Collective Bargaining Agreement

Between

INTER-CON SECURITY SYSTEMS, INC.

And

UNITED GOVERNMENT SECURITY OFFICERS

Of AMERICA INTERNATIONAL UNION

And

UNITED GOVERNMENT SECURITY OFFICERS

Of AMERICA, LOCAL 86

2009-2012

DEFINITIONS

Agreement – This collective bargaining agreement between Inter-Con Security Systems, Inc. and United Government Security Officers of America, International Union and its UGSOA Local 86 detailing the terms and conditions of employment and expectations of each party, one to another.

Agreement Year – A one-year period from October 1 to the following September 30 in each of the years covered by this Agreement.

Business Days – Monday through Friday, excluding holidays.

Call in - Anytime a CSO is required to report to duty when he/she is not scheduled to work.

Collective Bargaining Unit (CBU) –Lead Court Security Officers and Court Security Officers assigned to work sites within the Eastern District of Texas under contract between the United States Marshals Service and Inter-Con Security Systems, Inc.

Company – Inter-Con Security Systems, Inc.

Contract – Contract between Inter-Con Security Systems, Inc. and the United States Marshal Service to provide security operations in the Fifth Judicial Circuit.

Contract Year – A one-year period from October 1 to the following September 30 in each of the years covered by United States Marshal Service Contract.

Court Security Officer (CSO) – An Employee qualified and trained to perform security services under this Contract.

Date of Hire – The first date of earnings from staffing a post on this contract as a CSO or LCSO for the Company, or as a CSO or LCSO for any predecessor Employer.

Disciplinary Action – Any action taken against an Employee by the Company, including verbal counseling, written reprimand, suspension, or termination of employment.

Employee – A Court Security Officer or Lead Court Security Officer referenced in this Agreement.

Employer – Inter-Con Security Systems, Inc.

Full Time Employee – An Employee regularly scheduled a forty (40) hour workweek.

Grievance – An action filed by the Union or an Employee concerning a claimed violation, misinterpretation, or misapplication of any provision of this Agreement, or the challenge of any disciplinary action taken against a Union Employee.

Holidays – Those days specifically designated as such in Appendix A to this Agreement.

Initiation Fee – A prescribed amount of money to be paid by an Employee when applying for membership to the Union.

Lead Court Security Officer (LCSO) – A non-supervisory Employee who directs the daily operation at a work site, prepares work schedules, coordinates leave time taken and acts as a liaison between the Site Supervisor, Contract Manager, and the C.O.T.R.

Lead Court Security Officer One (LCSO1) –LCSO at a work site assigned six (6) or more CSO positions.

Lead Court Security Officer Two (LCSO2) –LCSO at a work site assigned five (5) or less CSO positions.

Local – This Collective Bargaining Unit.

Overtime – Wages paid at one and one-half (1.5) times the Employee's regular rate of pay for all hours worked in excess of forty (40) hours per workweek.

Probationary Employee – An Employee with ninety (90) days or less of employment from the date of hire, or with ninety (90) days or less in a new classification (LCSO) with Inter-Con Security Systems, Inc. During the first ninety (90) days, the Union would not be able to grieve a demotion for a LCSO back to a CSO. No other Union rights for a LCSO would be forfeited under this provision.

Regular Hours – All hours worked and paid at the regular rate of pay, up to forty (40) hours per workweek.

Service Fee – A prescribed amount of money to be paid by non-Union Employees to the Union on a monthly basis.

Shared Position Employee – An Employee regularly scheduled less than forty (40) hours per workweek and utilized to provide full staffing as manpower needs require.

Shift Differential - A premium in wage related to work within a specific set of defined hours within the CBA.

Site Supervisor – A Company first-line managerial employee responsible for managing the day-to-day operation of CSOs in the Eastern District of Texas.

Steward – An elected or appointed Union official representing Union members.

Straight Time Hours – Regular hours worked, paid vacation leave taken, holidays taken, accrued personal / sick leave taken, bereavement leave and jury leave hours. Straight time hours do not include hours paid at overtime or double-time rates of pay.

Total Seniority – The priority or precedence achieved by length of service since the Employee's date of hire as a CSO or LCSO by the Company or any predecessor Employer in this or any other Judicial District.

Union – United Government Security Officers of America (UGSOA) International Union and its affiliate, United Government Security Officers of America Local # 86.

Union Dues – A prescribed amount of money paid by Union members to the Union on a monthly basis.

Union Representative – An Officer, Steward or Member of the Union.

Unit Seniority - The priority or precedence achieved by length of service since the Employee's date of hire as a CSO or LCSO by the Company, or any predecessor Employer, within the Collective Bargaining Unit.

USMS – United States Marshals Service.

Work Day – Any day, Sunday through Saturday, including holidays, which an Employee may be required to work.

Work Site(s) – The actual facilities in which work activities are performed, which are: Beaumont, Lufkin, Marshall, Plano, Sherman and Texarkana

Work Site Seniority – The priority or precedence achieved by length of service since the Employee's date of hire as a CSO or LCSO by the Company, or any predecessor Employer, at the work site.

PREAMBLE

THIS AGREEMENT is made and entered into by and between Inter-Con Security Systems, Inc. a California corporation, hereinafter referred to as the "Employer" or "Company," and the United Government Security Officers of America (UGSOA) International Union and United Government Security Officers of America Local Union # 86, hereinafter referred to as the "Union". The economic changes associated with this CBA take effect on October 1, 2009 and the non-economic changes associated with this CBA take effect upon execution of this CBA.

COURT SECURITY OFFICER

MISSION STATEMENT

Ensure the safety of United States Federal Courts, their employees, and visitors against unauthorized, illegal and potentially life-threatening activities.

GOAL

To conduct ourselves at all times in a manner as to bring credit upon the Court Security Officer Program, the United States Marshal Service, and Inter-Con Security, Inc.

VISION

To be alert to all situations and events that take place and take necessary measures to resolve each issue in a courteous and professional manner.

ARTICLE 1

COLLECTIVE BARGAINING UNIT

A. This Agreement is entered between Inter-Con Security Systems (hereinafter referred to as the "Employer" or "Company") and United Government Security Officers of America International Union (UGSOA) and United Government Security Officers of America Local Union # 86 (hereinafter referred to as the Union). The Company recognizes the Union as the sole and exclusive bargaining representative of the Employees in the Collective Bargaining Unit (CBU) defined below for the purpose of collective bargaining as defined in the National Labor Relations Act.

B. The CBU is defined as all full-time and shared position Federal Court Security Officers (CSOs) and Lead Federal Court Security Officers (LCSOs) employed by the Company in the 5th Circuit in the Eastern District of Texas, including the cities of Beaumont, Lufkin, Marshall, Plano, Sherman and Texarkana, excluding all other employees including office clerical employees and professional employees as defined under the National Labor Relations Act.

C. 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.

ARTICLE 2

SENIORITY

SECTION 2.1 SENIORITY DEFINED

A. "Total seniority" shall be the length of continuous service, from the Employee's last date of hire as a CSO or LCSO for the Employer, past or present, and /or any predecessor Employer. Total seniority shall apply to the amount of vacation for which an Employee is eligible.

B. "Unit seniority" shall be the length of continuous service within the bargaining unit, from the Employee's last date of hire as a CSO or LCSO for the Employer, past or present, and /or any predecessor Employer. Unit seniority shall be applicable in determining layoff, recall and filling transfers for vacancies within the Local or filling any new positions created within the Local as per Section 3.1, and all additional matters provided for in this Agreement not specifically addressed in this Section.

C. "Worksite seniority" shall be the length of continuous services within the worksite. Each building shall constitute a separate worksite. Worksite seniority shall apply for the purpose scheduling vacations, duty post assignments, shift bidding, extra work, and assigning overtime.

D. Unit seniority shall not accrue until the Employee has successfully completed the probationary period.

E. Any Employee permanently transferred out of the designated Collective Bargaining Unit shall lose his/her Unit and Worksite seniority as defined in this Section, but shall retain his/her Total seniority.

SECTION 2.2 SENIORITY LISTS

The Company shall provide a seniority list (showing total, unit, and worksite seniority), to the Local Union each year on October 1. The Union will respond, within thirty (30) days, if it disagrees with any stated seniority. In the event of a disagreement, the Company and the Union shall confer and exchange information in order to attempt to resolve any discrepancy. In the event agreement cannot be reached the Union may grieve unresolved discrepancies. The seniority list shall be posted on all Union bulletin boards.

SECTION 2.3 PERSONAL DATA

Employees shall notify the Employer in writing, on the company provided form, of their proper mailing address, email address, cell phone (e-mail and cell phone, only if the employee agrees to furnish) and telephone number or of any change of name, address, email address, cell phone or telephone number. The Company shall be entitled to rely upon the last known address in the Employer's official records.

SECTION 2.4 TRANSFERS OUT OF UNIT

Any bargaining unit Employee who is promoted to a non bargaining unit position for more than four (4) consecutive weeks shall lose his/her unit and worksite seniority, but shall retain his/her total seniority. If he/she returns to the bargaining unit at a later date his/her unit and worksite seniority will start on that return date.

SECTION 2.5 PROBATIONARY EMPLOYEES

Newly hired or rehired Employees will be considered probationary for a ninety (90) calendar day period after their hire date. The Union 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 agreement between the Company and the Union. Employees assigned to a new classification (LCSO) will be in a probationary status for ninety (90) days. During the first ninety (90) days, the Union would not be able to grieve a demotion for a LCSO back to a CSO. No other Union rights for a LCSO would be forfeited under this provision.

SECTION 2.6 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 for just cause;

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 ninety (90) calendar days;

E. The U.S. Government revokes the Employee's credentials as a CSO for just cause;

F. The Employee is permanently transferred out of the collective bargaining unit (except as provided in Section 2.4 above).

SECTION 2.7 REINSTATEMENT OF SENIORITY

The seniority of an Employee shall be reinstated for the following reasons:

A. An Employee returned to work after overturning a medical disqualification shall regain their seniority back to the original date of hire.

B. An Employee returned to work after overturning a discipline termination shall regain their seniority back to original date of hire.

ARTICLE 3

JOB OPPORTUNITIES

SECTION 3.1 SHIFT BIDDING, HOURS OF WORK, & SENIORITY

Each year, at the request of the Local, all Full-time Employees and shared position Employees at each location shall bid their shift schedules among designated full-time shifts or shared shifts in the order of seniority. Shift bidding may not lead to any change in status from full-time to shared position or vice versa.

SECTION 3.2. FILLING NEW POSITIONS CREATED BY THE USMS

The Company will post position opening announcements, if any, on bulletin boards, announce the openings at each shift change, and hand out a position opening announcement notice for two (2) work days. Interested employees must notify the Site Supervisor in writing of their desire to be assigned the posted position. The most qualified, senior Employee bidding on the position will be selected.

SECTION 3.3 FILLING VACANCIES / NEW POSITIONS

As an exception to Section 2.1B of this Agreement, if a vacancy occurs in a regular position covered by this Agreement or if a new position is added, Employees at that specific work site may request to change their status from full time to shared position or vice versa to fill the vacancy or new position prior to posting the job. The change in status shall be granted by order of seniority at that specific work site.

A. The vacancy or new position will then be posted by the Site Supervisor for a period of two (2) working days on the bulletin board, if any, of every work site governed by this Agreement. If there is no bulletin board, the posting will be by other methods used to communicate written information to Employees. The two (2) working days posting requirement shall be considered sufficient notice to all Employees of the vacancy or new position. Employees interested in requesting a transfer to fill the vacancy or new position, or in changing their job status shall contact the Site Supervisor in writing of their intent. All employees should notify the Site Supervisor, in writing, of their intent to apply for a Full Time, Shared position, or a new shift, should one became available prior to going on any leave. Unit seniority and the unit seniority list will be utilized to fill the vacancy or new position before new applicants are considered for the job.

SECTION 3.4 SHARED TIME EMPLOYEES

A. 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 weekly work schedule changes.

B. With at least two (2) business days notice to the Company and approval by the Site Supervisor, a shared position Employee shall be permitted to trade work days with another shared position Employee, provided the trade in work days will not require the Company to pay overtime.

SECTION 3.5 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 Unit. The Company will notify the Union, in writing, of required reduction. Recall of Employees will be accomplished by recalling the last laid-off Employee first, and so on. A recalled employee must meet the current contract certifications.

SECTION 3.6 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. In the absence of volunteers, assignments shall be made on a reverse seniority 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 regular hourly wage they receive at their regular site under this agreement, whichever is greater. Temporary shift assignments within a site will be limited to thirty (30) days as long as scheduling and manpower allow.

SECTION 3.7 APPOINTMENTS OF LEAD CSOs

The selection of LCSO's is the exclusive right of the Company and will be made based on qualifications, experience and past performance.

A LCSO at a work site with six (6) or more CSO positions shall be designated a LCSO 1

A LCSO at a work site with five (5) or less CSO positions shall be designated a LCSO 2

ARTICLE 4

GENERAL PROVISIONS

SECTION 4.1 NEGOTIATING COMMITTEE

The Company agrees to recognize a Negotiating Committee composed of up to two members and one alternate selected by the Union to represent the Employees in all collective bargaining negotiations, as long as schedules permit to allow for the Government and the Company's staffing needs to be met. Alternate dates will be proposed if the scheduling dates cannot be met.

SECTION 4.2 STEWARD SYSTEM

The Company agrees to recognize a steward system.

A. The Union agrees that the Union Representatives will work at their regular jobs at all times except when they are relieved and come off the clock to participate in Employee disciplinary interviews and to attend to all the business of the Grievance Procedure as outlined in this Agreement.

B. If the Employee requests, the Company will call for a Union Representative prior to any disciplinary action taken, whether it be written or verbal. The Company, at the request of the Employee, will release the Union Representative as soon as possible. The aggrieved Employee shall be paid their regular rate of pay during such disciplinary interviews. The Union representative will not be paid during such disciplinary interviews.

SECTION 4.3 MANAGERS AND SALARIED PERSONNEL

Managerial and salaried employees shall not perform the duties of the Employees in the bargaining unit except in an emergency.

SECTION 4.4 UNION SECURITY

A. An Employee who is a member of the Union at the time this Agreement becomes effective shall continue membership in the Union for the duration of this Agreement, to the extent of tendering the membership dues uniformly required as a condition of retaining membership in the Union.

B. An Employee who is not a member of this Union at the time that this Agreement becomes effective shall, within ten (10) days after the 30th day following the effective date of this Agreement or date of hire either:

1. Become a member of the Union and remain a member

   or

2. Pay the Union a service fee. The amount of this service fee shall be equal to that paid by regular Union members to include regular and usual initiation fees. The service fee will not include any assessments, special or otherwise. Such payments shall commence on the 30th day after the date of hire.

C. Pursuant to this section, before an Employee is terminated for non-compliance the Employee must first be sent a letter by the Union, via registered mail, return receipt requested, requesting the Employee pay the prescribed initiation fee, dues, or service fees. The letter must state the amount owed and the time period covered. If the employee does not respond within two (2) full weeks after receiving the notice, a second letter will be sent by the Union, via registered mail, return receipt requested, requesting the Employee pay the prescribed initiation fee, dues, or service fee. If the Employee

pays the delinquent fees within 2 full weeks after receipt of the second notification, the Employee will not be terminated. Any request for termination under this provision, will be accompanied by copies of both notifications and registered letter. In the event the Union requests the discharge of an Employee for failure to comply with the provisions of this Article, it shall serve notice on the Company requesting that an Employee be discharged effective no sooner than two (2) weeks of the date of the notice. The notice shall also contain reasons for the discharge. The Company will inform the Employee of his/her impending discharge and effective date. In the event the Union subsequently determines that the Employee has remedied the default prior to the discharge date, the Union will notify the Company and the Company will not be requested to discharge that Employee.

D. The obligations set forth in this Article shall only be effective to the extent permitted by controlling law. All Employees regularly employed at any federal enclave who are not members of the Union shall pay the Union a service fee. If there is a legal challenge to any provision of this Article, the Employer may suspend its obligations under this Article for the duration of the dispute after conferring on the matter with the Union.

E. The Union, including its International, agrees to save and hold the Employer harmless from any and all claims, actions, suits, damages, or costs, including any attorneys' fees incurred by the Employer, on account of any matter relating to the terms of this Article, including, but not limited to, any claims by any Employee(s) and compliance with the law.

SECTION 4.5 DUES CHECKOFF

A. The Company agrees to deduct dues as designated by the Union on a monthly basis (on the first pay date of each month) from the paycheck of each member of the Union. These deductions will be made only upon written authorization from the Employee on a form provided by the Union. The Employee, upon written notice served upon the Company and the Union, 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 Union, as to the dollar amount of the Union membership dues.

B. The Company will remit all such deductions to the Financial Secretary/Treasurer within fifteen (15) business days from the date that the deduction was made. The Union agrees to furnish the Company with the current routing number for electronic wire transfer. The Company shall furnish the Financial Secretary/Treasurer with a deduction list, setting forth the name and amount of dues with each remittance. The Union 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 sent to the Union. Errors made by the Company in the deduction or remittance of monies shall not be considered by the Union as a violation of

this provision, providing such errors are unintentional and corrected when brought to the Company's attention.

SECTION 4.6 INTENT OF PARTIES

The Union and the Company agree to work sincerely and wholeheartedly to the end that the provisions of this Agreement will be applied and interpreted fairly, conscientiously, and in the best interest of efficient security operations. The Union and the Company will put forth their best efforts to cause the bargaining unit Employees, individually and collectively, to perform and render loyal and efficient work and services on behalf of the Company, and that neither their representatives nor their members will intimidate, coerce, or discriminate in any manner against any person in its employ by reason of his/her membership and activity or non-membership or non-activity in the Union.

SECTION 4.7 ANTI-DISCRIMINATION

Neither the Company nor the Union will discriminate against any Employee because of race, color, religion, sex, age, national origin, Military Veterans status, disability or other protected reason. The Company and the Union recognize that the objective of complying with equal employment laws is consistent with Company and Union philosophy, and the parties agree to work sincerely and wholeheartedly toward the accomplishment of this objective.

ARTICLE 5

MANAGEMENT RIGHTS

SECTION 5.1 MANAGEMENT RIGHTS

Management of the business and direction of the security force are exclusively the right of management. These rights include the right to:

A. Hire;

B. Assign work;

C. Promote, demote or layoff;

D. Discharge, discipline, or suspend for just cause;

E. Require Employees to observe reasonable Employer rules and regulations;

F. Determine when overtime shall be worked;

G. Determine the qualifications of an Employee to perform work.

SECTION 5.2 MANDATORY BARGAINING SUBJECTS

Management shall not implement any changes to subjects covered in the mandatory bargaining list as provided for in the NLRA Section 8(d), without first providing the Union with notice and an opportunity to bargain.

SECTION 5.3 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 6

GRIEVANCE PROCEDURE

SECTION 6.1 INTENT

For purposes of this Agreement, a grievance shall mean a claimed violation, misinterpretation, or misapplication of any provision of this Agreement, or the challenge of any disciplinary action taken against a Union Employee. Upon written request, the Company shall provide the Union with applicable information concerning the grievance.

SECTION 6.2 GENERAL PROVISIONS

A. The number of days outlined in Section 6.3 in the processing and presentation of grievances shall establish the maximum time allowed for the presentation and processing of a grievance. The term "days", further defined as business days, shall not include Saturdays, Sundays or holidays when used in this Article.

B. While it is the intent of the Company to respond to grievances on a timely basis, if the Company fails to respond to a grievance within the time period allotted for a specific step, the grievance may be treated by the Union as denied at that Step and the Employee or Union may proceed to the next Step. If the Union fails to respond or move the grievance to the next step in the process, the grievance will be treated by the Company

as dropped and removed from the grievance process. The parties by mutual written agreement may agree to extend any of the time limitations.

SECTION 6.3 GRIEVANCE PROCEDURES

All grievances shall be presented and processed in accordance with the following procedures:

A. **Informal Step** - The parties shall make their best efforts to resolve any dispute on an informal basis. Both the Company and the Union agree that the Employee or union Representative will first document in writing the complaint and submit it to his or her Site Supervisor, within eight (8) business days of Employee's knowledge of a grievable issue, to start the informal procedure. If the informal procedure is not invoked within eight business 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 deems it desirable, a steward or other Union representative will be called in.

B. **Step One** - If the matter is not resolved informally, the Employee shall, not later than ten (10) business days after the informal discussion with the immediate supervisor, set forth the facts in writing, specifying the Article and paragraph allegedly violated. This shall be signed by the aggrieved Employee and the union representative (except in the case of a class action grievance, only the Union representative must sign), and shall be submitted to the Contract Manager with a copy to the Company's Vice President of Operations. The Contract Manager shall have ten (10) business days from the date the grievance was presented to return a decision in writing with a copy to the aggrieved Employee and the union representative.

C. **Step Two** – If the grievance is not settled in Step One, the grievance may be appealed in writing to the Company's Vice President of Operations or designee not later than ten (10) business days from the denial by the Contract Manager. The Company's Vice President of Operations or designee will have ten (10) business days from the date the grievance was presented to return a decision, in writing, with a copy to the aggrieved Employee and the Union Representative.

D. **Step Three** – If the grievance is not settled in Step Two, the grievance may be appealed in writing to the Company's Director of Labor Relations or designee not later than ten (10) business days from the denial by the Vice President of Operations. The Company's Director of Labor Relations or designee will have ten (10) business days from the date the grievance was presented to return a decision, in writing, with a copy to the aggrieved Employee and the Union Representative.

E. **Grievance for Discipline** - Any grievance involving discharge or other discipline may be commenced at Step One of this procedure. The written grievance shall be presented to the Contract Manager within eighteen (18) business days after the occurrence of the facts giving rise to the Grievance.

SECTION 6.4 ARBITRATION PROCEDURES

Grievances processed in accordance with the requirements of Section 6.3 that remain unsettled may be processed to arbitration by the Union, giving the Company's Director of Labor Relations written notice of its desire to proceed to arbitration not later than fifteen (15) business days after rejection of the grievance in Step Three. Grievances which have been processed in accordance with the requirements of Section 6.3 which remain unsettled shall be processed in accordance with the following procedures and limitations:

A. **Selection of an Arbitrator** - Within fifteen (15) business days the International Union will request the American Arbitration Association (AAA) or the Federal Mediation Conciliation Service (FMCS) to supply a list of seven (7) arbitrators. Within fifteen (15) days of receipt of the list an arbitrator will be selected by the parties alternately striking from the list until one (1) name remains, and this individual shall be the arbitrator to hear the grievance.

B. **Decision of the Arbitrator** - The arbitrator shall commence the hearing at the earliest possible date. The decision of the arbitrator 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. 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. If the decision of the Arbitrator is not complied with within fifteen (15) business days of the decision, the losing side shall be liable for attorney and court costs to enforce compliance including through the courts.

C. **Arbitration Expense** - The arbitrator's fees and expenses, including the cost of any hearing room, shall be shared equally between the Company and the Union. Each party to the arbitration will be responsible for its own expenses and compensation incurred bringing any of its witnesses or other participants to the arbitration. Any other expenses, including transcript costs, shall be borne by the party incurring such expenses.

SECTION 6.5 CLASS ACTION

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

SECTION 6.6 INDIVIDUAL GRIEVANCES

No individual may move a grievance to arbitration.

ARTICLE 7

DISCHARGE AND DISCIPLINE

SECTION 7.1 GROUNDS FOR DISCIPLINE AND DISMISSAL

A. After completion of the probationary period, no Employee shall be disciplined, dismissed or suspended without just cause.

B. It is recognized by the parties to this Agreement that progressive discipline generally shall be applied in dealing with Employees. However, it is also recognized that offenses may occur for which progressive discipline is not applicable (e.g. fraud, gross misconduct, theft, etc.). Disciplinary measures vary depending on the seriousness of the matter and the past record of the Employee. Anytime a LCSO or a CSO receives a disciplinary action, a twelve (12) month period begins running for that type of disciplinary action. If he/she commits another violation in that category within twelve (12) months of the date of the first offense, it counts as the second offense. If he/she commits another violation in that category more than twelve (12) months after the first violation, it counts as the first offense again. However, first or second offenses in different categories may be considered as part of a pattern of violations

C. The Company's Contract with the U.S. Government sets out performance standards for the CSOs in Section C-12 of the Contract between the Company and the USMS, and all Employees are required to comply with these standards. These performance standards, the USMS Deadly Force Standards and the US Title 18 Domestic Abuse and Violence Policy will be issued to each Employee and must be signed, acknowledging receipt, by the Employee and may be updated by the Company each year. Failure to comply with USMS performance standards, deadly force standards, and domestic abuse policy may lead to disciplinary action. Employees agree to comply with any express non-disciplinary directive issued by the United States Marshals Service.

D. It is recognized by all parties to this Agreement that the United States Marshal Service can deny an employee the opportunity to perform work under any portion of the contract. The Company agrees to review each denial and request for removal made by the USMS to ensure accuracy, fairness and consistency within the contract. The Company will exhaust all contractual means available to correct any deficiencies. The Company will not be held liable for any such notification to remove or deny an employee the opportunity to perform work under any portion of the contract when such action is directed by the United States Marshal Service.

SECTION 7.2 VOLUNTARY QUITS

An Employee shall be deemed to have voluntarily quit employment with the Company if:

A. An Employee who takes medical leave fails to notify the Company within two (2) days after he or she is able to return to work.

B. The Employee fails to report to work within twenty-four (24) hours after the expiration of a leave of absence without contacting the Company, except where failure to so

communicate is the result of emergency circumstances that prohibited the Employee from contacting the Company's Contract Manager, verified by the Company.

C. The Employee fails to respond within five (5) days of receiving a notice of recall.

ARTICLE 8

HOURS OF WORK AND OVERTIME

SECTION 8.1 PURPOSE OF THIS ARTICLE

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

SECTION 8.2 WORKWEEK

The Company's workweek shall consist of seven (7) days beginning on Sunday at 0001 and ending the following Saturday at 2400. 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 scheduled at the discretion of the Employer to fulfill the needs of the U.S. Government. The Company shall provide the Union with notice of shift schedule changes and an opportunity to bargain about the effects of such changes, prior to the implementation of such changes.

SECTION 8.3 OVERTIME

An overtime rate of time and one-half (1 1/2) 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 worked in excess of forty (40) hours in a work week.

SECTION 8.4 OVERTIME REQUIREMENTS AND ASSIGNMENTS

A. Employees may be required to work reasonable overtime assignments at the discretion of the Company. An Employee already on duty, not excused by the Company from performing reasonable assigned overtime, and who refuses to work overtime, will be subject to appropriate discipline. In no event shall an Employee be required to work overtime where the Employee can demonstrate verifiable, exigent circumstances existed that made working overtime unfairly burdensome, such as the medical emergency of a family member. It is expressly agreed and understood that the Company shall have the right to hold over Employees until relieved and/or require an available Employee to provide coverage of an open post. If an Employee is contacted while off duty for an assignment, the Employee may refuse the assignment without retribution. Managers

cannot be assigned to cover CSO overtime positions or posts except in emergency situations.

B. The parties agree to continue to follow the existing practices for offering and assigning overtime. Consistent with this practice, overtime will be offered by seniority on a rotating basis, and overtime will be distributed as equitably and fairly as practicable among Employees. Overtime will be offered to the most senior Employee at the work site. If the most senior Employee refuses the overtime, the overtime will be offered to the next senior Employee. This process will continue until the assignment is filled. Once the overtime assignment has been filled, the next overtime assignment will be offered to the next senior Employee from the Employee that accepted the previous overtime assignment. If no Employee voluntarily accepts the overtime assignment, the least senior Employee must accept the overtime assignment.

SECTION 8.5 REST 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, if so, they will be compensated at the appropriate rate of pay. The employee is required to complete a missed break form and submit the form to their Site Supervisor through the established chain of command. The Company recognizes the requirement to make its best efforts to provide regularly scheduled breaks.

ARTICLE 9

WORK SHIFTS AND PAYMENT POLICIES

SECTION 9.1 CALL-IN PAY

An Employee called in to work will be guaranteed a minimum of four (4) hours of work, or if the Company deems four (4) hours of work is not available, the employee will be paid for a minimum of four (4) hours time. If prior to the completion of the four (4) hours, an employee elects to depart, he/she will only be compensated for the actual time he/she worked. Call in is defined as anytime a CSO is required to report to duty when he/she is not scheduled to work

SECTION 9.2 WAGE SCHEDULE

The base rates of pay for Court Security Officers and Lead Court Security Officers in all work sites are described in Appendix A of this Agreement.

SECTION 9.3 PAYROLL DATES

Employees shall be paid biweekly (every other Friday or previous non-holiday business day), subject to change by mutual agreement of the parties. The Company will make its best effort to make direct deposit available. Uncontrollable acts, natural or manmade, will relieve the Company of this requirement. During such situations, the Company will make every effort to pay the Employees at the earliest possible time.

SECTION 9.4 PROCESS AT END OF EMPLOYMENT

When employment ends for any reason, the Employee's final pay entitlements, including hours worked, will be processed and paid on the next full pay period following the Employee's out-processing and final time card submission.

SECTION 9.5 TRAVEL EXPENSES

The Company will provide advance payments for Company authorized and approved travel expenses if requested by an Employee with sufficient notice. Any workday that includes travel and totals over twelve (12) hours may require the Employee to stay overnight, and the appropriate Governmental per diem will be paid. All hours in travel 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 during the first full pay cycle from the day the Employer receives the properly completed travel voucher and all required receipts.

SECTION 9.6 UNDISPUTED ERRORS

A. 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. If an error is found, the Employee shall be notified in writing prior to any deductions from his/her paycheck.

B. In case of an undisputed error on the part of the Company as to an Employee's 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 undisputed errors of $100.00 or more will be corrected and paid within three (3) working days.

SECTION 9.7 INCLEMENT WEATHER / ADMINISTRATIVE CLOSURES

An Employee who reports for duty as assigned, gears up for the assignment, and is working his/her assigned shift will be guaranteed a minimum of four (4) hours pay at the Employee's straight-time rate of pay should the worksite be closed any time during the Employee's assigned shift due to inclement weather or by any administrative closure. The Employee must remain at the work site and fill a post to receive the four (4) hours pay.

In the event that a closure occurs, employees will be excused and may use personal leave, vacation leave or leave-without-pay.

SECTION 9.8 MINIMUM HOURS BETWEEN SCHEDULED SHIFTS

Every Employee shall receive a minimum of eight (8) hours off duty between scheduled work shifts. Compliance with this section is not required in the event of an emergency, or if the Employee chooses to work by coming in early or staying after his / her scheduled shift.

ARTICLE 10

HOLIDAYS

SECTION 10.1 HOLIDAYS DEFINED

Whenever the term "holiday" is used, it shall mean:

See Appendix "A" for list of holidays.

SECTION 10.2 MISCELLANEOUS HOLIDAY PROVISIONS

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

B. 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 Section 10.2.A. above.

C. 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. However, 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. A shared position Employee who was eligible for 42 - 60 hours of pay in the pay period will receive six (6) hours holiday pay, and an Employee who is eligible for 61 - 80 hours of pay in the pay period will receive eight (8) hours holiday pay.

D. 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 above in Section 10.2.C.

E. 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.

F. Employees receive one and one-half the appropriate rate of pay for working as scheduled on Christmas and Thanksgiving, in addition to the eight hour holiday pay.

G. An Employee who is requested and agrees to work on any of the above named holidays, but fails to report to work for such holiday, without verifiable, exigent circumstances that prevented the employee from coming to work (such as medical emergency), shall not receive holiday pay, and may be subject to discipline consistent with Section 7.1 of this Agreement.

ARTICLE 11

VACATIONS

SECTION 11.1 ELIGIBLE FULL-TIME EMPLOYEES

Employees shall be entitled to annual vacation pay. Vacation entitlements are determined by an Employee's date of hire and continuous service, notwithstanding breaks in Union Seniority (as prescribed in Section 2.6) on the contract between the United States Marshal Service and Inter-Con Security Systems, Inc., to provide security for designated facilities. Eligible full time position Employees shall be entitled to vacation per the schedule contained in Section 11.1, based on their individual hourly rate, based on the number of straight time hours paid and any special provision hours in paragraph 7 of Section 11.1, in the previous year, and the Employee's anniversary date. Vacation entitlement will be awarded on the employee's anniversary date. The date of hire and continuous service are inclusive of previous employers providing this service. Vacation entitlements are stated below:

Employees employed for 1 year by the Company and all predecessor Companies shall earn paid vacation entitlements at the rate of 0.038461538 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 80 hours per year.

Employees employed for 5 years by the Company and all predecessor Companies shall begin earning paid vacation entitlements at the rate of 0.057692308 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 120 hours per year.

Employees employed for 10 years by the Company and all predecessor Companies shall begin earning paid vacation entitlements at the rate of 0.076923077 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 160 hours per year.

Employees employed for 15 years by the Company and all predecessor Companies shall begin earning paid vacation entitlements at the rate of 0.096153846 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 200 hours per year.

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 anniversary year as calculated above.

If a post or courthouse is closed due to weather related conditions, or Government closures, the hours that would have been worked by the employee will count as straight time hours worked for calculating earned vacation hours. In addition to straight time hours, all approved Union leave, 40 hours of overtime worked, 160 hours of FMLA and 80 hours of Military Leave, in the previous year can be used to calculate the total hours applied to the formula.

SECTION 11.2 ELIGIBLE SHARED POSITION EMPLOYEES

Eligible shared position Employees shall be entitled to pro-rated vacation per the schedule contained in Section 11.1, 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 the full-time benefit is guaranteed for Employees who have been paid for at least 1040 hours in the previous year. The prorating of eligible shared position Employees' vacation hours upward from one-half the full-time benefit is as follows:

Employees employed for 1 year by the Company and all predecessor Companies shall earn paid vacation entitlements at the rate of 0.038461538 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 80 hours per year.

Employees employed for 5 years by the Company and all predecessor Companies shall begin earning paid vacation entitlements at the rate of 0.057692308 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 120 hours per year.

Employees employed for 10 years by the Company and all predecessor Companies shall begin earning paid vacation entitlements at the rate of 0.076923077 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 160 hours per year.

Employees employed for 15 years by the Company and all predecessor Companies shall begin earning paid vacation entitlements at the rate of 0.096153846 for all straight time hours paid at the regular rate of pay. Maximum earned vacation entitlement is 200 hours per year.

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 anniversary year as calculated above.

SECTION 11.3 PAYMENT OPTION / VACATION LEAVE WITHOUT PAY

Vacation leave shall be paid by the Company in accordance with its normally scheduled payroll dates. Once per year, prior to the normal payment for unused vacation time as set forth in Section 11.4 below, an Employee may request and receive payment for up to 40 hours of earned but unused vacation pay. The payment will be paid to the Employee on the first full pay period following the

request for payment. After such payment, earned but unused vacation time will remain available, but without pay, until the Employee's next anniversary date of employment.

SECTION 11.4 UNUSED VACATION LEAVE TIME

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, on the first full pay period following the anniversary date.

SECTION 11.5 TERMINATING EMPLOYEES

Upon termination of employment, Employees will be paid at their individual hourly rate vacation time earned, but not used, as of their last anniversary date.

SECTION 11.6 VACATION - 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 ninety (90) days . Employees will only be paid vacation benefits when they are working.

SECTION 11.7 VACATION INCREMENTS

Consistent with Employer approval, Employees may take their vacation in no less than eight (8) hour segments.

SECTION 11.8 SCHEDULING VACATIONS

A. Vacation leave shall be approved each contract year by worksite seniority when requested October 1 thru October 31.

B. November 1 thru September 30 (the remainder of the Contract Year), vacations shall be approved by chronological order of request (ie: "first come, first serve"). Seniority shall prevail should multiple Employees request vacation for the same days on the same date. Once approved, a more senior Employee shall not be allowed to bump a junior Employee's vacation request. Employees shall receive written confirmation from the Company of vacation approval, and the approved dates shall be posted and updated by the LCSO on a calendar or bulletin board in the Employee break room at the worksite.

SECTION 11.9 CANCELLATION OF AN APPROVED VACATION

A. Vacations, insofar as is reasonably possible, shall be granted on the dates desired by the Employee. However, the Company shall retain the final right to approve, deny, schedule and cancel all vacations.

B. After an employee's vacation is approved and then the employee makes travel arrangements that are non-refundable the Company will make every effort to allow the employee to take the vacation time or will consider on a case-by-case basis paying the employees trip insurance. The Company will not cancel an approved vacation without a business justification and not for the sole purpose of avoiding overtime. Every employee is encouraged to purchase trip insurance when scheduling non-refundable vacations.

ARTICLE 12

UNPAID LEAVES OF ABSENCE

SECTION 12.1 LIMITATIONS

A. Personal unpaid leaves of absence for non-medical emergencies 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 up to thirty (30) days. Unpaid leaves of absence may be taken only with written approval of the Employer, or in a case of verified personal emergency.

B. Any Employee in an unpaid status at the time a holiday occurs shall not be entitled to any holiday pay. Note: "unpaid status" does not include regular scheduled days off or approved vacation as per Section 11.3 of this Agreement.

SECTION 12.2 MEDICAL LEAVE

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

B. The Company agrees to honor the FMLA for all Employees, regardless of the number of employees in a 75 mile radius of the work site. For purposes of determining an Employee's leave entitlement under the Act, the 52-week period immediately preceding the commencement of leave under the Act shall be the applicable measuring period. During any FMLA Leave the Employee shall not be required to use accrued vacation or personal / sick leave. The Company calculates leave on a rolling 12 month basis.

C. 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.

D. 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.

SECTION 12.3 MILITARY LEAVE

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

SECTION 12.4 UNION LEAVE

As long as staffing requirements permit, Union Delegates (up to a maximum of 2) will be granted an unpaid leave of absence for up to a maximum of fifteen (15) days per contract year upon written request for the purpose of attending Union conventions or other meetings of vital interest to the Union, other than negotiations. The Company shall respond, in writing, within ten (10) business days to the Employee's written request. More time will be granted upon mutual agreement between the Company and the Union.

SECTION 12.5 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:

A. All requests for unpaid leaves of absence shall be submitted in writing, on the Company provided form, to the Site Supervisor at least ten (10) working days prior to the date the leave will take effect, except in cases of verified personal emergencies. Personal emergencies must be reported to the Company within 24 hours, or as soon as reasonably possible. The Company will respond to the request, in writing, within one (1) week. Unpaid leave shall not interfere with another Employee's previously approved vacation.

B. The written request for leave of absence shall be submitted to the Contract Manager by the Site Supervisor for final approval. A copy of the approved or disapproved leave of absence will be given to the Employee involved.

C. Extensions of the leave of absence may be granted at the sole discretion of the Employer, upon written request by the Employee within five (5) working days prior to the expiration of the leave of absence. Extensions, if granted, shall not total more than thirty (30) days.

SECTION 12.6 GENERAL PROVISIONS

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

ARTICLE 13

HEALTH AND WELFARE / UNIFORM ALLOWANCES

SECTION 13.1 PAYMENT OPTIONS

For the life of this Agreement, the Employer will make health and welfare payments to Employees on all hours paid up to 40 hours per week to a maximum of 2,080 hours per contract year. The Employer shall remit the health and welfare benefits as a cash equivalent on the Employee's paycheck, unless otherwise directed by the Employee in accordance with the Employee's election to participate in a plan(s) designated by the Employer as fringe benefit(s) available to the Employee. The schedule for health and welfare allowances is in Appendix A to this Agreement.

SECTION 13.2 UNIFORM MAINTENANCE

A. The Company will pay the Employee an allowance for each regular hour worked, up to 40 hours per week, for uniform maintenance as described in Appendix A. The Company shall issue uniforms by December 31st and uniforms shall be gender-proper. The Employer shall provide cold weather gear for outside posts located in exposed cold weather elements and rainwear for posts located in exposed weather conditions, as authorized and funded by the USMS.

B. Employees shall maintain uniforms and equipment issued to them in accordance with Company and USMS policy.

ARTICLE 14

MISCELLANEOUS PROVISIONS

SECTION 14.1 BULLETIN BOARDS

The Employer will make its best effort to obtain a space from the U.S. Government for Union to locate a Union-provided bulletin board that will be used by the Union for posting notices of meetings, elections, appointments, recreational and social affairs, and other Union notices. The provision of these facilities is the prerogative of the U.S. Government, who owns and controls all worksite facilities.

SECTION 14.2 PHYSICAL EXAMINATIONS

A. The Employer shall pay for any physical/medical examinations and medical follow-up exams that are required by the Employer and/or the U.S. Government. The Employer has the right to choose the physician who will perform the physical exam.

B. 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.

C. The Employer will pay for the time required for the Employee to take required physical exams and medical follow-ups. 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, the Employee will call into the Site Supervisor or designee to inform them of the delay and request approval for additional time.

SECTION 14.4 BREAK ROOMS

The Employer will make its best 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 its best 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 14.5 LOCKERS

The Employer will make its best effort to obtain lockers from the U.S. Government for the use of the CSOs. The Employer agrees to make its best effort to support any Union request for separate

Locker/Changing facilities. The providing of these facilities is the prerogative of the U.S. Government.

SECTION 14.6 UNION MEETINGS

Neither Union officials nor Union members shall, during working time (excluding break and lunch periods), solicit membership, receive applications, hold meetings of any kind for the transaction of Union business, or conduct any Union activity.

SECTION 14.7 RANDOM DRUG SCREENING

If the Company decides or is required to implement Random Drug Screening, the parties agree to meet and negotiate the following: the nature of the test, safeguards, the purposes for which the test can be used and the consequences of a refusal to take the test.

SECTION 14.8 FIREARM TRAINING REIMBURSEMENTS

The Company will reimburse Employees any fees incurred, including range fees and the cost of range supplies, while conducting annual U.S.M.S. required firearms qualifications.

ARTICLE 15

SAFETY

SECTION 15.1 SAFETY POLICIES

It is the policy of the Company to make its best 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 work sites and facilities are the property of the U.S. Government, who is responsible for the condition and safety of the work site. The Company agrees to permit one (1) bargaining unit member selected by the Union to participate, in an unpaid status, in locally scheduled safety meetings, up to two (2) meetings per year, each meeting lasting no more than one (1) day.

SECTION 15.2 OSHA STANDARDS

The Employees will report to the Company and the Company will report to the U.S. Marshals Service any safety violations observed or reported.

ARTICLE 16

CONTINUITY OF OPERATIONS

SECTION 16.1 NO STRIKES

A. Both the Company and the Union 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 Union and the Company agree that there will be no strikes, lockouts, work stoppages, illegal picket lines, slowdowns, or secondary boycotts during the term of this Agreement.

B. Upon hearing 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 Union shall take affirmative action to avert or bring such activity to prompt termination.

SECTION 16.2 LOCKOUTS

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

ARTICLE 17

SEPARABILITY OF CONTRACT

In the event that any provision of this Agreement, including attachments hereto, shall at any time be declared invalid by any court of competent jurisdiction or through Government regulations or decree, such parties hereto agree to renegotiate such provision or provisions of this Agreement for the purpose of making them conform to the Government regulation, 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 18

ENTIRE AGREEMENT

The parties acknowledge that during the negotiation which resulted in the Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any matter not removed by law from the area of collective bargaining, and all understandings and agreements reached by the parties are set forth in this Agreement. Therefore, the Company and the Union shall not be obligated to bargain collectively on any matter pertaining to conditions of employment, including, but not limited to, rates of pay, wages, hours of work, disciplinary actions, training requirements, etc., during the term of this Agreement, except as specifically provided for in other provisions of this Agreement. Changes to this Agreement, whether by addition, waiver, deletion, amendment, or modification, must be reduced to writing and executed by both the Company and the Union.

ARTICLE 19

TERMINATION OF AGREEMENT

A. Should either party desire to terminate this Agreement or any provision thereof, it shall give written notice to the other party of 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 written agreement of both parties.

B. Notwithstanding the above, this Agreement shall immediately terminate upon any termination by the Government of the Employer's relationship therewith to provide security services for the federal courts and other federal office buildings pursuant to its contract(s) with the USMS for security services. In such event, the parties' relationship shall also terminate, as shall any further duty to bargain.

ARTICLE 20

DURATION

This Agreement and any attachments hereto shall be effective upon its execution by both parties and supersedes any and all prior agreements and understanding of the parties. The Agreement shall remain in force until 2400 hours on September 30, 2012, and thereafter shall continue in effect from year to year unless the notice described in Article 19 is given prior to the original expiration date or any subsequent anniversary thereof.

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

FOR: **United Government Security Officers of America International Union** BY: _____ TITLE: Int'l Director CSO Div. DATE: 8/28/09	FOR: **Inter-Con Security** BY: _____ TITLE: Senior Vice President DATE: August 24, 2009
FOR: **United Government Security Officers of America, Local # 86** BY: _____ TITLE: President DATE: 08-27-09	FOR: **Inter-Con Security** BY: Michael P. Mortberg TITLE: VP & General Counsel DATE: 8-24-09

APPENDIX A

Addendum to This Agreement

Listed below are the wages and benefits for the employees at the 5th Circuit for the Eastern District of Texas, United Government Security Officers of America Local # 86:

Bereavement Leave

A. If it is necessary for an Employee to lose time from work because of a death in the immediate family, whether the family member lives in or out of their local state, the Employee shall be entitled to six (6) days paid leave of absence per contract year at their straight-time rate of pay.

B. Immediate family is defined to mean an Employee's spouse, father, mother, brother, sister, children (including foster children, legally adopted children and/or stepchildren), father-in-law, mother-in-law, grandparents, grandchildren, sister-in-law, brother-in-law, daughter-in-law and son-in-law.

Upon request, a copy of the death certificate, obituary, or funeral program and proof of relationship must be provided the Company upon the Employee's return from funeral-leave.

Jury Duty / Court Duty

Employees called for jury duty will be granted time off for jury duty and will be paid for each jury duty day, up to three (3) days, minus any pay received from the courts for time spent on jury duty. Proof of days served on jury duty must be provided to the Company to receive payment.

If an employee is called by subpoena as a witness to any CSO work related court proceeding, then he / she shall be entitled to leave with pay from regular scheduled hours of work for all time spent in testifying or cooperating with prosecuting officers; provided however, that any witness fees tendered to the employee shall be delivered to the company.

Personal / Sick Leave

A. Each full-time Employee shall be eligible to use a maximum of six (6) 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 Personal/Sick Leave Table below.

Personal/Sick Leave Table		
START	Rate of Personal/Sick Leave Eligible to Use	
Date Employee begins working on the contract, based on an October 1 contract start date.	Full-Time	Shared Position
October 1-31	48 hours	24 hours
November 1-30	44 hours	22 hours
December 1-31	40 hours	20 hours
January 1-31	36 hours	18 hours
February 1-29	32 hours	16 hours
March 1-31	28 hours	14 hours
April 1-30	24 hours	12 hours
May 1-31	20 hours	10 hours
June 1-30	16 hours	8 hours
July 1-31	12 hours	6 hours
August 1-31	8 hours	4 hours
September 1-30	4 hours	2 hours

B. Personal leave may be taken in four (4) hour increments and shall be paid in the pay period when the personal / sick leave was taken, when taken by the employee as approved by the Site Supervisor or designee.

C. 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 that contract year. This additional paid leave will be paid to the Employee at the end of the contract year. The payment will be made during the first full pay period after the end of the contract year.

D. 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. The payment will be made during the first full pay period after the end of the contract year.

E. 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 that contract year. If the Employee has used more personal leave than

he/she earned based upon time paid on the contract, the amount of the overage will be deducted from the Employee's final paycheck.

Repayment of Used but Unearned Personal/Sick Leave upon End of Employment		
End of Employment	Rate of Personal/Sick Leave to be Repaid	
Date Employee ends working on the contract, based on an October 1 contract start date.	Full-Time	Shared Position
October 1-31	48 hours	24 hours
November 1-30	44 hours	22 hours
December 1-31	40 hours	20 hours
January 1-31	36 hours	18 hours
February 1-29	32 hours	16 hours
March 1-31	28 hours	14 hours
April 1-30	24 hours	12 hours
May 1-31	20 hours	10 hours
June 1-30	16 hours	8 hours
July 1-31	12 hours	6 hours
August 1-31	8 hours	4 hours
September 1-30	4 hours	2 hours

F. Personal leave (and vacation) days may be used to cover absences caused by illness. Any Employee who is unable to report to work because of sickness must notify the Employer 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.

Holidays

Whenever the term "holiday" is used in the Agreement, it shall mean

New Years Day	Independence Day
Veterans Day	Columbus Day
Christmas Day	Labor Day
Thanksgiving Day	Martin Luther King Jr.'s Birthday
Memorial Day	Presidents Day

Employee's Birthday*
Any day designated by the President of the United States as a permanent National holiday.

*To be taken in the month of the employee's birthday upon seven (7) days notice to the company, providing staffing permits

Base Wages and Allowances:

Wage and allowance tables for each work site are set forth on the following pages.

In the event that the Department of Labor issues, at least sixty (60) days prior to October 1, an applicable Wage Determination containing a wage rate and/or Health and Welfare rate higher than those set forth herein, the parties agree to meet and bargain regarding a possible increase in the wage and/or Health and Welfare rate(s) established in the Wage Determination.

Shift Differential:

A shift differential of four percent (4%) of the Employee's regular hourly rate shall be paid for all hours worked between 6 P.M. and 6 A.M.

Lead Wage Rate Calculations:

Six or more CSOs at the site: $1.50 has been added to the CSO rate in Appendix A. The LCSO rate in Appendix A reflects the additional pay and no other pay needs to be added.

Five or less CSOs at the site: $1.00 has been added to the CSO rate in Appendix A. The LCSO rate in Appendix A reflects the additional pay and no other pay needs to be added.

Sherman, Tyler & Plano	Current	10/1/2009	10/1/2010	10/1/2011
Court Security Officer	$19.71	$21.62	$22.16	$22.71
Lead Court Security Officer 1	$21.41	$23.12	$23.66	$24.21
Lead Court Security Officer 2	$20.71	$22.62	$23.16	$23.71
Health & Welfare Allowance	$3.10	$3.45	$3.55	$3.65
Uniform Allowance	$0.11	$0.11	$0.11	$0.11

Marshall & Texarkana	Current	10/1/2009	10/1/2010	10/1/2011
Court Security Officer	$17.87	$18.81	$19.47	$20.15
Lead Court Security Officer 1	$19.35	$20.31	$20.97	$21.65
Lead Court Security Officer 2	$18.87	$19.81	$20.47	$21.15
Health & Welfare Allowance	$3.10	$3.45	$3.55	$3.65
Uniform Allowance	$0.11	$0.11	$0.11	$0.11
Lufkin & Beaumont	**Current**	**10/1/2009**	**10/1/2010**	**10/1/2011**
Court Security Officer	$17.87	$19.62	$20.31	$21.02
Lead Court Security Officer 1	$19.35	$21.12	$21.81	$22.52
Lead Court Security Officer 2	$18.87	$20.62	$21.31	$22.02
Health & Welfare Allowance	$3.10	$3.45	$3.55	$3.65
Uniform Allowance	$0.11	$0.11	$0.11	$0.11

FOR: **United Government Security Officers of America International Union**	FOR: **Inter-Con Security**
BY:	BY:
TITLE: Int'l Director CSO Div.	TITLE: Senior Vice President
DATE: 8/28/09	DATE: August 24, 2009

FOR: United Government Security Officers of America, Local # 86	FOR: Inter-Con Security
BY:	BY: Michael P. Mattes
TITLE: President	TITLE: VP + Gen Counsel
DATE: 08-27-2009	DATE: 8-24-09