

Agreement by and between

UFCW 21 and Service Linen Supply



Effective 4/1/2015 – 3/31/2018



YOUR VOICE, YOUR UNION, YOUR CONTRACT

About UFCW 21

UFCW 21 is a large, strong, progressive, and diverse union, representing more grocery workers, retail workers, and professional and technical health care workers than any other union in the state.

With over 44,000 members united, we have the power and resources to take on tough employers, represent members on the job, raise standards in our industries, and support laws that make a difference for working families.

With a union you and your co-workers have a voice in decisions about your work life—wages, benefits, holidays and vacations, scheduling, seniority rights, job security, and much more. Union negotiations put us across the bargaining table from management—as equals.

A negotiating committee of your co-workers and union staff negotiated this contract. How does the negotiating committee know what issues are important? Union members tell us. The issues raised in contract surveys and proposal meetings help us decide what to propose in contract negotiations. Stewards and union representatives report on issues that arise on the job, talking with members about grievances, problems, and needs. They have a hands-on sense of what the issues are.

The more that union members stand together and speak out with one voice, the stronger the contract we can win. A contract can only take effect after union members have a chance to review the offer and vote on it.

A union is as strong as its members. It's no secret—an active and united membership means a stronger union—which means a better contract.

My Union Representative:

My Union Steward:

2015-2018

A G R E E M E N T
By and Between
SERVICE LINEN SUPPLY
and
UNITED FOOD AND COMMERCIAL WORKERS
UNION LOCAL #21

This Agreement is made and entered into by and between Service Linen Supply, hereinafter referred to as the "Company" or "Employer" and the United Food and Commercial Workers Union, Local 21, Seattle, Washington, hereinafter referred to as the "Union".

ARTICLE 1 - RECOGNITION AND UNION SECURITY

1.01 Bargaining Unit. The Employer recognizes United Food and Commercial Workers Union Local 21 as the sole and exclusive collective bargaining agent and representative for all employees working in classifications listed under this Agreement.

1.02 Union Security. After thirty (30) days of employment, all employees who are not members of Local 21 are to become members of the said Union as a condition of employment. Payment of initiation fees, regular monthly dues and assessments are necessary to maintain good standing with the Union.

1.03 Upon receipt of a letter requesting termination of an employee who has not complied with Article 1.02 of the Agreement, the Employer shall (on the same date, if the employee is working on that date) immediately notify such employee that if he/she has not complied with the Union membership requirements of Article 1.02 of the Agreement within fourteen calendar days from the date of written request for termination, his/her employment shall be automatically terminated.

1.04 Upon the signing of this Agreement and as requested by the Union but not more than monthly, the Employer shall supply to the Union a list of all employees covered by this Agreement. The list shall include the name, address, telephone number, classification, Social Security number, date of hire, rate of pay, and FTE status for each employee. Each month the Employer shall also send a list of those persons covered by this Agreement who were hired or terminated during the prior month, which shall include the name, address, classification, social security number, hire date and termination date.

ARTICLE 2 – DUES CHECK-OFF

2.01 During the term of this Agreement, the Employer shall deduct all Union dues and fees from the pay of each member of the Union who voluntarily executes a wage assignment authorization form. When filed with the Employer, the authorization form will be honored in accordance with its terms. Deductions will be promptly transmitted to the Union by check payable to its order. Included with the check the Employer shall provide the Union a separate list of all employees

using payroll deduction. The list shall be transmitted electronically and shall include employee's name, social security number, and dollar amount deducted by pay period. Upon issuance and transmission of a check to the Union, the Employer's responsibility shall cease with respect to such deductions.

The Union and each employee authorizing the assignment of wages for the payment of Union dues hereby undertakes to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability that shall arise against the Employer for or on account of any deduction made from the wage of such employee.

The Employer shall not be liable to the Union for inadvertent clerical errors nor the failure of the Union to secure signed authorizations in the administration of this Section.

2.02 Political Action Fund Deductions: The Employer shall deduct the sum specified from the pay of each member of the Union who voluntarily executes a political action contribution authorization form. Deductions will be promptly transmitted to the Union by check payable to its order. Included with the check the Employer shall provide the Union a separate list of all employees using payroll deduction. The list shall be transmitted electronically and shall include employee's name, social security number, and dollar amount deducted by pay period.

The Union and each employee authorizing the assignment of wages for the payment of voluntary political action contributions hereby undertakes to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability that shall arise against the Employer for or on account of any deduction made from the wage of such employee.

ARTICLE 3 - WORKWEEK

3.01 First Shift. Except for holiday weeks, forty (40) hours shall constitute a guaranteed week's work for all first shift employees, if such work is available, to be worked between the hours of 4:00 a.m. and 7:00 p.m. Monday through Friday constitutes a five (5) day work week. All hours worked in excess of forty (40) hours in one (1) week or in excess of eight (8) hours in a day to be paid at time and one-half (1-1/2). Employees who work a Monday through Friday schedule will be paid time and one-half (1-1/2) for work on Saturday. Tuesday through Saturday constitutes a five (5) day work week. All hours worked in excess of forty (40) hours in one (1) week to be paid at time and one-half (1-1/2). Employees working a four day per week ten hour per day schedule will be guaranteed two consecutive days off per week, and will be paid overtime of time and one-half the hourly rate for all time worked in excess of 40 hours in a week or ten hours in a day. All time worked on Sunday shall be paid for at double time unless that work is pursuant to a regular workweek per 3.01.2. All full-time employees reporting for work shall be guaranteed not less than eight (8) hours' employment, if such work is available, on the day of reporting, except for new inexperienced employees.

3.01.1 Subject to the needs of business, the Employer may operate departments on the basis of up to two (2) hours earlier starting time, provided the Union is notified of such operational change in advance. The provisions of Section 3.01 will not apply if the Employer exercises this option.

3.01.2 Notwithstanding any other provision in this Agreement, the Employer may implement a workweek of five consecutive days, pursuant to which Saturday and/or Sunday may be part of the regularly scheduled work-week without paying premium or overtime pay for these days, unless the employee otherwise qualifies for overtime.

3.02 Second Shift. The second shift may start within thirty (30) minutes of the end of the first shift. Except for holiday weeks, thirty-two (32) hours shall constitute a guaranteed week's work, if such work is available, between Monday through Sunday, as set forth herein. Second shift employees shall receive a premium pay of fifteen cents (15¢) per hour over regular scale. Part-time employees may be used on the second shift, but shall receive premium pay of fifteen cents (15¢) per hour over part-time scale.

3.02.1 Third Shift. A third shift may be added within the hours of 9:00 p.m. and 5:30 a.m. The second shift premium pay shall apply.

3.02.2 Flexible Scheduling. Notwithstanding any other term in this Agreement, employees on a five day per week schedule may be scheduled for up to ten (10) hours at straight-time pay for up to three days per week. Such notification shall be on a work station basis (the employer must apply the requirement to all employees in the relevant work station in order to enforce the overtime waiver).

3.03 Notwithstanding any other provision in this Agreement, the Employer may implement a schedule of 4 days per week, ten hours per day, or five days per week, eight hours per day, pursuant to which Saturday and/or Sunday may be part of the regularly scheduled work-week. Employees working under this schedule will be guaranteed two consecutive days off per week, and will be paid overtime of time and one-half the hourly rate for all time worked in excess of 40 hours in a week or ten hours in a day.

3.04 Part-time Employees. The mutual desire of the Employer, the Union and the employees is to provide full-time employees with 40 hours of paid work and/or paid time off per week whenever such work is available. In furtherance of that goal, the Employer hereby guarantees that, absent act of God, utility interruption, breakdown, emergency, or other unforeseen event that impairs or impedes operations, the Employer guarantees all full-time employees at least 64 hours of work (paid time off and approved unpaid time off count toward the 64 hour work guarantee) on a bi-weekly basis whenever such work is available.

The Employer may employ part-time employees who are part of the bargaining unit and who work, on average, thirty-two hours or less per week, and who are not entitled to or eligible for any particular wages or benefits under this Agreement notwithstanding any other terms of this Agreement, except as specified in this paragraph only. The Employer shall make contributions into the Health and Welfare Plan for any part-time employee in the month following any month where the part-time employee has worked at least 80 hours. All part-time employees reporting for work shall be guaranteed not less than 4 hours employment on the day of reporting. Part-time employees may be assigned to first or second shift. Current full-time employees as of the date of ratification will not be required to become part-time employees absent mutual agreement

of the Employer and the employees. The Employer will not use part-time employees in any Department in which full-time employees employed are not working, on average, 35 or more hours per week (paid and approved unpaid time off count toward the 35 hours per week). Part-time employees will be laid off before full-time employees, and shall accumulate seniority amongst themselves for purposes of lay-off and recall. The Employer may not use this paragraph as a subterfuge to eliminate full-time employees.

3.05 Full-time employees shall be allowed a ten (10) minute rest period during the first half of any shift and a ten (10) minute rest period during the second half of any shift. Part-time employees shall be allowed a ten (10) minute rest period every four (4) hours worked or major portion thereof.

3.06 Regarding overtime, employees whose work or work stations are affected shall be required to work the overtime. If additional employees are needed, the Employer shall request voluntary overtime from among those who are qualified to perform the work provided, however, that in all cases the Employer reserves the right to require those employees who are best qualified to perform the overtime work. Employees shall have the right to decline to work over eight hours in a day three days per calendar month as long as the Employer has sufficient workers to perform the necessary work. Absent unforeseen conditions (e.g., equipment breakdown, weather event, utility interruption, and the like), the Employer will provide notice of the need to work additional hours beyond the normal schedule at least two hours in advance of the end of the shift.

ARTICLE 4 - SENIORITY

4.01 Each employee covered by this Agreement shall have seniority rights as set forth in this Article and subject to any other articles that refer to seniority. The first ninety (90) days of employment, which may be extended an additional sixty (60) days provided written request is made by the Employer in advance of the end of the 90 day period, shall be a probationary period and seniority does not apply. The order of seniority shall be based on the beginning date of employment in the plant. Each new employee's name shall be added to the seniority list after ninety (90) days of employment. In the event more than one employee is hired on the same day, the employees' names shall be added in alphabetical order.

Employees shall lose their seniority and employment shall be considered broken, for the following reasons:

- 1) Discharge for just cause;
- 2) Voluntary quit;
- 3) Layoff of more than three months duration;
- 4) Illness or accident of six (6) months from the beginning of such absence: provided, however, that upon return to work the employee must be able to perform all of the regularly assigned duties of the classification which was their classification at the time such absence began, unless otherwise mutually agreed to between the Employer and the Union.

4.02 The principles of seniority as set forth herein shall be observed and any dispute as to interpretation of these principles shall be taken care of in conformance with the grievance procedure set forth in this Agreement.

4.03 In the layoff and recall of employees, seniority shall be given every consideration providing the employee is qualified to perform the available job. Layoff and recall shall be handled on a departmental basis rather than a plant wide basis.

4.04 Where a promotional opportunity (increase in pay) occurs and the skills and abilities of the applicants are, in the Employer's judgment, equal, seniority shall be utilized in selecting the person for the job.

4.05 Should there be no promotable applicant, the Employer is free to fill job vacancies in any convenient manner.

4.06 Any employee given a job vacancy as provided herein shall be permitted to return to a job of equal pay within thirty (30) days of their filling the vacancy.

4.07 Seniority shall also be applicable with respect to employee's preference for vacations by departments within a plant, and to shift assignments.

ARTICLE 5 - HOLIDAYS

5.01 It is agreed that the following shall be observed as paid holidays:

New Year's Day	Labor Day
President's Day	Thanksgiving Day
Memorial Day	Christmas Day
Fourth of July	

If a holiday falls on Saturday or Sunday, the Employer shall have the right, based on business needs, to determine whether to schedule the holiday on the prior Friday or next Monday, or to pay it out to employees without scheduling a day off.

5.01.1. Employees shall be entitled to a floating holiday effective on their anniversary date of employment. The floating holiday shall be scheduled by mutual agreement. In cases of conflict seniority shall prevail. Unused holidays shall not be rolled over to the next anniversary year. By mutual agreement, an employee may cash out a floating holiday rather than take the time off.

5.01.2 The Employer shall have an option to observe President's Day. If the Employer elects not to observe President's Day, employees shall be allowed one floating holiday to be scheduled at a mutually agreeable time.

5.02 Employees are eligible for holiday pay if employee has been in the employ of the Company following the completion of the probationary period.

5.03 It is agreed that holiday pay shall be paid to each employee except those who absent themselves during any scheduled working time during the holiday week, are on a leave of absence, or miss a Friday preceding a Monday holiday.

Where there is one occurrence of tardiness on a workday during the holiday week of less than one hour, such tardiness shall not affect an employee's holiday eligibility.

5.04 Notwithstanding Section 5.03, it is agreed that holiday pay shall be paid in the event an employee is excused in writing by the Employer, is paid sick leave for any missed time, is on vacation, is off due to medical reasons supported by a doctor's certification – but has worked at least one (1) day during the holiday week, or following the completion of the probationary period is on funeral leave in accordance with Article 10.

5.05 It is agreed that after thirty-two (32) hours of employment in a holiday week, all extra time shall be paid at the rate of time and one-half (1-1/2) except where a holiday falls on a Saturday or Sunday, or the Employer schedules employees to work four ten hour days following at least two weeks' notice, then forty (40) hours may be worked at straight-time. In order to be eligible for holiday pay, the employee must report and be available for forty (40) hours of such employment.

5.06 It is further agreed that in order to be eligible for holiday pay, an employee must be available and at work the workday preceding the holiday and the workday following the holiday.

ARTICLE 6 - VACATIONS

6.01 It is agreed that all employees who have been in the continuous employment of an Employer shall receive a paid vacation in accordance with the following schedule:

After 1 year employment	- One week
After 3 years employment	- Two weeks
After 10 years employment	- Three weeks
After 20 year employment	- Four weeks

(Employees hired prior to September 11, 1994 are grandfathered at 18 years.)

6.02 The third (3rd) and fourth (4th) weeks are to be mutually agreed upon between the Employer and the employee. Subject to approval by the Employer, any employee with ten (10) years of seniority may schedule a three-week vacation during off-peak times of the year and any employee with twenty (20) years of seniority may schedule a four-week vacation during off-peak times of the year.

6.03 No employee shall be entitled to vacation pay in lieu of vacation unless the employee and the Employer mutually agree.

6.04 Should a holiday fall during the period of any employee's vacation, then that employee shall receive an extra day's vacation or an extra day's pay in lieu thereof, at the Employer's option.

6.05 Earned vacation time must be taken within twelve (12) months from the date the vacation was awarded.

6.06 It is understood and agreed that all employees who have been in the employ of an Employer exceeding one (1) year employment and who are separated from employment, shall receive the following pro-rata vacation pay, except that vacation pay for employees who have been on non-industrial medical leave or other leave of absence, shall be paid pro-rata vacation pay proportional to the number of straight-time hours actively worked, and except that an employee who is discharged for dishonesty, use, sale, or possession of controlled substances, or possession or use of firearms, or failure to provide 2 weeks' notice when resigning, shall forfeit all pro-rata vacation pay. .

	<u>After one (1) years'</u> <u>employment</u>	<u>After three (3) years'</u> <u>employment</u>	<u>After ten (10) years'</u> <u>employment</u>
After one (1) month	-----	-----	1 day's pay
After two (2) months	-----	1 day's pay	2 days' pay
After three (3) months	1 day's pay	2 days' pay	3 days' pay
After four (4) months	-----	3 days' pay	5 days' pay
After five (5) months	-----	4 days' pay	6 days' pay
After six (6) months	2 days' pay	5 days' pay	7 days' pay
After seven (7) months	-----	6 days' pay	8 days' pay
After eight (8) months	3 days' pay	7 days' pay	10 days' pay
After nine (9) months	-----	7 days' pay	11 days' pay
After ten (10) months	4 days' pay	8 days' pay	12 days' pay
After eleven (11) months	-----	9 days' pay	14 days' pay

ARTICLE 7 - WAGES

7.01 The terms herein are intended to cover only minimums in wages, hours, working conditions, benefits and other terms and conditions of employment, and the Employer may place superior wages, hours and working conditions, benefits and other terms and conditions of employment in effect, and may reduce the same to the minimums herein prescribed without the consent of the Union. No premium shall be taken away thirty (30) days prior to or after the expiration date of the contract.

7.02 Classifications and Wage Rates.

* Wage increase of \$.35 per hour for all non-probationary employees effective first pay period after April 1, 2015.

* Wage increase of \$.30 per hour for all non-probationary employees effective first pay period after April 1, 2016.

* Wage increase of \$.30 per hour for all non-probationary employees effective first pay period after April 1, 2017.

• Employees currently in the "break-in percentages" phase in will be grandfathered into this approach. New hires going forward will no longer be subject to the "break in percentages" and will be paid in accordance with the New Hires language set forth below.

• New Hires: Employees hired on or after April 1, 2015, will be paid, at a minimum, \$9.47 per hour, and upon completing their probationary periods or any extensions thereof, will be increased to a minimum of \$10.00 per hour. Such employees will, thereafter, at a minimum receive wage increases or other changes afforded all other bargaining unit members at the same time, and in the same amount.

Lead Workers will receive a minimum of \$1.50 per hour premium while working in the Lead role. Employees assigned by the Employer to work in the position of a Lead or Supervisor for 2 or more days shall be paid a minimum of \$1.50 per hour premium all hours worked on and after the third (3) day in the relief position. This language provides minimum requirements for all lead workers, and shall not result in a reduction in wages for any lead worker currently making more than the minimum requirements.

In the event of an increase in the minimum wage during the term of this Agreement, employees shall get the higher of the minimum wage increase or the wage increases set forth in this Agreement so that their wage rate is the higher of minimum wage or their then current rate plus the scheduled wage increase. *In no event shall any wage classification for non-probationary employees be less than 10 cents per hour above the current Washington State minimum wage.*

7.03 It is agreed that where employees are temporarily transferred (for a period of two or more hours) to other employment, they will be paid the highest wage scale provided for such employment, but in no case to be less than the scale provided for their regular employment.

7.04 It is agreed that where employees are temporarily transferred (for a period of two or more hours) to other employment, they will be paid the highest wage scale provided for such employment, but in no case to be less than the scale provided for their regular employment.

7.05 New hires shall be paid the following percentages and, after 18 months, shall get the same increases as other employees receive going forward on the same dates they receive them:

Classification	Start	6 mos. 90%	12 mos. (95%)	18 mos. and on
Combi Wash Room Operato	\$9.39	\$9.95	\$10.50	\$11.05
Head Counter/Sorter	\$8.80	\$9.32	\$9.83	\$10.35
Counter/Sorter	\$8.67	\$9.18	\$9.69	\$10.20
All other production classifications	\$8.54	\$9.05	\$9.98	\$10.05

New hires with one (1) year or more experience working under this Agreement shall be paid the Journeyman rate of pay, provided that a portion of the Journeyman experience has been acquired within the previous twelve (12) months prior to their hire by the Employer.

ARTICLE 8 - HEALTH AND WELFARE/PENSION

8.1 The Employer agrees to pay monthly contributions to the Northwest Textile Processors Health and Welfare Trust Fund (“Trust Fund”) for all its eligible employees who receive compensation as provided for hereinafter, provided, however, that employer contributions to the Trust Fund have been suspended and are not required, and will continue to be suspended and not required, until reinstated by the Trust Fund.

If the contribution amounts set forth herein are not sufficient to adequately fund the benefit levels, the Trustees shall make adjustments to benefit levels and/or amounts allocated to employee wage deductions so that the benefits are adequately funded.

8.2 Calculation of Employee Eligibility and Contribution Amounts. The Parties to this Agreement recognize and adopt the Trust Fund’s eligibility rules which require an accumulation of 1200 hours of service to obtain eligibility for employee-only benefits under the Trust Fund benefit plan (not including the required one month lag period).

8.2.1 New Employees. For new employees not previously eligible under the Trust Fund, the Employer shall pay contributions to the Trust Fund for all such employees compensated for eighty (80) hours or more per month at the rate of \$2.65 per compensable hour beginning with the 321st compensable hour and continuing until a total of 1200 of service shall have been accumulated, provided, however, that employer contributions to the Trust Fund have been suspended and are not required, and will continue to be suspended and not required, until reinstated by the Trust Fund.

8.2.2 Regular Employees. Upon accumulation of 1200 compensable hours of service, an employee shall be deemed a regular employee and the Employer contribution rate shall be paid at \$460 per covered employee for each month in which an employee earns eighty (80) hours or more of compensable service, provided, however, that employer contributions to the Trust Fund have been suspended and are not required, and will continue to be suspended and not required, until reinstated by the Trust Fund.

8.2.3 It is understood that an employee transferring from one plant to another who has achieved eligibility as provided for herein, is covered from the date of employment and shall not be deemed a new employee for purposes of application of the payment calculation. It is further

understood that if a regular employee does not qualify because of sickness or disability, the Employer shall be obligated to continue to pay required contributions as calculated herein as if the employee had worked eighty (80) hours or more for up to three (3) continuous months of payments. Such payments are not intended to be in addition to payments, if any, required by F.M.L.A, provided that the Employer recognizes its obligation(s) to provide benefits described in this section for use by an employee and/or dependents as provided for by the Family Medical Leave Act.

8.3 Supplemental Contributions. This Agreement authorizes the Employer to deduct from pre-tax compensation additional sums as may be elected by a covered employee for certain Trust Fund benefit coverage beginning with the first month of Trust Fund eligibility following the Trust Fund lag month. All employer contributions and any additional wage calculations owing to the Trust Fund shall be deemed Employer Contributions for reporting and recordkeeping by the Trust Fund. Upon appropriate election for coverage by a covered employee, any failure by an Employer to make the appropriate internal compensation calculation and/or payment to the Trust Fund shall nevertheless be deemed an employer payment obligation to the Trust Fund.

8.3.1 Single Coverage – Eligible employees who elect single coverage under the rules of the Trust Fund hereby authorize the Employer to internally deduct the sum \$5.00 per week for remittance to the Trust Fund beginning with the employee’s first week of eligibility for benefits.

8.3.2 Dependent Family Coverage – Family coverage for employee and spouse/children dependent coverage may be elected by Eligible employees. Employees electing such coverage hereby authorize the Employer to internally deduct the sum \$16.00 per week for such dependent coverage beginning with the employee’s first week of eligibility for benefits.

8.3.3 Employee and Dependent Children Coverage – Coverage for employee and dependent children may be elected by Eligible employees. Employees electing such coverage hereby authorize the Employer to internally deduct the sum \$10.00 per week beginning with the employee’s first week of eligibility for benefits.

8.3.4 All supplemental Employer contributions as provided for this Section 8.3 shall begin effective with the first month of eligibility following the Trust Fund lag month.

8.4 Notwithstanding the foregoing provisions, if any employee shall be disentitled to benefits under the Trust Fund by reason of an Employer’s delinquency or non-payment of contributions, such Employer shall be liable to such employee for the full amount of the lost benefits together with reasonable attorneys fees and costs. Acceptance of payment by the Trust Fund or later collection of delinquent amounts owing shall not absolve the Employer of this liability.

8.05 a) Acceptance of Trust Agreement: The Employer and the Union agree to be bound by the terms of the Trust Agreement, which created the Retail Clerks Pension Trust, as initially executed on January 13, 1966, by all subsequent revisions or amendments thereto, and by all policies and other conditions of participation and eligibility, which may be established from time to time by the Trust’s Plan Document, Summary Plan Description, and other pertinent rules, regulations, and Trustee actions. The Employer accepts the Employer Trustee members of the

Board of Trustees, and their duly appointed successors, as its representatives for purposes of managing the Trust.

The Union accepts the Labor Organization Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for the purposes of managing the Trust.

b) All contributions shall be paid on straight time compensable hours with a maximum of one hundred seventy three (173) hours per calendar month per employee.

c) The term "compensable hour" shall mean any hour for which any employee receives any compensation required by this Agreement.

d) The contribution referred to shall be computed monthly and the total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last day of the month in which the contributions were earned.

e) Notwithstanding the foregoing Section, the Board of Trustees of the Retail Clerks Pension Trust shall have the authority to establish and enforce a method for reporting contributions on an accounting period basis, rather than a calendar month basis. In such a case, the one hundred seventy three (173) hour maximum shall be appropriately adjusted, as directed by the Trustees, provided that in no event shall the Employer's total obligation be different than what it would have been on a calendar basis. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period.

Payment Required -

The total Employer contribution for 1/1/2015 shall be \$.52 and shall be divided as follows: \$.07 shall be paid for benefit accrual; and \$.27 shall be reallocated to the Rehabilitation Plan; and \$.08 (original 2/7th calculation plus \$.10 (supplemental) shall continue to be paid for deficit reduction.

The total Employer contribution for 1/1/2016 shall be \$.58 and shall be divided as follows: \$.07 shall be paid for benefit accrual; and \$.33 shall be reallocated to the Rehabilitation Plan; and \$.08 (original 2/7th calculation plus \$.10 (supplemental) shall continue to be paid for deficit reduction

Payment Required -The total Employer contribution for 1/1/2017 shall be \$.64 and shall be divided as follows; \$.07 shall be paid for accrual; and \$.39 shall be reallocated to the Rehabilitation Plan; and \$.08 (original 2/7th calculation) plus \$.10 (supplemental) shall continue to be paid for benefit reduction.

8.06 Pension Eligibility. Employees hired after the date of ratification (February 18, 2004) shall become eligible for pension contributions effective the first day of the month following one (1) year from the date of employment.

8.07 Trust Counsel. In the event any of the Trust Funds are required to retain legal counsel for the purposes of enforcing the obligation to pay delinquent contributions or liquidated damages, the delinquent Employer shall be obligated for reasonable expenses incurred in connection with the collection effort, including reasonable attorney's fees, accountant's fees, court costs, and other expenses of litigation.

ARTICLE 9 - SICK LEAVE

9.01 Each eligible employee (as defined in Section 8.05 of Article 8) shall accumulate sick leave at the rate of four (4) hours per month; however, in no case will the maximum sick leave bank exceed eighty (80) hours. Sick leave is to be paid at the employee's current rate of pay from the second (2nd) day of illness or accident provided however, any employee who has accumulated sick leave of fifty-six (56) hours or more shall be entitled to sick leave pay from and including the first working day. The first (1st) day of illness or accident shall not be paid, however, if the employee reports for work and works less than four (4) hours because of illness or accident and is treated by a physician on that day, then this can be considered the first (1st) day of such illness. If the employee is hospitalized or injured on the job, sick leave shall commence on the first day.

9.01.1 The Employer may require a doctor's certificate after three or more days of absence.

9.02 An employee who is collecting Workers Compensation Temporary Disability Benefits shall not receive sick leave benefits as provided herein, provided, however, if such Workers Compensation Temporary Disability Benefits are less than the amount of sick leave benefits provided herein for such period, such employee shall receive sick leave benefits in addition to such Workers Compensation Temporary Disability Benefits in an amount sufficient to equal the amount of sick leave benefits they would have otherwise received as provided herein.

ARTICLE 10 - FUNERAL BENEFITS

10.01 If an eligible employee covered by this Agreement suffers a death in the immediately family, such employee shall be entitled to up to three (3) working days off with pay, provided that the employee attends the funeral. Such pay shall be for time lost. If the Employer approves, additional unpaid leave may be granted if necessary for travel purposes.

10.02 Immediate family shall be defined as wife, husband, son, daughter, mother, father, brother, sister, mother-in-law, father-in-law, stepchildren, and grandparents of the employee. Eligible employees are those defined as those with seniority after completion of the probationary period.

ARTICLE 11 - GENERAL CONDITIONS

11.01 The Business Representative shall have access to the plant at all times for the transaction of business, and must make his presence known at the office. The Business Representative shall not interfere with employees during the performance of their duties.

11.02 Paychecks. All employees shall be paid weekly or biweekly.

11.03 All employees laid off, discharged or who quit of their own volition, shall receive all wages and personal property on the next regular pay day in the week following.

11.04 Picket Line; No Strike - No Lockout. There shall be no strikes, sympathy strikes, or work stoppages during the life of this Agreement, providing that an employee's refusal to pass through or work behind a primary picket line shall not be construed as a violation of this Agreement or cause to discharge by the Employer. The Employer agrees not to lockout during the term of this Agreement, provided that any action by the Employer in closing operations during a general strike, riot or civil commotion, for the protection of the property, including closures due to business considerations which are the sole decision of the Employer, shall not be deemed a lockout.

11.05 Health Care Facility. It is understood and agreed between the Employer and the Union that the continuation of service to health care facilities and nursing homes is essential to both parties, such health care facilities, nursing homes and the general public. The Union agrees that in exercising any rights to it under this Agreement or by Law, they will do nothing to interrupt laundry and linen supply service to health care facilities and nursing homes and that the Union will utilize its best efforts to maintain service to such health care facilities and nursing homes at all times.

11.06 Non-Discrimination. The parties of this Agreement acknowledge their responsibilities under Title VII of the Civil Rights Act of 1964 and the Age Discrimination in Employment Act of 1967, and do hereby agree not to discriminate on the basis of race, color, religion, sex, national origin or age.

11.07 Jury Duty. Any member of the Union regularly employed by the Employer who may be selected and required to serve on a jury shall receive from the Employer the difference in pay between what the employee will receive as a juror and their regular rate of pay (with the Employer) during the time the employee is serving on jury duty. The Employer shall not be obligated to pay more than two (2) weeks' pay to any individual employee during the life of this Agreement.

11.08 Discharge or Discipline. No employee having seniority shall be discharged or disciplined except for just cause and all terminated employees shall be advised of the reason(s) for termination.

11.09 Most Favored Employer. If the union agrees to any more favorable terms with Tomlinson Linen Services, the employer shall be allowed to adopt the more favorable term(s)

upon ten (10) days written notice. The Company agrees that through and including March 31, 2018, it will not seek to adopt any terms from a Tomlinson CBA.

11.10 Change in the Law. The parties agree that, in the event of a change in local, city, state or federal law that modifies, changes or otherwise may affect the terms or conditions of employment as set forth in this collective bargaining agreement the Parties will immediately meet to discuss how the change affects the terms or conditions of the Agreement. It is intended that, in no event, shall any such change in the law be permitted to add to, or take away from, rights and privileges afforded under this Agreement and that the Parties will make appropriate adjustments in the terms of this Agreement to achieve that result. Either Party may re-open the Agreement for negotiations only on such terms that are affected by the change in local, city, state or federal law.

11.11 Labor-Management Committee. A Labor-Management Committee shall be established and will meet at mutually agreeable times, but not to exceed once per quarter, for up to one hour per meeting. The purpose of the Committee will be to foster improved communication and to discuss other matters of mutual concern, including educational opportunities. The Committee shall be limited to an advisory rather than a decision-making capacity. The Committee shall consist of representatives of management and up to three (3) employees selected by the Union. All members of the Committee shall be employees of Service Linen. A Union representative may attend. Committee participation will be considered as time worked for up to one hour per meeting and paid at the appropriate rate of pay.

ARTICLE 12 - GRIEVANCE PROCEDURE

12.01 All disputes involving the interpretation and application of this Agreement, which are not otherwise resolved, shall be taken up between the Union Representative and the representative of the Employer.

Step 1. Any dispute over the interpretation of this Agreement must be submitted in writing to the Employer within fourteen (14) calendar days of the occurrence. Grievances involving discharge or suspension must be submitted, in writing, within fourteen (14) calendar days of the discharge or suspension. In the event the claim is one for additional wages, any such claim shall be limited to additional wages, if any accruing within the forty-five (45) day period immediately preceding the date upon which the Employer received notice in writing of the claim.

Step 2. If the grievance is not resolved at Step 1, the Union has fourteen (14) calendar days from the date the grievance was filed to refer the matter to Step 2. The Employer and the Grievance Director of the Union shall make a good-faith effort to settle the grievance.

Step 3. If the grievance is not resolved at Step 2, it may be referred to final and binding arbitration on the motion of either party no later than fourteen (14) calendar days from the conclusion of Step 2. The submitting party shall simultaneously write to the Federal Mediation and Conciliation Service and request that a panel of eleven (11) arbitrators be

sent to both parties or their counsel. An arbitrator shall be selected by alternately striking names from the list with the last remaining name being the arbitrator. The Employer and the Union shall share equally any fees of the arbitrator. Compensation of witnesses shall be the responsibility of the party requesting such witnesses. The parties shall each pay their own expenses (attorneys' fees, etc.).

12.02 During the process of making adjustments under the rules and procedures set forth above, no strike or lockout shall occur.

12.03 The Union shall not be required to process an employee's grievance if, in the Union's opinion, the grievance lacks merit. In the event the Union determines to process a grievance in conformance with this Article, the Union shall be the exclusive representative of the employee or employees covered with respect to any dispute and/or settlement of said grievance.

ARTICLE 13 - MANAGEMENT RIGHTS

13.01 The management of each Employer and its operations, the direction of the work force, including the right to hire, rehire, assign, suspend, transfer, promote, discharge, or discipline for just cause and to maintain discipline and efficiency of its employees and the right to relieve employees from duty because of lack of work or for other legitimate reasons; the right to determine the extent to which the plant shall be operated; the right to introduce new or improved production methods of processes or equipment, the right to decide the number and location of plants, the nature of equipment or machinery, the products to be processed, the methods of processing, the scheduling of production, the methods of training employees, the right to assign work to outside contractors and to eliminate, change, or consolidate jobs and operations; and the right to enact Company policies, plant rules and regulations which are not in conflict with this Agreement, are vested exclusively in the Employer, subject to the other provisions of this Agreement.

ARTICLE 14 - SAVINGS CLAUSE AND SCOPE OF AGREEMENT

14.01 It is further understood and agreed that in the event any provision or provisions herein contained should be declared illegal, the remaining provisions shall be in full legal force and effect, and binding on all parties hereto.

ARTICLE 15 - CONTRACT PERIOD MODIFICATION AND TERMINATION

15.01 This Agreement, by and between United Food and Commercial Workers Union Local #21, and the Employer shall take effect and remain in full force and effect through March 31, 2018 on which date this Agreement and terms thereof shall be automatically renewed from year to year thereafter, unless sixty (60) days prior to the expiration of this Agreement or the annual dates of any renewal thereof, written notice by certified mail is given by either party to the other of their desire to modify or terminate this Agreement, such notice shall contain a statement of the modification desired.

15.02 In the event such notice of modification is given by either party to the other, it is hereby understood and agreed that they shall enter into negotiations in good faith within fifteen (15) days of such written notice and shall continue to negotiate in good faith, and shall consider the condition of the Industry, the needs of the employees and the ability of the Employer to pay as the basis of such negotiations. In the event negotiations are not complete and new Agreement has not been reached before the expiration date of this Agreement or any renewal thereof, then and in that event this Agreement shall continue in full force and effect until a new Agreement has been reached, and any new Agreement shall be retroactive to the expiration date of this Agreement or any renewal thereof.

CONFIRMED: This _____ day of _____, 2016

SERVICE LINEN SUPPLY

By: *[Signature]* 3/08/16
Cummer

By: _____

4847-3413-0468, v. 1

**UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL #21**

By: *[Signature]*
Todd Crosby, President

By: *[Signature]*
Matt Wood, Negotiator

LETTER OF UNDERSTANDING

DRUG & ALCOHOL POLICY

Employees shall be subject to the Employer's Drug & Alcohol Policy as those standards shall be modified or amended by the Employer from time to time; provided however, that prior to implementing any change in the Drug and Alcohol Policy, the Employer will give the Union notice of the proposed change and an opportunity to bargain. Any request to bargain must be received by the Employer within fifteen (15) working days after receipt of the proposed changes by the Union.

CONFIRMED: This _____ day of _____, 2016

SERVICE LINEN SUPPLY

By: *[Signature]* 3/08/16
Cummer

By: _____

4847-3413-0468, v. 1

**UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL #21**

By: *[Signature]*
Todd Crosby, President

By: *[Signature]*
Matt Wood, Negotiator

**LETTER OF UNDERSTANDING
INCENTIVE PAY SYSTEM**

All new Team Members hired after the date of ratification and any current Team Members who choose to participate in the performance based compensation system, will be paid based on the current performance levels as a percentage of the pay rates in the current collective bargaining agreement up to 100% of the performance level. Team Members who exceed 100% of the performance levels will be paid an additional 4¢ for each 1% over 100% up to a maximum of 110%.

Current Team Members may elect to participate in this plan at any time. Once a Team Member elects the performance-based system, they may not opt out of the system.

Payments will be determined based on the average production levels over the course of a pay period.

The following departments will be governed by the above incentive pay program with other departments to be added at a later date upon notification to Local #21 prior to implementation of department additions.

- | | | |
|--------------|-------------------|------------------|
| 1. Ironer #1 | 5. Tunnel Hanging | 7. Washroom |
| 2. Ironer #2 | 6. Dry Fold | 8. Soil Counters |
| 3. Ironer #3 | | |
| 4. Ironer #3 | | |

Again 100% equals scale as defined in Section 7.02 of the current collective bargaining agreement.

All new team members hired after ratification that are not assigned to the above listed departments, will be governed by Section 7.04 of the current collective bargaining agreement.

This Letter of Understanding is based on the performance levels in effect on the execution of this Agreement. The Employer will notify the Union prior to implementing any change in the production levels and upon request bargain about any of these changes.

CONFIRMED: This _____ day of _____, 2016

SERVICE LINEN SUPPLY

By: *Scott Kerner* 3/08/16
Kerner

By: _____

**UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL #21**

By: *Todd Crosby*
Todd Crosby, President

By: *Matt Wood*
Matt Wood, Negotiator

Our mission: building a powerful Union that fights for economic, political and social justice in our workplaces and in our communities.

VISIT UFCW21.ORG:

SCHOLARSHIP INFO | BARGAINING UPDATES | STEWARD TRAININGS | HELPFUL MEMBER RESOURCES | ACTIONS INFORMATION ON YOUR RIGHTS | AND MORE...

UFCW 21

Todd Crosby, President • Faye Guenther, Secretary-Treasurer

**Seattle: 5030 First Ave S, Suite 200, Seattle, WA 98134-2438
Phone 206-436-0210 / 800-732-1188, Fax 206-436-6700**

**Mt. Vernon: 1510 N 18th St, Mt Vernon, WA 98273-2604, Phone 360-424-5655, Fax 360-424-7909
Silverdale: 3888 NW Randall Way #105, Silverdale, WA 98383, Phone 360-698-2341, Fax 360-662-1979
Spokane: 1710 N Calispel, Spokane, WA 99205-4808, Phone 509-340-7369, Fax 509-624-1188**