to make a health and welfare benefit contribution totaling **\$4.41** per hour for each hour worked plus vacation hours taken up to forty (40) hours per week to a maximum of 2,080 hours per contract year.
- B. The health and welfare benefit provided by the Company or Union under this Section may be used by employees solely to pay premiums and/or contributions set forth in the benefit plans referenced above as selected or directed by the employee. Any and all health and welfare benefits not directed by the employee towards the benefit plans referenced above shall be directed by the Company, on behalf of the employee, to the 401(k) Plan established. Employees wishing to switch or discontinue participation in, or contribution to, a particular fringe benefit plan shall be permitted to do so only during "open enrollment periods"

as permitted under the relevant plan documents. Participation and eligibility to participate in the benefit plans referenced above shall be governed by the terms of those benefit plans, which are incorporated in their entirety by reference into this Agreement.

- C. Any claims for benefits under the benefit plans referenced above will be subject to those plans' administrative review procedures not to the grievance and/or arbitration procedures of this Collective Bargaining Agreement.

ARTICLE 16

GENERAL PROVISIONS

Section 16.1 Non-bargaining unit employees, including supervisory employees, shall not perform bargaining unit work except in the case of emergencies or for training employees.

Section 16.2 Pay days shall be bi-weekly, every other Thursday. The Company reserves the right to change pay periods or paydays for legitimate business reasons, provided the Union and employees are given at least three (3) weeks' notice of the change.

Section 16.3 The Company will provide at no cost to the employee, replacement uniforms and equipment as needed when they are worn out and cannot be repaired, except for neglect. Neglect will be determined at the sole discretion of the Company. Uniforms replaced due to neglect will be the financial responsibility of the employee. Uniforms will be kept cleaned and presentable by the employee. The Company reserves the right to inspect uniforms and/or equipment at any time to ensure that the employee is properly maintaining their uniforms and/or equipment.

ARTICLE 17

REDUCTION OR INCREASE IN FORCES

Section 17.1 If laid off for lack of work, an employee shall be retained on the recall list for a period of twelve12 months, provided he/she has at least one year of service at the time of layoff.

Section 17.2 Whenever there is to be a reduction in the workforce in the bargaining unit, probationary employees shall be laid off first followed by employee(s) with the least bargaining unit seniority. Those affected will be given a minimum of one (1) weeks' notice of the layoff, provided the Company receives the notification from the client to that effect prior to the one (1) week requirement.

Section 17.3 Employees recalled from layoff shall be so recalled in the like manner: reverse order of seniority, the last laid off shall be the first to be recalled.

ARTICLE 18
SHIFT BID/ FILLING OF A VACANCY

A. Shift Openings. A shift opening is defined, for purposes of this Agreement, as a full-time shift of regularly scheduled hours of work, plus or minus two hours on either end of the shift. (Example: An employee who successfully bids for Monday through Friday 0800-1600 may be scheduled Monday through Friday 0600-1600, or Monday through Friday 0600-1400, or Monday through Friday 0800-1800, etc.)

It is expressly agreed and understood that the Company may rotate or transfer employees among posts on a specific shift, provided such rotation or transfer is within a 15 mile radius of the employee's previous post. The Employer shall use its best efforts to ensure employees shall work their preferred shift and to not disrupt family obligations. However, due to the changing work environment, all Bargaining Unit Employees are subject to assignment anywhere within the bargaining unit on an as-needed temporary basis. Selection will first be made from available Bargaining Unit Employees not otherwise already working or committed to work, based on the seniority system. Failure to comply with the assignment may lead to disciplinary action.

B. Shift Bidding: When a shift opening becomes available through other than temporary absence, the Company will post within ten days, for a period of seven (7) days setting out the qualifications and allow employees to bid. Candidates will be afforded the opportunity to meet the requirements for the job vacancy, to the extent reasonably practicable. The Company will award the shift based on seniority and job qualification and client's acceptance. Job qualifications include all training and certification requirements for the location, together with any necessary clearance requirements. In the event the bid creates another shift opening, such shift openings shall cascade and continue to be filled through the process mentioned here. Where employees share the same unit seniority, the employee with the highest most recent firearms qualification score will be awarded the bid. All bidding employees and the Union will be notified of the result within three (3) days.

C. In the event the Company's operational needs require the Company to award a shift temporarily to a less senior employee, the Company will notify the Union of the circumstances and negotiate with the Union over the effects of such deviation.

D. An employee who is awarded a shift opening for which he or she bid must accept it. After being awarded a shift opening, an employee may not bid for another shift opening for a period of three (3) months.

ARTICLE 19
SENIORITY

Section 19.1 Government Seniority is the total length of time spent by an employee beginning the first day standing post for the time spent in performing on the Government contract itself, and where applicable, the total length of time spent as an employee in the continuous service of any predecessor(s) contractors who carried out

similar functions on the Contract. Government Seniority shall be used in determining the applicable fringe benefits vacation earned by employees under provisions of the Service Contract Act and this Agreement.

Such seniority shall be computed from the first day assigned to post on the contract of the employee's most current employment in said bargaining unit.

Section 19.2 Bargaining Unit Seniority shall be defined as: The date a non-probationary Seniority for employees having the same seniority date shall be determined by the last four digits of the SSN with the employee having the lowest number being considered the most senior. Bargaining unit seniority shall be used in determining layoff and recall, shift bidding, vacation scheduling, extra work, transfers and other matters as provided for in this Agreement.

Section 19.3 The seniority of present employees shall be indicated on the seniority list provided by the Company quarterly or as requested by the Union.

Section 19.4 PERMANENT TRANSFER OUT - An employee, who voluntarily accepts a permanent transfer out of the designated Local Bargaining Unit for any reason, shall lose Union seniority.

Section 19.5 TEMPORARY TRANSFER OUT – An employee who is promoted to a non-bargaining unit position shall lose union seniority as of the date of promotion. If the employee returns to the bargaining unit within ninety (90) calendar days, the employee's seniority will be reinstated as of the date of return to the bargaining unit. If an employee returns after ninety (90) calendar days, no seniority credit will be given and all previous bargaining unit seniority will be lost.

Section 19.6 PERSONAL DATA – Employees shall notify the Employer in writing, on the company provided form, of their proper mailing address and telephone number or any change of name, address or telephone number. The Company shall be entitled to rely upon the last known address in the Employee's official record.

Section 19.7 The President, Vice President, and Chief Steward shall have super seniority for layoff and recall.

ARTICLE 20

CONTRACT MANAGER AND SUPERVISOR

Section 20.1 The operation of and the authority over the security force shall be vested exclusively in the Company through its representatives, the Contract manager and Site Supervisor. The Contract Manager and Site Supervisor may not routinely perform bargaining unit work, unless it becomes operationally necessary. The Employer will make effort to staff the post with a qualified replacement.

ARTICLE 21
SCHEDULED OVERTIME

Section 21.1 The Company reserves and retains the right to offer and/or require employees to work overtime at the Company's discretion, consistent with its business needs, in the event that unanticipated reasons or special circumstances, including, but not limited to, an employee has failed to report to work or has called in sick. It is expressly agreed and understood that the Company shall have the right to hold over employees until relieved and/or require an available employee to provide coverage of an open post.

Section 21.2 In the event that the Company has advance knowledge of overtime hours, such work will be offered consistent with union seniority for that location (city), as practical. If there are no volunteers then the lowest senior officer will be forced to work.

Section 21.3 In the event an employee is held over due to shortness of notice earlier in the workweek, so that the holdover time is not in an overtime status, the affected employee's regular work schedule will not be adjusted later in the workweek to prevent him from going into overtime status as a result of the holdover. Similarly, in the event an employee is called in on his off day to cover a short-notice request (such as a call off), and such call-in is not in overtime status, the employee's regular work schedule will not be adjusted later in the workweek to prevent him from going into overtime status as a result of the call-in.

Article 22
MISCELLANEOUS

Section 22.1 Labor/Management Meetings. The Company and the Union agree to meet quarterly to share information, discuss issues, and improve communications. This meeting will be no more than two people from each party represented and will not be to discuss grievances.

Section 22.2 The Site Supervisor will post a one (1) week work schedule for fixed post every Wednesday by 2:30 PM EST. If changes are to be made (i.e. vacation scheduling, emergencies, vacancies, or unforeseen assignments), the Site Supervisor will make every effort to change as few Bargaining Unit Employees' schedules as possible. Management will notify all effected Bargaining Unit Employees of said changes either in writing or verbally. Notice will not be considered proper notification if simply left on voice mail or posted notice.

Section 22.3 If for any reason an employee does not report to work causing the employee already on the post to stay until relieved, the employer will notify the employee as soon as practical and will make an attempt to call employees in to cover the post.

Section 22.4 In the event any federal or state law conflicts with any provision of this Agreement, the provision or provisions so affected shall no longer be operative or binding upon the parties, but the remaining portion of the Agreement shall continue in full

force and effect. The Company and the Union will negotiate with respect to any provision of this Agreement deemed no longer operative by Law.

Section 22.5 If a work facility is closed due to weather, utility outage, acts of God, or acts of war; and such closure should occur during the employee's normally scheduled day causing the employee to be sent home as a result, the effected employee(s) may use vacation or paid personal leave to supplement the time lost, not to exceed forty (40) hours per pay period.

Section 22.6 If an employee works on a holiday; their schedule later in the defined work week will not be adjusted without the employee's approval.

Section 22.7 The Company may designate a lead officer who may work productive hours. The lead may operate within the bargaining unit without the express authority to hire, fire, or recommend discipline.

Section 22.8 PAYDAY-Payday for all employees will adhere to the Company's published bi-weekly pay schedule. Payday for all employees will be bi-weekly on Thursday.

Section 22.9 EXPENSE CHECKS -Employees will be reimbursed within thirty (30) days after original receipts are submitted to the corporate office in accordance with the Company's Expense Report Policy. Employees will be reimbursed for expenses incurred in obtaining CPR/AED or First Aid training/recertification within 15 days of the employee submitting the expense report with original receipts of the expenses to the corporate office.

Section 22.10 BULLETIN BOARDS -The employer will make its best effort to obtain space for the use of a bulletin board that will be used by the Union for posting union related notices, provided the Government allows it.

ARTICLE 23 **SCOPE OF AGREEMENT**

Section 23.1 This Agreement shall be effective as stated in the Preamble of this Agreement and it supersedes any and all prior agreements or understandings of the parties. It is expressly agreed and understood that the wage and fringe benefit rates agreed to herein are the product of concessions and compromises by the parties during the negotiations which resulted in the Agreement; that this Agreement contains and comprises the entire agreement and understanding between the Parties regarding wage and fringe benefits; and that this Agreement displaces any and all prior wage and fringe benefit obligations or requirements of the Company. The Agreement shall remain in force and effect until 2400 hours on June 30, 2021 and thereafter shall continue in effect from year to year unless either party gives notice of intent to terminate the Agreement no later than ninety (90) days prior to the anniversary of the Agreement. The parties agree to begin discussions for a

follow-on agreement no later than 120 days prior to expiration of this Agreement.

Section 23.2 In the event that any provision of this Agreement (including addendum hereto) shall at any time be declared invalid by any court of competent jurisdiction or through government regulations or decree, the Parties agree to renegotiate such provision of this Agreement for the purpose of making it/them conform to the decree, decision, regulation or statute so long as they shall remain legally effective. It is the express intention of the Parties that all other provisions not declared invalid shall remain in full force and effect.

Section 23.3 Waiver of Bargaining Rights and Amendments to Agreement. The parties acknowledge that, during the negotiation which resulted in the Agreement each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed, by law from the area of collective bargaining, and all understandings and agreements reached by the parties are set forth in this Agreement. Except as specifically set forth elsewhere in this Agreement, the Company expressly waives its right to require the Union to bargain collectively, and the Union expressly waives its right to require the Company to bargain collectively, over all matters as to which the National Labor Relations Act imposes an obligation to bargain, whether or not (a) such matters are specifically referred to in this Agreement, (b) such matters were discussed between the Company and the Union during the negotiations which resulted in this Agreement, or (c) such matters were within the contemplation or knowledge of the Company or the Union at the time this Agreement was negotiated and executed. As used in this Section 17.3, the waiver of the right to "bargain collectively" includes the waiver of the right to require the other party to negotiate, and the right to obtain information from the other party.

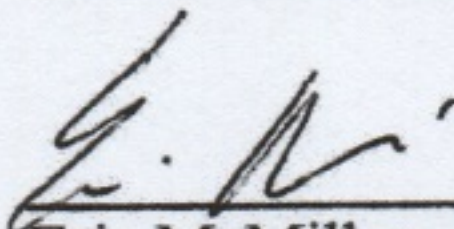
Section 23.4 Successors and Assigns. Except in cases of condemnation or liquidation, this Agreement shall be binding upon the parties hereto, their successors and assigns.

Section 23.5 Integration. This Agreement and the addendum attached hereto contains the entire understanding, undertaking, and agreement of the Company and the Union, and finally determines all matters of collective bargaining for this term. Changes to this Agreement, whether by addition, waiver, deletion, amendment or modification, must be reduced to writing and executed by both the Company and the Union.

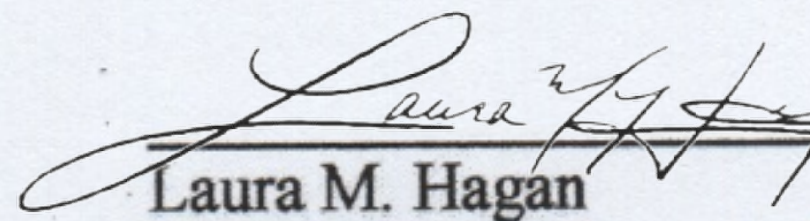
IN WITNESS WHEREOF, the parties have caused their Representatives to sign this Agreement as full acknowledgement of their intention to be bound by the Agreement.

United Government Security
Officers of America, International
Union (UGSOA)

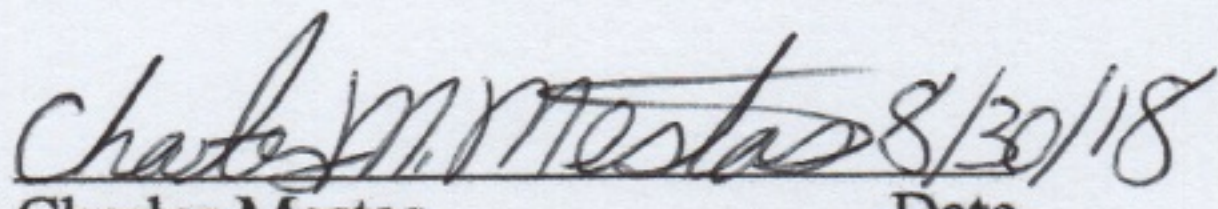
Paragon Systems, Inc.


Eric McMillen
Senior Vice President

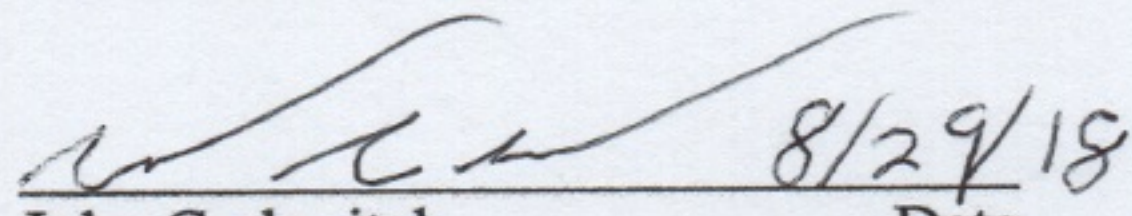
8/29/18
Date


Laura M. Hagan
Vice President/General Counsel

9/6/18
Date


Charles Mestas
President Local 236

8/30/18
Date


John Carlovitch
Vice President Local 236

8/29/18
Date