Collective Bargaining Agreement

Between

Akal Security, Inc.

And

Oregon Court Security Officers Association

TABLE OF CONTENTS

ARTICLE 1 GENERAL PROVISIONS 1

SECTION 1.1 Parties 1

SECTION 1.2 Bargaining Unit 1

SECTION 1.3 Negotiating Committee 1

SECTION 1.4 Steward System 1

SECTION 1.5 Dues Check Off 2

ARTICLE 2 ASSOCIATION SENIORITY 2

SECTION 2.1 Association Seniority Defined 2

SECTION 2.2 Seniority Lists and Conflicts 3

SECTION 2.3 Personal Data 3

SECTION 2.4 Probationary Employees 3

SECTION 2.5 Termination of Seniority 4

SECTION 2.6 Temporary Transfer out of Bargaining Unit 4

ARTICLE 3 JOB OPPORTUNITIES 4

SECTION 3.1 Filling Vacancies 4

SECTION 3.2 Shared Position Employees 5

SECTION 3.3 Layoff and Recall 5

SECTION 3.4 Temporary Assignments 5

SECTION 3.5 Appointment of Lead CSOs 5

ARTICLE 4 GOVERNMENT RIGHTS 6

ARTICLE 5 GOVERNMENT CREDENTIALS REQUIRED 6

ARTICLE 6 NON-DISCRIMINATION 6

ARTICLE 7 MANAGEMENT'S RIGHTS 7

SECTION 7.1 Enumerated Rights *7*

SECTION 7.2 Retained Rights *8*

ARTICLE 8 DISCIPLINE 8

SECTION 8.1 Just Cause *8*

SECTION 8.2 Significant Offenses *8*

SECTION 8.3 Progressive Discipline 9

ARTICLE 9 GRIEVANCES 9

SECTION 9.1 Intent *9*

SECTION 9.2 General Provisions *9*

SECTION 9.3 Grievance Procedure *9*

SECTION 9.4 Grievance for Discipline *10*

SECTION 9.5 Class Action *10*

SECTION 9.6 Individual Grievance *11*

SECTION 9.7 Bilateral Rights *11*

ARTICLE 10 ARBITRATION PROCEDURE 11

SECTION 10.1 Selection of an Arbitrator *11*

SECTION 10.2 Decision of the Arbitrator *11*

SECTION 10.3 Arbitration Expense *12*

SECTION 10.4 Parties' Expenses *12*

SECTION 10.5 Resolution of Grievances *12*

ARTICLE 11 COMPENSATION AND FRINGE BENEFITS 12

ARTICLE 12 HOURS OF WORK AND OVERTIME 13

SECTION 12.1 Workday and Workweek *13*

SECTION 12.2 Overtime *13*

SECTION 12.3 Overtime Requirement *13*

SECTION 12.4 Overtime/Extra Work Distribution *13*

SECTION 12.5 Rest Periods and Meal Periods *14*

SECTION 12.6 Call in Pay *14*

SECTION 12.7 Gear Up/Gear Down and Timekeeping *14*

ARTICLE 13 WORK SHIFTS AND PAYMENT POLICIES 14

SECTION 13.1 Payday *14*

SECTION 13.2 Undisputed Error *14*

SECTION 13.3 Lead CSO Rates *15*

SECTION 13.4 Courthouse Closure *15*

ARTICLE 14 VACATIONS 15

SECTION 14.1 Eligible Full-Time Employees *15*

SECTION 14.2 Eligible Shared Position Employees *15*

SECTION 14.3 Scheduling Vacations *16*

SECTION 14.4 Unused Vacation 16

SECTION 14.5 Pay in Lieu of Vacation Leave *16*

SECTION 14.6 Terminating Employees *16*

SECTION 14.7 Laid off Employees *16*

SECTION 14.8 Vacation Increments *16*

ARTICLE 15 UNPAID LEAVES OF ABSENCE 16

SECTION 15.1 Limitations *16*

SECTION 15.2 Medical Leave *17*

SECTION 15.3 Military Leave *17*

SECTION 15.4 Association Leave *17*

SECTION 15.5 Processing Unpaid Leaves of Absence *18*

SECTION 15.6 General Provisions *18*

ARTICLE 16 MISCELLANEOUS PROVISIONS 18

SECTION 16.1 Bulletin Boards *18*

SECTION 16.2 Physical Examinations *19*

SECTION 16.3 Travel Expenses *19*

SECTION 16.4 Break Rooms *19*

SECTION 16.5 Lockers *19*

SECTION 16.6 Association Business Prohibited on Duty *20*

SECTION 16.7 Safety Policy *20*

SECTION 16.8 OSHA Standards *20*

ARTICLE 17 CONTINUITY OF OPERATIONS 20

SECTION 17.1 No Strikes *20*

SECTION 17.2 No Lockouts *21*

ARTICLE 18 SEPARABILITY OF CONTRACT 21

ARTICLE 19 ENTIRE AGREEMENT 21

ARTICLE 20 TERMINATION OF AGREEMENT 21

ARTICLE 21 DURATION OF AGREEMENT 21

SIGNATURE PAGE 22

ADDENDUM 23

ARTICLE 1 GENERAL PROVISIONS

SECTION 1.1 Parties

This Agreement is made and entered into by and between AKAL SECURITY, INCORPORATED, a New Mexico corporation, hereinafter referred to as the "Company," and Oregon Court Security Officers Association, hereinafter referred to as the "Association". This Agreement shall be binding upon the parties, their successors and assigns.

SECTION 1.2 Bargaining Unit

The bargaining unit is defined as all full-time and share-time federal Court Security Officers (CSOs) and Lead Court Security Officers (LCSOs) employed by the Company at the following location(s):

Circuit: 9th

District: District of Oregon

Jobsite(s): Portland, Eugene, Medford

This agreement shall be binding upon all parties, their successors and assigns. 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 1.3 Negotiating Committee

The Company agrees to recognize a Negotiating Committee composed of up to three members and one alternate selected by the Association to represent the employees in collective bargaining negotiations. The number of committee members may be increased upon mutual agreement between the Association and the Company.

SECTION 1.4 Steward System

The Company agrees to recognize a steward system.

The Association agrees that the association representatives and aggrieved employees will work at their regular jobs at all times except when they are relieved by management to attend to the grievance procedure as outlined in this Agreement.

At an employee's request, the Company will call for an Association representative prior to taking any disciplinary action. The supervisor, at the request of the employee, will release the

Association representative as soon as possible. If no Association representative is available, the employee may proceed without a representative or reschedule the discussion.

Aggrieved employees and Association representatives will be paid their regular rate of pay for time spent in grievance-related meetings with management only during scheduled working hours. The aggrieved employee will not be paid for time spent investigating grievances, preparing grievance documents, or for any time spent outside of meeting with management.

"Management," as used in this Agreement, refers to Site Supervisors, Contract Managers and Corporate representatives; Lead and Senior Lead Court Security Officers are not considered management.

SECTION 1.5 Dues Check off

If the Association requests, the Company agrees to deduct dues as designated by the Association on a monthly basis from the paycheck of each member of the Association. These deductions will be made only upon written authorization from the employee on a form provided by the Association. The employee, upon written notice served upon the Company and the Association, may revoke such authorization as provided in the Employee Check-Off Authorization Card. It is understood that such deductions will be made only so long as the Company may legally do so. The Company will be advised in writing, by the Association, as to the dollar amount of the Association membership dues.

The Company will remit all such deductions to the Financial Secretary/Treasurer within three (3) business days from the date that the deduction was made. The Association agrees to furnish the Company with the current routing number for direct deposit. The Company shall furnish the Financial Secretary/Treasurer with a deduction list, setting forth the name and amount of dues with each remittance. The Association agrees to hold the Company harmless from any action or actions growing out of these deductions initiated by an employee against the Company, and assumes full responsibility of the dispositions of the funds so deducted, once they are paid over to the Association. Errors made by the Company in the deduction or remittance of monies shall not be considered by the Association as a violation of this provision, providing such errors are unintentional and corrected when brought to the Company's attention.

ARTICLE 2 ASSOCIATION SENIORITY

SECTION 2.1 Association Seniority Defined

A. Seniority shall be the length of continuous service from the Employee's original date of hire as a Special Deputy U.S. Marshal Court Security Officer (CSO) from the Employer, past or present and/or predecessor Employer. Site specific seniority shall be used in applying various aspects of the Agreement, including, but not limited to,

job share to full time, wages, vacation, sick leave, leaves of absence, transfers, order of lay-off and recall, and filling of vacant positions as provided for in this Agreement. For the purpose of this Agreement a site shall be defined as all worksites within a single city. Therefore, although there are technically three (3) separate sites in Portland, it will be considered as one (1) site.

B. No more than twice each year, at the discretion of the Bargaining Unit, Employees may bid for shifts based on seniority. A December shift bid will become effective on the January schedule. A June shift bid will become effective on the July schedule. Shift bidding shall not lead to Employees changing from shared times to full time status or vice versa.

C. The Company agrees to recognize Super Seniority as defined by the NLRB as it pertains to Association officials.

SECTION 2.2 Seniority Lists and Conflicts

Seniority lists shall be furnished by the Association to the proper Company officials within a reasonable time upon any instance creating a change to the list. The updated and current Seniority list shall be posted and maintained by the Association at the work site. Any Employee's standing on the posted Seniority list will be final unless protested in writing to the Association no later than thirty (30) calendar days after the list has been posted. Full time and job share Employees shall be placed on the same Seniority list. The Company will provide the Association with notifications of new hires. The Company shall maintain a seniority list based on Section 2.1. In the event that two or more employees have the same seniority date, seniority conflicts shall be resolved by a fair and non-discriminatory method of the Union's devising.

SECTION 2.3 Personal Data

Employees shall notify the Employer in writing, on the company provided form, of their proper mailing address and telephone number or of any change of name, address, or telephone number. The Company shall be entitled to rely on the last known address in the employee's official records.

SECTION 2.4 Probationary Employees

Probationary employees will be considered probationary for a ninety (90) calendar day period after their hire day. The Association will still represent probationary employees for problems concerning wages, hours and working conditions, but the Company reserves the right to decide questions relating to transfers, suspensions, discipline, layoffs, or discharge of probationary employees without recourse to the grievance procedure contained in this Agreement. Probationary employees do not have seniority until the completion of the probationary period,

at which time seniority dates back to the date of hire. The probationary period can be extended by mutual written agreement between the Company and the Association.

SECTION 2.5 Termination of Seniority

The seniority of an employee shall be terminated for any of the following reasons:

A. the employee quits or retires;

B. the employee is discharged;

C. a settlement with the employee has been made for total disability, or for any other reason if the settlement waives further employment rights with the Employer;

D. the employee is laid off for a continuous period of one hundred eighty (180) calendar days;

E. the U.S. Government revokes the employee's credentials as a CSO;

F. the employee is permanently transferred out of the bargaining unit.

SECTION 2.6 Temporary Transfer out of Bargaining Unit

A bargaining unit employee who is temporarily promoted by the Company to a non-bargaining position will not lose his/her seniority for a period up to ninety (90) days while in that position. The period of time may be extended by mutual agreement of the Association and the Company.

Any CSO transferring into the Bargaining Unit from outside the District of Oregon shall be placed at the bottom of the Seniority list, except for purposes of vacation accrual.

ARTICLE 3 JOB OPPORTUNITIES

SECTION 3.1 Filling Vacancies

If a vacancy occurs in a regular position covered by this Agreement or a new position is added, and the Company chooses to fill the position, the job will be posted for a period of three (3) working days (excluding Saturdays, Sundays, and holidays) within the worksite. All shared position employees who have notified the Site Supervisor, in writing of their intent to apply for a full-time position and who are not scheduled to work during the three (3) day period at the site where an opening occurs, and any employees on vacation or on other approved leave will be notified by the Association. When a vacancy occurs, the Employer will fill the position with the most senior employee who has applied for the position in writing, and who has been trained (if required) to fill any necessary special qualifications for the new position. No more than two (2) shifts will be filled under this procedure as a result of that vacancy.

SECTION 3.2 Shared Position Employees

The Company is obligated under its contract with the USMS, to fill a designated number of shared positions in order to provide full staffing level coverage, increase security levels as needed and avoid unnecessary overtime. A shared position employee may be scheduled to work more than a part time schedule, as necessary, at the Company's discretion. The Company will give the shared position employee the maximum possible notice for the schedule changes. Failure to report to work when so scheduled or called to work may result in disciplinary action.

Shared position employees shall sign the Shared Officer Agreement form.

SECTION 3.3 Layoff and Recall

In the event of layoff or recall, when full-time or shared positions are being reduced, probationary employees will be laid off first. Should it be necessary to further reduce the work force, employees will be retained on the basis of seniority within the Local. The Company will notify the Association in writing, of required reduction. The Association will respond, in writing, within three (3) business days (excluding Saturday, Sunday and Holidays) with the name or names of the least senior employee or employees. Recall of employees will be accomplished by recalling the last laid off employee first, and so on.

SECTION 3.4 Temporary Assignments

In the interest of maintaining continuous operations, the Employer may temporarily assign an employee to a vacant or new position until the job is filled in accordance with Articles 2 and 3, or assign an employee to a position that is part of a temporary security assignment directed by the USMS, including temporarily assigning an employee to a work site within or outside of the area defined by this Agreement. To the extent feasible, the assignment shall be a voluntary selection based on seniority and qualifications. In the absence of volunteers, assignments shall be made on a reverse seniority and qualifications basis. Employees so assigned will receive the higher of the base hourly wage available to employees regularly assigned to the site to which they are being transferred, or their hourly wage they receive at their regular site under this agreement whichever is greater.

SECTION 3.5 Appointment of LCSOs

The U.S. Government, in its contract with the Company creates specific guidelines for the job duties and qualifications of Lead CSOs. Based on these guidelines, all appointments of Lead CSOs will be made on the basis of suitability as evaluated by the Company. Suitability shall include an employee's skills, experience, past performance, capabilities and the needs of the operation. If, in the Employer's determination, employees are equally qualified, seniority will

prevail. Lead CSOs will not perform supervisory duties as described by the National Labor Relations Act.

ARTICLE 4 GOVERNMENT RIGHTS

The Company and its employees are providing a service to the United States Government, which bears responsibility and authority for providing security to federal judicial facilities. Therefore, express written or verbal instructions of the U.S. Government must be complied with and shall supersede all provisions of this Agreement. Such instructions and any claimed violation of this Agreement which results from those instructions, are not subject to the grievance or arbitration procedure.

ARTICLE 5 GOVERNMENT CREDENTIALS REQUIRED

Employment as a Court Security Officer or Lead Court Security Officer requires, as a condition of employment, that the employee maintain a current, valid driver's license issued by his or her state of residence. Employees must be qualified to receive a Special Deputation as a Court Security Officer by the United States Marshals Service. Employees who fail to qualify will be considered to have resigned voluntarily.

ARTICLE 6 NON-DISCRIMINATION

There shall be no discrimination against any employees within the collective bargaining unit covered by this agreement (including, for the purpose of this anti-discrimination provision of the agreement, probationary employees) by reason of race, color, religion, sex, national origin, disability, age or any other characteristic protected by any Federal, State, City, County, municipal or other local statute, law, regulation, rule or ordinance, including, but not limited to, claims made pursuant to Title VII of the Civil Rights Act, Sections 1981 through 1988 of Title 42 of the United States Code; the Americans with Disabilities Act, the Age Discrimination in Employment Act of 1967 (herein collectively referred to as statutory claims). There shall also be no retaliation against those employees covered by this article for pursuing their rights, statutory and contractual, under this Article.

The Association agrees, on behalf of itself and all the employees covered by this Agreement that the procedures in Articles 9 and 10 will not be available to employees who pursue a discrimination claim in another forum.

ARTICLE 7 MANAGEMENT'S RIGHTS

SECTION 7.1 Enumerated Rights

The Company reserves all rights which it heretofore had except to the extent that those rights are expressly limited by the provisions of this Agreement. Without limiting the foregoing reservations of rights, the parties consider it to be desirable, in order to avoid unnecessary misunderstanding or grievances in the future, to specify by way of illustration and without limitation some of the rights reserved to the Company, which it may exercise in it sole discretion and which might otherwise be a source of potential controversy, these rights being:

a. Hire;
b. Assign work and schedule;
c. Promote, Demote;
d. Discharge, discipline, or suspend;
e. Determine the size and composition of the workforce, including the number of, if any, employees assigned to any particular shift and the number of full-time and share-time employees;
f. Make and enforce work rules not inconsistent with the express provisions of this agreement;
g. Require employees to observe reasonable Employer rules and regulations;
h. Determine whether an employee may take unpaid leave when all forms of paid leave have been exhausted;
i. Determine the qualifications of an employee to perform work;
j. The right to determine, direct, and change the work operations and work force of the Company;
k. The right to ensure adherence to performance standards, the type of services to be rendered, and the manner in which such services are to be performed;
l. The right to determine the type and quantity of machines, equipment, and supplies to be used and the purchase, control, and use of all materials, equipment, and supplies that are purchased, used, or handled by the Company;
m. The right to sell, lease, shut down, or otherwise dispose of all or part of the Company's assets or business operations;
n. The right to introduce changes in the methods of operations, jobs or facilities, including the right to automate, totally or partially, any or all of its business operations, even though this operates to eliminate unit jobs;
o. The right to establish job descriptions and classifications and to require employees covered by this Agreement to perform any job or task deemed necessary by the Company, as long as it is related to his principal duties provided the assignment is lawful and safe and that the employee is qualified to perform it;

p. The right to hire, promote, transfer, and lay off employees covered by this Agreement and to determine the requirements and criteria prerequisite to being hired, promoted, transferred, or laid off;

q. The right to schedule all work and hours of work, to determine the need for and amount of overtime, and to assign or require employees to work overtime in compliance with Sections 12.3 and 12.4 of this agreement.

SECTION 7.2 Retained Rights

Any rights, power or authority the Company had prior to the signing of this Agreement are retained by the Company, except those specifically abridged or modified by this Agreement and any supplemental Agreements that may hereafter be made. The Company's failure to exercise any function reserved to it shall not be deemed a waiver of any such rights.

ARTICLE 8 DISCIPLINE

SECTION 8.1 Just Cause

No employee, after completion of his or her probationary period, shall be disciplined or terminated without just cause. It is agreed by the parties that in instances when the employee is removed from working under the USMS Contract by the USMS, or when the employee's authority to work as a Court Security Officer under the USMS Contract is otherwise denied or terminated by the USMS, or the employee no longer satisfies the USMS's qualifications for his or her position, the employee may be terminated without recourse to the procedures under this Agreement and the Company shall be held harmless from any lawsuits resulting by the employee and the Association.

SECTION 8.2 Significant Offenses

Among the actions which may, as deemed appropriate by the Employer, result in and establish cause for discipline (including immediate dismissal) shall include, but shall not be limited to: abuse of authority; neglect of duties; breach of security; breach of the Company's chain of command policy, except to the extent reasonably necessary to comply with the orders or accommodating the needs of the USMS and the Court; conduct which impugns, disparages or reflects negatively upon the USMS, the Court, the Company or any of their agents or employees to the Government or other third parties, except when such conduct is protected under specific law; inappropriate conduct directed at or involving Government employees, members of the public or contractor employees at or near the federal facilities, or while in uniform; Deadly Force standards, dishonesty, misappropriation of funds or government or company resources, theft, assault, intoxication or drinking on duty, being under the influence of or illegal use or possession of drugs or narcotics; immoral or indecent conduct; fighting; threats; breach of building rules or

regulation; sleeping or being inattentive while on duty; destruction of property; criminal misconduct or violations of the Company's EEO or harassment policies.

SECTION 8.3 Progressive Discipline

The Employer recognizes the principals of progressive discipline. Accordingly, the Employer will consider utilizing progressive steps (e.g., reprimands or warnings, followed by suspension, followed by termination), as it deems appropriate considering the circumstances. Therefore, nothing herein shall require the Employer to begin the disciplinary process at any particular level, and that the Employer's right to determine that immediate termination is appropriate in certain situations is therefore not limited by this provision.

ARTICLE 9 GRIEVANCE

SECTION 9.1 Intent

For purposes of this Agreement, a grievance shall mean a claimed violation, misinterpretation, or misapplication of a material provision of this Agreement, except as limited by Articles 2, 3, 4 and 5.

SECTION 9.2 General Provisions

The number of days outlined in Section 9.3 for the processing and presentation of grievances shall establish the maximum time allowed for the presentation and processing of a grievance. When used in this Article, the term "days" shall mean working days, not including Saturdays, Sundays, legal holidays, or days when the local worksite or corporate office of the Company are closed.

Should the Company fail to comply with the time limits, the Association and the aggrieved employee may deem the Company's failure to respond as a denial of the grievance.

SECTION 9.3 Grievance Procedure

All grievances shall be presented and processed in accordance with the following procedures. A grievance must specifically identify the provision(s) of the Agreement claimed to have been violated and the specific facts supporting the grievance. The grievance and any subsequent proceedings shall be limited to the identified violations and provisions.

1. Informal Step

The party representatives at the location where the grievance arose shall make their best efforts to resolve any dispute on an informal basis. Both the Company and the Association agree that the aggrieved employee will first discuss the complaint with the immediate supervisor (not in

the bargaining unit), within five (5) working days of the incident or action being grieved, to start the informal procedure. If the informal procedure is not invoked within five (5) working days of employee's knowledge of a grievable issue, then it is agreed by both parties that no further action can be taken. If, during the course of this discussion either the employee or the supervisor requests, a *Weingarten* representative will be called in unless unavailable in which case the employee may proceed without a representative or reschedule the discussion.

2. Local Step

If the matter is not resolved at the informal step, the employee shall, not later than ten (10) days after the informal discussion with the immediate supervisor, set forth the facts in writing on an agreed form, specifying the specific Article(s) and paragraph(s) allegedly violated and the nature of the alleged violation. This form shall be signed by the aggrieved employee and a separate Association representative, and shall be submitted to the Contract Manager or his designee with a copy to the Company's HR Director. The Contract Manager or designee shall have ten (10) days from the date the grievance was presented to return a decision in writing with a copy to the aggrieved employee and the Association representative. If the Contract Manager or designee denies the grievance or does not respond within ten (10) days, the aggrieved employee must timely advance the grievance to the next step.

3. Corporate Step

If the grievance is not settled at the Local Step, the grievance may be appealed in writing to the Company's Vice-President of Human Resources or her designee not later than fifteen (15) days from the denial by the Contract Manager or designee or the expiration of the ten (10) day response period. The Vice-President of Human Resources or designee will have fifteen (15) days from the date the grievance was presented to return a decision, in writing, with a copy to the aggrieved employee and the Association representative. If the Contract Manager or designee denies the grievance or does not respond within fifteen (15) days, the aggrieved employee must timely advance the grievance to the next step (arbitration).

SECTION 9.4 Grievance for Discipline

Any grievance involving discharge or other discipline may be commenced at the Local Step of this procedure. The written grievance shall be presented to the Contract Manager through the Site Supervisor or designee within fifteen (15) days after the occurrence of the facts giving rise to the grievance.

SECTION 9.5 Class Action

The Association shall have the right to file a group grievance (class action) involving more than one (1) employee at the Informal Step of the grievance procedure.

SECTION 9.6 Individual Grievance

No individual may move a grievance to arbitration.

SECTION 9.7 Bilateral Right

Grievances may be raised by either the Association or the Company. The Company is required to address a grievance directly with the Association's designated representative one time before advancing an unresolved grievance to Arbitration under Article 10.

ARTICLE 10 ARBITRATION PROCEDURE

Grievances processed in accordance with the requirements of Section 9.3 that remain unsettled may be processed to arbitration by the Association. The Association will give the Company's Vice-President of Human Resources written notice of its desire to proceed to arbitration not later than fifteen (15) days after rejection of the grievance at the Corporate Step or expiration of the fifteen day (15) response period. Grievances which have been processed in accordance with the requirements of Section 9.3 which remain unsettled shall be processed in accordance with the following procedures and limitations. If there is a dispute over whether a grievance is arbitrable, such issue may be resolved by any court of competent jurisdiction. Unless both parties agree, only one grievance may be heard in any arbitration proceeding.

SECTION 10.1 Selection of an Arbitrator

Within fifteen (15) days providing written notice of its desire to proceed to arbitration, the Association will request that the Federal Mediation and Conciliation Service (FMCS) to supply a list of seven (7) arbitrators. The number of days may be extended by mutual agreement of both parties. An arbitrator will be selected from the list supplied by the FMCS by parties alternately striking from the list until one (1) name remains, and this individual shall be the arbitrator to hear the grievance. The party to make the first strike will be the winner of a coin toss.

SECTION 10.2 Decision of the Arbitrator

The arbitrator shall commence the hearing at the earliest possible date. Hearings shall be scheduled such that they will be completed in one continuous session, unless the hearing exceeds five (5) days, or unless mutually agreed by the parties. Any witnesses, excluding the grievant, not located within commuting distance of the hearing may testify by telephone.

The decision of the arbitrator will normally be rendered within thirty (30) days of the latter of the close of the hearing or submission of post-hearing briefs (unless extended by agreement of the parties) and shall be final and binding upon the parties to the Agreement. Any decision shall be complied with, without undue delay after the decision is rendered. Any award of back pay may not commence more than ten (10) days prior to the date of the written grievance. The

burden of proving back pay is with the grievant and is limited to the amount of wages the employee would have otherwise earned, less any unemployment compensation, interim employment earnings or other appropriate off-sets. In the case of a discharge, the grievant must demonstrate he or she exercised reasonable diligence to find other employment in order to recover back pay.

It is understood and agreed between the parties that the arbitrator shall have no power to add to, subtract from, or modify any of the terms of this Agreement. The arbitrator shall not have the power to order any remedial relief not contained in the agreement, including but not limited to "front" pay and reinstatement where the employee has been removed by the government or is no longer qualified. The arbitrator may not alter or change wage rates or benefits. The arbitrator's decision must include findings of fact and the legal basis for the decision.

SECTION 10.3 Arbitration Expense

The arbitrator's fees and expenses, including any travel expenses and the cost of any hearing room, shall be shared by both parties. In the event that the arbitrator rules partially in favor of the Association and partially in favor of the Company, these costs will be shared equally between the Company and the Association.

SECTION 10.4 Parties' Expenses

Regardless of the arbitrator's decision, each party will bear its own legal fees and costs. Each party is responsible for all other expenses it incurs, including the compensation costs and travel expenses of any witnesses whose attendance said party requires at arbitration. Any payment to witnesses for work time missed to testify is to be paid by the party calling such witness. Any other expenses, including transcript costs, shall be borne by the party incurring such expenses. If both parties desire a transcript, the cost shall be split.

SECTION 10.5 Resolution of Grievances

At any stage, the Company may settle any grievance by providing the relief requested in the grievance or the amount of relief available under the Agreement, whichever is less. Unless agreed by the parties, any settlement is on a non-admission, non-precedent setting basis.

ARTICLE 11 COMPENSATION AND FRINGE BENEFITS

The Company agrees to provide employees with compensation and fringe benefits as required by the McNamara-O'Hara Service Contract Act and other applicable laws, including but not limited to the Family Medical Leave Act of 1995 and the Uniformed Services Employment and Reemployment Rights Act of 1994.

Agreed compensation rates, fringe benefit entitlements and options, and associated policies and procedures are described in the attached Compensation and Fringe Benefit Addendum.

ARTICLE 12 HOURS OF WORK AND OVERTIME

SECTION 12.1 Workday and Workweek

For the purposes of this Article, a regular workweek of forty (40) hours of work, excluding lunch periods, shall constitute a normal full-time workweek for full-time employees. Shifts shall be designated at the discretion of the Employer to fulfill the needs of the U.S. Government. Nothing contained herein shall guarantee to any employee any number of hours of work per day or week.

SECTION 12.2 Overtime

An overtime rate of time and one-half (1 ½) of an employee's base rate of pay (exclusive of health and welfare and other fringe additions to pay) shall be paid for all hours actually worked in excess of forty (40) hours in a work week.

SECTION 12.3 Overtime Requirement

If directed to work overtime or extra hours, the employee shall be required to do the work, unless the employee is excused by the Company for good cause.

SECTION 12.4 Overtime/Extra Work Distribution

Overtime/extra work will be offered by seniority on a rotating basis. Overtime/extra work will be distributed as equitably and fairly as practicable among employees. The parties recognize that lack of notice or needs of the business may in certain cases, preclude, as a practical matter, the even distribution of all overtime assignments. The Company will not have liability for failing to do so as long it makes a reasonable effort to distribute overtime evenly among employees. Any employee, who believes he/she has been deprived of equitable distribution of overtime in violation of this section, must first bring it to the attention of Company management and afford the Company the opportunity to give an overtime assignment, in which case, there is no violation of this section.

Extra work is defined as work paid for by an agency or entity other than the U.S. Marshals Service.

SECTION 12.5 Rest Periods and Meal Periods

There shall be two (2) fifteen (15) minute paid rest periods and one (1) thirty (30) minute unpaid lunch period for each eight (8) hour shift. These rest periods require that the employee be properly relieved before leaving their post. One rest period shall be in the first half of the shift and the second rest period shall be in the last half of the shift. On occasion, due to exceptional work requirements, employees may have to work through their unpaid lunch breaks and/or paid rest periods, and, if so, they will be compensated at the appropriate rate of pay or dismissed earlier, at the Company's option. The Company recognizes the requirement to make its best efforts to provide regularly scheduled breaks. It is not the intent of the Company to avoid this requirement.

SECTION 12.6 Call in Pay

Any employee not already scheduled to work who is called into work will receive a minimum of four (4) hours of work or pay.

SECTION 12.7 Gear up/Gear down and Timekeeping

Employees will comply with the Company's Gear-up/Gear-down and Timekeeping policies, which are incorporated and attached as a part of this agreement

ARTICLE 13 WORK SHIFTS AND PAYMENT POLICIES

SECTION 13.1 Payday

Payday for all hourly employees will be after 11 a.m. on Friday following the two (2) week pay period ending on Saturday, subject to change by mutual agreement. Employees will be paid by direct deposit, except where precluded by applicable law.

SECTION 13.2 Undisputed Error

Neither the Company nor the employee will be allowed to go back more than twenty-four (24) months to audit, adjust, or correct undisputed errors involving vacation pay, sick / personal leave pay, or salary issues unless required to do so by order of the Government. If an error is found, the employee shall be notified in writing prior to any deductions from his/her paycheck.

In case of an undisputed error on the part of the company as to an employee's rate of pay, proper adjustment will be made in the next paycheck after the error has been brought in written form to the Company's attention. Any error, involving eight (8) hours of pay or more, will be corrected and paid within three (3) working days.

SECTION 13.3 Lead CSO Rates

If additional Lead CSOs are added to the contract any time after this Agreement goes into effect, they will be paid the LCSO wage. In the case where there are multiple LCSO wages, the additional LCSO will be paid at the lowest LCSO wage for the site or location where they are assigned.

An employee performing range master and/or training duties will be paid LCSO wages for the time engaged in those activities.

SECTION 13.4 Courthouse Closure

The Employer recognizes the fact that there are times when inclement weather, a natural disaster, or any other planned or unplanned event may close a Courthouse or Government Building where its employees are assigned. In the event that a closing occurs, employees will be excused and may use personal leave, vacation leave or leave-without-pay.

ARTICLE 14 VACATIONS

SECTION 14.1 Eligible Full-Time Employees

Full- time employees will be entitled to annual vacation based on their continuous years of service with the Employer (based on the employee's anniversary date of employment) at their individual hourly rate of pay at the time payment is made in accordance with the following schedule:

See Addendum for vacation schedule

SECTION 14.2 Eligible Shared Position Employees

A. Eligible shared position employees shall be entitled to pro-rated vacation per the schedule contained in the Addendum, based on their individual hourly rate, the number of hours paid in the previous year, and the employee's anniversary date. A minimum of one-half of the full-time benefit is guaranteed for employees who have been paid for at least 1040 hours in the previous year.

B. Any employee who works a full anniversary year, in part as a full-time position employee and in part as a shared position employee, shall receive prorated vacation benefits for that year as calculated in the Addendum (per the Service Contract Act).

SECTION 14.3 Scheduling Vacations

Vacations, insofar as reasonably possible, shall be granted at the times most desired by the employee, after the employee's anniversary date.

SECTION 14.4 Unused Vacation

Vacations shall not be cumulative from one year to the next. Any earned but unused vacation time remaining at the end of a year of service (based on the employee's anniversary date of employment) shall be paid to the employee.

SECTION 14.5 Pay in Lieu of Vacation Leave

At any time during the year, employees may request in writing to be paid for earned vacation pay in lieu of taking actual vacation leave.

SECTION 14.6 Terminating Employees

Upon termination of employment, employees will be paid at their hourly rate vacation time earned as of their last anniversary date, but not used, as entitled by the Service Contract Act. (Example: An employee who terminates one month into the next Anniversary year is entitled to any of the previous year's earned accrued vacation not already used, but not entitled to the additional month of vacation accrued in the new anniversary period).

SECTION 14.7 Laid off Employees

Length of service with the Employer shall accrue for the purposes of vacation benefits while an employee is on laid-off status for up to one (1) year. Employees will only be paid vacation when they are working.

SECTION 14.8 Vacation Increments

Consistent with Employer approval, efficiency, and economy of operations, employees may take their vacation in segments of less than one (1) week each, but not less than four (4) hour increments. Except that employees can use up to eight (8) hours of vacation time per contract year in two (2) hour increments by requesting from the Site Supervisor the time at least three (3) days in advance. Approval is contingent upon operational needs.

ARTICLE 15 UNPAID LEAVES OF ABSENCE

SECTION 15.1 Limitations

Personal leaves of absence may be granted at the sole discretion of the Employer without loss of seniority to the employee. Such leaves, if granted, are not to exceed 30 days, unless a special

extension is approved by the Employer. 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 30 days. The Employer will make every reasonable effort to maintain an employee's position while on a non-statutory unpaid leave of absence which does not exceed 30 days. Unpaid leaves of absence may be taken only with written approval of the Employer, and will not exceed 30 days unless required by law or granted by the Company.

SECTION 15.2 Medical Leave

The Family and Medical Leave Act of 1993 (FMLA) is incorporated herein.

The Company agrees to make a reasonable effort to accommodate an employee's need for extended medical leave, even if the site does not qualify for FMLA under the provisions of the law. Such leaves will not exceed 30 days, unless required by law or granted by the company.

During medical leave, the employee shall be required to furnish a report from the doctor when requested periodically by the Employer. Upon the expiration of said leave, the employee shall furnish the Employer with a statement, signed by the doctor, which establishes the fitness of the employee to return to the employee's previously held work. Any employee who is not able to return to work with a medical clearance from a licensed physician at the end of a maximum medical leave shall be terminated from Employment.

If the employee files for medical leave on false pretext or works for another employer without pre-authorization from the company, the employee will be removed from the CSO program and from employment with the Employer.

Employees must use all paid personal leave while on approved FMLA leave.

SECTION 15.3 Military Leave

An employee of the Company who is activated, drafted, or voluntarily enters service into any branch of the armed forces of the United States under the provisions of the Selective Service Act or the Reserve Forces Act shall be granted an unpaid military leave of absence, as required under the federal law, for the time spent in full-time active duty. The period of such leave shall be determined in accordance with applicable federal laws in effect at the time of such leave.

SECTION 15.4 Association Leave

The Association Delegates (up to a maximum of 3) will be granted an unpaid leave of absence for up to a maximum of seven (7) days per contract year upon written request for the purpose of attending Association conventions or other meetings of vital interest to the Association as long as staffing requirements permit. The Company shall respond, in writing, within five (5) days

to the employee's written request. More time will be granted upon mutual agreement between the Company and the Association.

SECTION 15.5 Processing Unpaid Leaves of Absence

The Employer will consider requests for unpaid leaves of absence and may grant them at its sole discretion. An unpaid leave of absence must be processed in the following manner:

All requests for unpaid leaves of absence shall be submitted in writing to the Contract Manager or designee at least ten (10) calendar days prior to the date the leave will take effect, except in cases of verified personal emergencies, and include:

1. The reasons for such leave;

2. The effective dates of such leave;

3. The estimated date of return to work.

The Company will respond to the request, in writing, within five (5) working days.

4. The written request for leave of absence shall be submitted to the Contract Manager by the Site Supervisor for final approval. If the request for the leave of absence is approved by the Contract Manager, a copy of the approved leave of absence will be given to the employee involved.

5. Extensions of the leave of absence may be granted at the sole discretion of the Employer, upon written request by the employee within ten (10) calendar days prior to the expiration of the leave of absence. Extensions, when granted, shall not total more than thirty (30) days.

SECTION 15.6 General Provisions

Seniority shall accumulate during the period of any approved leave of absence subject to the provisions of this agreement.

ARTICLE 16 MISCELLANEOUS PROVISIONS

SECTION 16.1 Bulletin Boards

The Employer will make a reasonable effort to obtain a space from the U.S. Government for Association to locate an Association-provided bulletin board that will be used by the Association for posting notices of meetings, elections, appointments, recreational and social affairs, and other Association notices. The provision of these facilities is the prerogative of the U.S. Government, who owns and controls all worksite facilities. Notices or other postings may not

disparage the client or the Company and its management nor contain obscene or inappropriate language.

SECTION 16.2 Physical Examinations

The Employer shall pay for any physical/medical examinations and testing that is required by the Employer and/or the U.S. Government. The Employer has the right to choose the physician who will perform the physical/medical exam and pre-approve any expenses.

Employees must pass the physical exam prescribed by the Employer's contract with the U.S. Government in order to be employed and to maintain employment.

The Employer will pay for the time required for the employee to take required physical exams. Time for any exams requiring more than two (2) hours must be pre-approved by the Site Supervisor. If, when the appointment is going to exceed two (2) hours, and could not have been reasonably anticipated, the employee will call into the Site Supervisor or designee to inform them of the delay and to request approval for additional time.

SECTION 16.3 Travel Expenses

Travel expenses will be paid in accordance with applicable Federal Travel Regulations. The Company will provide advance payments for Company authorized and approved travel expenses if requested by an employee. Any workday that includes travel and totals over twelve (12) hours may require the employee to stay overnight, and the appropriate per diem will be paid. All hours in travel up to a maximum of eight (8) per day will be counted as work hours, with the appropriate overtime wages provided for under this Agreement. Employees will be reimbursed for all authorized expenditures of any authorized travel within twenty (20) days from the day the Employer receives the properly completed travel voucher and all required receipts.

SECTION 16.4 Break Rooms

The Employer will make a reasonable effort to obtain from the U.S. Government break rooms for CSOs for breaks and lunch, without management using the room as an office, and will make a reasonable effort to have the U.S. Government equip the room with water. The providing of these facilities is the prerogative of the U.S. Government.

SECTION 16.5 Lockers

The Employer will make a reasonable effort to obtain lockers from the U.S. Government for the use of the CSOs. The Employer agrees to make a reasonable effort to support any Association request for separate locker/changing facilities. The providing of these facilities is the prerogative of the U.S. Government.

SECTION 16.6 Association Business Prohibited On Duty

Neither Association officials nor Association members shall, during working time (excluding break and lunch periods), solicit membership, receive applications, hold meetings of any kind for the transaction of Association business, or conduct any Association activity or business other than the handling of grievances as described in this Agreement. No employee may leave their post without permission from the Employer under any circumstances, unless there is appropriate Government permission granted.

SECTION 16.7 Safety Policy

It is the policy of the Company to make all reasonable efforts to provide employees with places and conditions of employment that are free from or protected against occupational safety and health hazards. Under this Agreement, all worksites and facilities are the property of the U.S. Government, who is responsible for the condition and safety of the worksite. The Company agrees to permit one (1) bargaining unit member selected by the Association to participate in any locally scheduled safety meetings if approved by the Government.

SECTION 16.8 OSHA Standards

The Company will report to the client any safety issues observed or reported to the Company in any U.S. Government-provided CSO workstations and break rooms which pose a threat to the safety and health of employees and involves a condition under the control of the client.

ARTICLE 17 CONTINUITY OF OPERATIONS

SECTION 17.1 No Strikes

Both the Company and the Association agree that continuity of operations is of utmost importance to the Company's security operations. Therefore, so long as this Agreement is in effect, the Association and the Company agree that there will be no strikes, lockouts, work stoppages, picket lines, hand-billing related to any employment dispute or directed at the client, slowdowns, or secondary boycotts during the term of this Agreement.

Upon notice of an unauthorized strike, slowdown, stoppage of work, planned inefficiency, or any curtailment of work or restriction or interference with the operation of the Employer, the Association shall take affirmative action and use all reasonable efforts to avert or bring such activity to prompt termination, including but not limited to directing the employee(s) involved to cease such activities.

Conduct in violation of this article is prohibited and is cause for immediate discharge.

SECTION 17.2 No Lockouts

During the life of this Agreement, the Employer shall not lockout any employees covered in this Agreement.

ARTICLE 18 SEPARABILITY OF CONTRACT

In the event that any provision of this Agreement shall at any time be declared invalid by any court of competent jurisdiction or through Government regulations or decree, the parties hereto agree to renegotiate such provision or provisions of this Agreement for the purpose of making them conform to the Government decree or statutes, so long as they shall remain legally effective. It is the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect.

ARTICLE 19 ENTIRE AGREEMENT

The parties acknowledge that during the negotiation which resulted in the Agreement, each was afforded the unlimited right and opportunity to make demands and proposals with respect to any matter not removed by law from the area of collective bargaining, and all agreements reached by the parties are set forth in this Agreement. Therefore, the Company and the Association shall not be obligated to bargain collectively over any matter pertaining to conditions of employment, including, but not limited to, rates of pay, wages, hours of work, disciplinary actions, training requirements, etc., including matters which were raised during negotiations but not included in this Agreement, during the term of this Agreement, except as specifically provided for in this Agreement.

ARTICLE 20 TERMINATION OF AGREEMENT

Should either party desire to terminate this Agreement or any provision thereof, it shall give written notice to the other party not less than sixty (60) days and not more than one hundred and eighty (180) days prior to the expiration. In the event such notice is given, the existing Agreement may be continued by mutual consent of both parties until a new Agreement is reached. This Agreement may also be changed or amended by agreement of both parties.

ARTICLE 21 DURATION OF AGREEMENT

This Agreement shall be effective from October 1, 2011 through September 30, 2016 and supersedes any and all prior agreements or understandings between the parties.

AGREED:

OREGON COURT SECURITY OFFICERS ASSOCIATION

By: William Pastor

Its: President

Date: 08-03-2011

AKAL SECURITY, INC.

By:

Its: V.P. H.R.

Date: 8/26/2012

COMPENSATION AND FRINGE BENEFITS ADDENDUM

WHEREAS, Akal Security, Inc. (hereinafter referred to as "the Company") and the Oregon Court Security Officers Association (hereinafter referred to as "the Association") entered into an Agreement effective October 1, 2011,

WHEREAS, the Association has been duly designated as the bargaining unit representative for the Court Security Officers and Lead Court Security Officers assigned to the following location:

Circuit: 9th

District: District of Oregon

Jobsite(s): Portland, Eugene, Medford

WHEREAS, the aforementioned Agreement provides for the Company and the Association to negotiate compensation and fringe benefits for each facility covered therein and to enter into an Addendum setting forth those economic terms,

NOW THEREFORE, it is hereby agreed as follows:

WAGES

The Company agrees to pay employees covered by this agreement at the following rates per hour:

	Current	Effective 10/1/11	Effective 10/1/12	Effective 10/1/13	Effective 10/1/14	Effective 10/1/15
CSO	$26.91	$27.99	$28.83	$29.69	$30.58	$31.50
LCSO	$29.19	$30.36	$31.27	$32.21	$33.18	$34.18
SLCSO	$30.83	$32.06	$33.02	$34.01	$35.03	$36.08

Employees assigned to work between the hours of 1800 (6:00 p.m.) to 0600 (6:00 a.m.) shall receive an additional 5% of their base hourly rate.

HEALTH & WELFARE

Funding. For all hours paid, not to exceed forty (40) hours in any one (1) week or 2080 hours in one (1) year, the Company agrees to make Health and Welfare contributions as follows:

	Current	Effective 10/1/11	Effective 10/1/12	Effective 10/1/13	Effective 10/1/14	Effective 10/1/15
All Employees	$4.00	$4.05	*	*	*	*

*The parties agree that either party may reopen negotiations for amendments to Addendum Health and Welfare allowance at any time between May 1 and before June 1, for all years governed by this contract by giving written notice to the other party. All provisions of this Agreement shall remain in force during the terms of negotiations, and for the remainder of the terms of this agreement.

HEALTH AND WELFARE

H&W PAYMENTS

For the term of this agreement, Akal Security, Inc. (the Company) and Oregon Court Security Officers Association (the Association) agree that the Company will make a contribution to all H&W and pension monies to the Health and Welfare Benefit Program (HWBP) on behalf of each employee covered by this agreement beginning October 1, 2011.

The collective plan shall be referred to as the HWBP for the purposes of this agreement.

H&W contributions shall be set by the CBA between the parties and will be paid on all hours paid up to a maximum of 2080 hours per year.

All H&W amounts earned by each employee will be placed in an HWBP account under their name and shall be 100% vested in the employee. The Association agrees that the Company may use all needed employee information available to the Company in the normal course of business to set up these accounts. All employees will be enrolled into the program. There is no waiver option.

Any employee who does not allocate or direct the funds in the Plan will have the funds placed into the default 401K fund as deemed by the Plan Trustee. At the current time, the Manning and Napier Moderate Fund is the default fund.

The Plan will comply with all applicable laws. The Plan will offer various benefits as outlined below which shall be selected by each individual participant as they see fit; all participants are encouraged to actively monitor and revise their benefit selections as they individually deem appropriate and will be afforded the opportunity to do so. The Plan shall contain, at a minimum, the following features, available for selection by all employees, which will be developed in consultation with the Association:

1. 401K plan with 10 different investment options
2. Voluntary and/or supplemental medical, dental and vision plans
3. Long term and short term disability available subject to participation
4. Health Reimbursement Account
5. Parking and Commuter Reimbursement Account
6. All benefit plans covered through the Plan will be administered through Specialized Contract Administrators and will continue as such through term of this CBA.
7. The Plan shall permit employees the opportunity to make two (2) withdrawals during any single plan year for a fee of $20.00. Employees under the age of 59½ may be subject to IRS rules regarding hardship withdrawals.

The Company will:

1. Ensure all employees are automatically enrolled in the Plan within 2 pay periods from date of hire.
2. Ensure all H&W earned by the employee is sent to the plan administrator within 14 days of the end of the pay period for which the money is earned.
3. Ensure each employee receives the information to facilitate the allocation of their funds as they choose once each year during annual open enrollment.
4. Consult with the Association to develop the Plan and Plan documents, including the selection of the benefits to be included in the plan offering and prior to making any voluntary plan changes after the Plan is established.
5. Have the final say in all benefits included in the Plan.
6. Bear 50% of the costs of administration of the Plan with the remainder paid from plan assets.

On behalf of the employees, the Association agrees to the following:

1. The Company may use all needed employee information available to the Company in the normal course of business to set up these accounts.
2. No employee covered by this agreement may refuse to participate in the Plan. Refusal to sign any documents will not prevent an employee's funds from being placed in the Plan.
3. If an employee fails to make an election, the employee shall be deemed to have selected participation in the 401K Plan.
4. The Association agrees that the Plan will continue for the term of the CBA and all future CBAs unless specifically negotiated.

UNIFORM ALLOWANCE

Current and Continuing:

All Employees: $0.25/regular hour worked up to 40 per week.

The parties agree that Employees may purchase their own shoes at Employee's expense. However, Employee's shoes shall conform to the following criteria:

a) They shall be black;
b) They shall have non-skid rubber soles; and
c) They shall be plain toe.

PENSION

Current and Continuing:

All Employees: $0.60/regular hour worked up to 40 per week.

LEAVE BENEFITS

VACATION

The Company agrees to pay employees covered by this agreement at the following vacation allowances per year as stated in Article 14:

Current and continuing:

The Company agrees to pay employees covered by this agreement at the following vacation allowances per year as stated in Article 14:

Upon completion of 1 year of service	80 hours
Upon completion of 5 years of service	120 hours
Upon completion of 10 years of service	160 hours
Upon completion of 15 years of service	200 hours
Upon completion of 20 years of service	240 hours

HOLIDAYS

Current and continuing:

New Years Day	Columbus Day
Martin Luther King Birthday	Veteran's Day
President's Day	Thanksgiving Day
Memorial Day	Christmas Day
Independence Day	Employee's Birthday*
Labor Day	Good Friday

Other Days Designated in writing by Employer

*May be taken as a floating holiday during the contract year by requesting from the Site Supervisor the time at least three (3) days in advance. Approval is contingent upon operational needs.

HOLIDAY PROVISIONS

A full-time position employee who is not required to work a holiday shall be paid eight (8) hours straight time, exclusive of any shift premium for that holiday.

Any full-time position employee who works as scheduled on a holiday shall receive the employee's appropriate rate of pay for all hours worked, and in addition, shall receive eight (8) hours holiday pay at the straight time rate as described in this Addendum.

A shared position employee who does not work on a holiday shall receive prorated holiday pay based on the number of actual hours the employee is eligible for pay during the two (2) week pay period in which the holiday occurs. A shared position employee shall be granted a minimum of four (4) hours pay per holiday. Shared position holiday prorating shall be based upon total non-holiday work days in the pay period.

Any shared position employee who works as scheduled on a holiday shall receive the employee's appropriate rate of pay for all hours worked, and in addition shall receive prorated holiday pay as described in this Addendum.

In the event that the holiday falls on a weekend, the term "holiday" will refer to the day that the U.S. Government designates as the holiday.

BREAVEMENT LEAVE

Current and Continuing:

A. If it is necessary for an Employee to lose time from work because of a death in immediate family, whether the family member lives in or out of their local state, the Employee shall be entitled to five (5) paid days leave at their straight-time rate of pay. Immediate family is defined to mean any Employee's: father, mother, spouse, brother, sister, children (including legally adopted children and/or stepchildren), father-in-law, mother-in-law, brother-in-law, sister-in-law, grandparents, and grandchildren. The Company agrees to recognize an Employee's domestic partner as immediate family.

B. The Employer may require proof of the death for which an Employee requests a paid leave.

JURY DUTY

Any Employee called for jury service shall be compensated for up to ten (10) days of their regular rate of pay for days spent in jury duty. The Company reserves the right to request

written notice that the Employee has served. Transportation fees are not reimbursable for the Employee. An Employee shall inform the Company immediately upon receiving a notice to report for jury duty. The Company reserves the right to request exemption. Jury service fees paid to the Employee shall be surrendered to the Company.

Any Employee called as a witness to a crime at the facility shall be compensated for all time lost.

Shared position Employees will receive the full jury service benefits.

PERSONAL / SICK LEAVE TABLE

PERSONAL / SICK LEAVE TABLE

START DATE	RATE OF PERSONAL/SICK LEAVE ELIGIBLE TO USE	
Date Employee begins working on the contract, based on an October 1 contract date.	**FULL-TIME**	**SHARED POSITON**
October 1 - 31	72.00	36.00
November 1 - 30	66.00	33.00
December 1 - 31	60.00	30.00
January 1 - 31	54.00	27.00
February 1 - 29	48.00	24.00
March 1 - 31	42.00	21.00
April 1 - 30	36.00	18.00
May 1 - 31	30.00	15.00
June 1 - 30	24.00	12.00
July 1 - 31	18.00	9.00
August 1 - 31	12.00	6.00
September 1 - 30	6.00	3.00

Each full-time employee shall be eligible to use a maximum of nine (9) days personal leave at the beginning of each 12 month Government contract year worked. Employees who begin employment after the inception of the contract year will be eligible to use a prorated amount of personal leave, based on the above Personal/Sick Leave Table.

Personal leave may be taken in not less than 4-hour increments and shall be paid when taken by the employee as approved in advance by the Site Supervisor or District Supervisor. Except that employees can use up to eight (8) hours of personal/sick time per contract year in two (2) hour increments by requesting from the Site Supervisor the time at least three (3) days in advance. Approval is contingent upon operational needs.

Shared position employees will receive one-half the full-time personal leave per full contract year worked. At the end of the contract year, any shared position employee who was paid more

than half the full-time hours (1040 hours) will receive additional prorated personal leave based on the number of hours the employee was paid during the contract year.

Unused personal days shall not be cumulative from year to year. Any unused, earned personal leave will be paid to the employee at the end of the contract year.

Upon termination of employment, employee will be paid at their individual hourly rate for any unused, earned personal leave based upon the number of hours the employee was paid during the contract year. If the employee has used more personal leave than he/she has earned based upon time paid on the contract, the amount of the overage will be deducted from the employee's final paycheck.

Personal leave (and vacation) day may be used to cover absences caused by illness. Any employee who is unable to report to work because of sickness must notify the Company at least two (2) hours prior to the beginning of his/her shift in order to be eligible for paid personal leave benefits. Proof of illness may be required. Disciplinary action may result from excessive, unapproved absenteeism.

AGREED:

OREGON COURT SECURITY OFFICERS ASSOCIATION

By: _____

Its: President

Date: 08-03-2011

AKAL SECURITY, INC.

By: _____

Its: V.P. H.R.

Date: 8/26/2011

AMENDMENT TO

MEMORANDUM OF AGREEMENT

BETWEEN

AKAL SECURITY, INC.

AND OREGON COURT SECURITY OFFICERS

On August 03, 2011, the Oregon Court Security Officers (Union) signed a document entitled "Memorandum of Agreement Regarding Health & Welfare Allowances" as part of the negotiated Collective Bargaining Agreement effective October 1, 2011.

The Memorandum is hereby amended as follows:

- Item number 6 on page 2 of the Memorandum is DELETED.
- It is agreed that the HWBP hourly administrative fee of $0.05 will be paid from H&W dollars.
- It is agreed that the Health and Welfare Allowance rates negotiated with the aforementioned Union in 2011 and documented in their appendix shall be increased by $0.05 per hour for each year of the agreement.
- It is agreed that, should the HWBP hourly administrative fee of $0.05 increase during the life of the agreement, the Company and the Union will re-open negotiations of the Health and Welfare Allowance rate.

AGREED:

OREGON COURT SECURITY OFFICERS

_____

By: William Rector

Its: President

Date: 08-23-2011

AKAL SECURITY, INC.

By: Sean J. Engelin

Its: Director, Labor Relations

Date: August 22, 2011