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District of New Mexico

Collective Bargaining Agreement

Between

AKAL SECURITY, INCORPORATED

and the

INTERNATIONAL GUARDS UNION OF AMERICA, Local #126

PREAMBLE

THIS AGREEMENT is made and entered by and between AKAL SECURITY, INCORPORATED, a New Mexico corporation, hereinafter referred to as the "Employer" or "Company," and the International Guards Union of America, on behalf of its Local #126, hereinafter referred to as the "Union".

ARTICLE 1

GENERAL PROVISIONS

SECTION 1.1 BARGAINING UNIT

This agreement is entered between Akal Security, Inc., and the International Guards Union of America, Local # 126 (hereinafter referred to as the Union). The Company recognizes the Union as the sole and exclusive bargaining representative for the purpose of collective bargaining as defined in the National Labor Relations Act.

The unit is defined as all full-time and shared-time position Court Security Officers (CSOs) and Lead Court Security Officers (LCSOs) employed by the Company in the 10th Circuit, in the state of New Mexico, excluding all other employees including office clerical employees and professional employees as defined in the National Labor Relations Act.

This agreement shall be binding upon both 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 1.2 NEGOTIATING COMMITTEE

The Company agrees to recognize a Negotiating Committee composed of up to four members and one alternate selected by the Union to represent the Employees in collective bargaining negotiations.

SECTION 1.3 STEWARD SYSTEM

- A. The Company agrees to recognize a steward system.
- B. The Union agrees that the stewards will work at their regular jobs at all times except when they are relieved to attend to the business of the Grievance Procedure as outlined in this Agreement. Aggrieved employees will be paid their regular rate of pay in the conduct of Company Union business during scheduled working hours.
- C. If the Employee requests, the Company will call for a steward prior to any disciplinary action taken, whether it be written or verbal. The supervisor, at the request of the Employee, will release the steward as soon as possible. The company will be responsible for paying the steward for up to 30 minutes per incident of the time spent in this regard.

SECTION 1.4 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 1.5 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 the 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.
 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.
 - a) Employees who are members of and adhere to the established and traditional tenets of a bona-fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting labor organizations, shall, instead of the above, be allowed to make payments in amounts equal to the agency fee required above, to a tax-exempt organization (under Section 501(c)(3) of the IRS Code). The Union shall have the right to charge any Employee exercising this option the reasonable cost of using the arbitration procedure of this Agreement on the Employee's individual behalf. Further, any Employee who exercises this option shall twice a year submit to the Union proof that the charitable contributions have been made.
- C. The obligations set forth in this Article shall only be effective to the extent permitted by controlling law, including, but not limited to, any Executive Orders permitting or restricting Union security rights. 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.
- D. 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 attorney's 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 1.6 DUES CHECKOFF

- A. The Company agrees to deduct dues as designated by the Union on a monthly basis 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 thirty (30) days written notice served upon the Company and the Union, may revoke such authorization. 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 five (5) business days from the date that the deduction was made, via direct deposit, if possible. All costs related to direct deposit will be borne by the Union. The Union 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, within seven (7) business days of 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 paid over 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 1.7 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 agree to use 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. Neither the Company, nor the Union, nor 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 1.8 ANTI-DISCRIMINATION

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

ARTICLE 2

SENIORITY

SECTION 2.1 SENIORITY DEFINED

- A. Union 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. Seniority shall not accrue until the Employee has successfully completed the probationary period. Seniority shall be applicable in determining the order of layoff and recall, shift bidding, vacation schedules, extra work, transfers, and other matters as provided for in this Agreement.
- B. For the purposes of shift bidding, vacation schedules, transfers, and extra work, union seniority shall be defined as seniority within the work site.
- C. Any Employee permanently transferred out of the designated Local Bargaining Unit for any reason shall lose their Union seniority as it applies to the order of layoff and recall, shift bidding, vacation schedules, extra work, and other matters as provided for in this Agreement.

SECTION 2.2 SENIORITY LISTS

The Company will provide a seniority list (last date of hire as a CSO) to the Local Union President twice each year. (See Appendix B for local list specifications)

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 upon the last known address in the Employer's official records.

SECTION 2.4 TRANSFER OUT OF UNIT

Any Bargaining Unit Employee who is promoted to a non-bargaining unit position for more than four (4) weeks shall lose their Union seniority. If they return to the bargaining unit at a later date their seniority will start on that return date.

SECTION 2.5 PROBATIONARY EMPLOYEES

Probationary 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.

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;
- 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.

ARTICLE 3

JOB OPPORTUNITIES

SECTION 3.1 FILLING VACANCIES

If a vacancy occurs in a regular position covered by this Agreement, and the Employer chooses to fill that vacancy, the job will be posted for a period of three (3) working days (excluding Saturdays, Sundays and holidays). Shared position Employees who are not scheduled to work during that three (3) day period at the site where an opening occurs will be notified by the Union. The Site Supervisor, Contract Manager or designee will notify the Union President in writing of such openings. The Union President will then verify that all shared position CSO's have been notified. 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 shall provide CSO coverage by using a combination of full-time positions and shared positions. Full-time positions are positions where the CSO is scheduled to fill that position for a 40-hour work week, 52 weeks per year (less holidays). Shared positions are also

40-hour work week positions that are filled by two (2) CSOs for a combined total of 40 hours per week. The Company is required to use shared position CSOs to: (1) provide full staffing level coverage; (2) increase security levels as needed; and (3) avoid unnecessary overtime. The Company will give the shared position Employee the maximum possible notice for schedule changes. Failure to report to work when so scheduled or called to work may result in disciplinary action.

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. 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 qualification. 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 following:

- A. base hourly wage available to Employees regularly assigned to the site to which the Employee is being transferred, or
- B. their regular hourly wage they receive at their regular site under this agreement.

SECTION 3.5 APPOINTMENT OF LEAD CSOs

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

MANAGEMENT'S RETAINED RIGHTS

SECTION 4.1

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

1. Hire;
2. Assign work;
3. Promote, Demote;
4. Discharge, discipline, or suspend based on Article 6;
5. Make and enforce work rules not inconsistent with the provisions of this agreement;
6. Require Employees to observe reasonable Employer rules and regulations;
7. Determine when overtime shall be worked;
8. Determine the qualifications of an Employee to perform work.
9. Determine the performance standards, type of services to be rendered, and the manner in which such services are to be performed.

SECTION 4.2

Nothing contained in this Agreement shall limit the rights and remedies of any member of the Company or any member of the Union under any state or federal law or before any court or other tribunal. This section preserves the rights and remedies that independently existed prior to this Agreement for each party.

SECTION 4.3

Failure to exercise any function reserved to by either party it shall not be deemed a waiver of any such rights.

ARTICLE 5

GRIEVANCE PROCEDURE

SECTION 5.1 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, except that this grievance procedure shall not be used for any action or order of removal of an Employee from working under the contract by the U.S. Government, or revocation of required CSO credentials by the USMS under the removal of Contractor employee provision in Section H-3 of Contract MS-99-D-0035 or its successor

between the US Marshals Service, US Attorney's Office, members of the Judiciary and Akal Security, Inc. Any temporary or permanent removal of an employee, by determination of the Government as described in Section H-3 and not disqualified under the same section (i.e. Medical Disqualifications) of the Contract shall not become permanent without requisite notice to the employee and the opportunity provided for the employee to respond to the Government's action within fifteen (15) days of the determination. Upon written request, the Company will provide the Union, in a timely manner, with all information concerning the removal that they may legally release, and will provide the Union with any relevant information concerning the proper Government point of contact and their contact data. The "final decision" on the employee's removal shall be determined by the Government. In addition, the grievance procedures outlined herein shall not apply to any non-disciplinary situation where the company is acting under express directives of the USMS.

SECTION 5.2 GENERAL PROVISIONS

- A. The number of days outlined in Section 5.3 in the processing and presentation of grievances shall establish the maximum time allowed for the presentation and processing of a grievance. The term "days" shall not include Saturdays, Sundays or holidays when used in this Article.
- B. Should either the Company, the Union, or the aggrieved employee fail to comply with the time limits as set forth in this Article, the party who failed to comply with the time limits shall forfeit the grievance.

SECTION 5.3 GRIEVANCE PROCEDURE

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 will first discuss the complaint with their immediate supervisor (not in the bargaining unit), within five (5) working days of the incident being grieved, to start the informal procedure. If the informal procedure is not invoked within five 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 deems it desirable, a steward or other Union representative will be called in. If the complaint is not satisfactorily adjusted within three (3) working days of the inception of the informal discussion, it may be submitted in writing to the Contract Manager or designee in accordance with Step One.
- B. **Step One** - If the matter is not resolved informally, the Employee shall, not later than ten (10) 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, and shall be submitted to the Contract Manager or 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 received by the Contract Manager or designee 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 Director of Human Resources or designee not later than ten (10) days from the denial by the Contract Manager or designee. The Director of Human Resources or designee will have ten (10) days from the date the grievance was received to return a decision, in writing, with a copy to the aggrieved Employee and the union representative.
- D. **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 through the Site Supervisor or designee within ten (10) days after the occurrence of the facts giving rise to the Grievance.

SECTION 5.4 ARBITRATION PROCEDURE

Grievances processed in accordance with the requirements of Section 5.3 that remain unsettled may be processed to arbitration by the Union, giving the Company's Director of Human Resources written notice of its desire to proceed to arbitration not later than fifteen (15) days after rejection of the grievance in Step Two. Grievances which have been processed in accordance with the requirements of Section 5.3 which remain unsettled shall be processed in accordance with the following procedures and limitations:

- A. **Pre-Arbitration**- The parties agree to hold a pre-arbitration hearing requiring a senior manager of the Company, not a subject of the grievance, and Union President (or designee) to make a final effort to settle the grievance before arbitration
- B. **Selection of an Arbitrator** - Within fifteen (15) days of receipt of the Union's written notice to proceed with arbitration, the Company and the Union will meet telephonically to jointly attempt to agree upon the selection of a neutral arbitrator. If, within fifteen (15) days, the parties fail to agree upon the selection of an arbitrator, the Union will request the American Arbitration Association (AAA) to supply a list of seven (7) arbitrators. An arbitrator will be selected from the list supplied by the AAA by parties alternately striking from the list until one (1) name remains, and this individual shall be the arbitrator to hear the grievance.
- C. **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.

D. Arbitration Expense - The arbitrator's fees and expenses, including the cost of any hearing room, shall be shared equally between the Company and the Employee. 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.

E. Time Limits - The decision of the arbitrator shall be rendered as soon as possible after the dispute has been submitted to him/her.

SECTION 5.5 CLASS ACTION

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

SECTION 5.6 INDIVIDUAL GRIEVANCES

No individual may move a grievance to arbitration.

ARTICLE 6

DISCIPLINE

SECTION 6.1 GROUNDS FOR DISCIPLINE AND DISMISSAL

A. After completion of the probationary period, as specified in Section 2.5, no Employee shall be dismissed or suspended without just cause. Just cause shall include any action or order of removal of an employee from working under the contract by the U.S. Government, or revocation of required CSO credentials by the USMS under the removal of Contractor employee provision in Section H-3 of Contract MS-99-D-0035, or its successor, between the US Marshals Service, US Attorney's Office, members of the Judiciary and other third party beneficiaries to this agreement, and Akal Security, Inc. Any temporary or permanent removal of an employee by determination of the Government as described in Section H-3 and not disqualified under the same section (i.e. Medical Disqualifications) of the Contract shall not become permanent without requisite notice to the employee and the opportunity provided for the employee to respond to the Government's action within fifteen (15) days of the determination. Upon written request, the Company will provide the Union, in a timely manner, with all information concerning the removal that they may legally release, and will provide the Union with any relevant information concerning the proper Government point of contact and their contact data. The "final decision" on the employee's removal shall be determined by the Government, and the Employer shall be held harmless by the Union and the employee for any further claims made after this final determination. This provision is not intended to limit or prohibit the rights of any party to seek relief from other parties.

- B.** The Company's contract with the U.S. Government sets out performance standards for the CSOs in Section C of the Contract between the Company and the USMS, and all Employees are required to comply with these standards. Failure to do so may lead to disciplinary action up to and including termination. 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. Employees agree to comply with any non-disciplinary directive issued by the Government.
- C.** The Company may discipline Employees when necessary and discharge those who fail to uphold U.S. Government or Company standards as described in 6.1 (a) above. It is recognized by 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. Failure to comply with any investigation procedures will result in dismissal. All discipline shall be subject to the grievance and arbitration procedures, except for those issues involving the USMS rights under Section H-3 of Contract MS-99-D-0035 or its successor as referenced in Sections 5.1 and 6.1(a).

ARTICLE 7

HOURS OF WORK AND OVERTIME

SECTION 7.1 WORKDAY AND WORKWEEK

For the purposes of this Article, a regular workweek of forty (40) hours of work (from 12:01 a.m. Sunday to 12:00 a.m. Saturday, subject to change by mutual agreement), 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. Nothing contained herein shall guarantee to any Employee any number of hours of work per day or week.

SECTION 7.2 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 actually worked in excess of forty (40) hours in a work week.

SECTION 7.3 OVERTIME REQUIREMENT

If directed to work overtime (i.e. over forty [40] hours in a workweek) or extra hours, and the seniority system is not invoked due to shortness of notice to the Company, the Employee shall be required to do the work, unless the Employee is excused by the Company for good cause.

SECTION 7.4 OVERTIME DISTRIBUTION

Overtime will be offered by Seniority on a rotating basis. Overtime will be distributed as equitably and fairly as is practical among Employees.

Exclusion: Managers cannot be assigned to cover CSO overtime positions or posts, except in emergency situations.

SECTION 7.5 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 his or her 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 for working through their lunch break. 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.

ARTICLE 8

WORK SHIFTS AND PAYMENT POLICIES

SECTION 8.1 SHIFT BIDDING, HOURS OF WORK, & SENIORITY

Once each year, full-time Employees and shared position Employees at each location may bid their shift schedules among designated full-time assignments or shared assignments in the order of seniority. Shift bidding may not lead to any change in status from full-time to shared position or vice versa. Both parties understand that this section will not apply to USMS or judicial assignments and all bidding will be conditional upon USMS acceptance.

SECTION 8.2 WAGE SCHEDULE

The base rate of pay for Court Security Officers and Lead CSOs in all locations are described in Appendix A of this Agreement.

SECTION 8.3 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.

Subject to the discretion of management, if a direct deposit plan is implemented by the Company and approved by Union membership, all wages issued shall be paid by direct deposit transaction.

SECTION 8.4 UNDISPUTED ERROR

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 8.5 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.

ARTICLE 9

HOLIDAYS

SECTION 9.1 HOLIDAYS DEFINED

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

New Years Day	Independence Day
Veterans Day	Columbus Day
Christmas Day	Labor Day
Thanksgiving Day	Martin Luther King Birthday
Memorial Day	Presidents Day

SECTION 9.2 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, exclusive of 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 (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 worked during the two (2) week pay period in which the holiday occurs. Pro-ration is based on available full-time hours worked during the pay period.
- 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 based on the number of actual hours the Employee worked the two (2) week pay period in which the holiday occurs.

- 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.

ARTICLE 10

VACATIONS

SECTION 10.1 ELIGIBLE FULL-TIME EMPLOYEES

Eligibility for vacation benefits shall be based on Department of Labor (DOL) rules under Service Contract Act. Eligible full-time Employees shall 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:

- Upon completion of one (1) year(s) of service: 80 hours
- Upon completion of five (5) years of service: 120 hours
- Upon completion of ten (10) years of service: 160 hours
- Upon completion of fifteen (15) years of service: 200 hours

SECTION 10.2 ELIGIBLE SHARED POSITION EMPLOYEES

- A. Eligible shared position Employees shall be entitled to pro-rated vacation per the schedule contained in Section 10.1, based on their individual hourly rate, the number of hours worked in the previous year, and the Employee's anniversary date.
- 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 part A above (per the Service Contract Act).

SECTION 10.3 SCHEDULING VACATIONS

Vacations, insofar as is reasonably possible, shall be granted at the times most desired by the Employee, after the Employee's anniversary date. Employees who cash out vacation time are not entitled to participate in the vacation selection process, nor take vacation during the year unless approved under the guidelines for LWOP as outlined in Article 11.

SECTION 10.4 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 Employee's anniversary date of employment) shall be paid to the Employee.

SECTION 10.5 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. Earned vacation pay will be paid in the next pay cycle.

SECTION 10.6 TERMINATING EMPLOYEES

Upon termination of employment, Employees will be paid at their individual 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 10.7 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 one (1) year. Employees will only be paid vacation benefits upon returning to work.

SECTION 10.8 VACATION INCREMENTS

Consistent with Employer approval, efficiency, and economy of operations, Employees with two (2) or more weeks of vacation may take their vacation in segments of less than one (1) week each. Vacation must then be taken in increments of no less than 8 hours.

ARTICLE 11

LEAVES OF ABSENCE

SECTION 11.1 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 eligible Employees.
- C. During medical leave, the Employee shall be required to furnish a report from the doctor periodically upon request from 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 Employer.

SECTION 11.2 MILITARY LEAVE

An Employee of the Company who is activated or drafted 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 11.3 UNION LEAVE

A Union President and one delegate will be granted an unpaid leave of absence no more than once a year for a maximum of seven (7) days upon written request for the purpose of attending Union conventions or other meetings of vital interest to the Union as long as staffing requirements permit. More time will be granted upon mutual agreement between the Company and the Union.

SECTION 11.4 PERSONAL/SICK LEAVE

Each full-time Employee shall be eligible to use a maximum of six (6) days of personal leave per 12-month year worked. Eligible full-time Employees shall be entitled to personal leave upon completing one year of continuous service with the Employer (based on the Employee's anniversary date of employment).

- A. Personal days shall be used in no less than two (2) hour increments and shall be paid when taken by the Employee as approved in advance by the Site Supervisor, SLCSO or LCSO.
- B. Shared position Employees will receive pro-rated benefits based on the number of actual hours worked in the previous year based on anniversary date.
- C. Unused personal days shall not be cumulative from year to year. Any unused, earned personal leave pay will be paid to Employee within the month following their anniversary date.
- D. Upon termination of employment, Employee will be paid at their individual hourly rate for any unused, earned personal leave, based upon the number of actual hours Employee worked during that year based on hire date anniversary. If the Employee

has used more personal days upon termination than he/she earned based upon time worked on the contract (4 hours per full month worked), the amount of the overage will be deducted from the Employee's final paycheck. (Example: If Employee works only six months and therefore earns three days (24 hours) personal leave, but actually uses four days personal leave, the extra 8 hours' pay will be deducted from Employee's final paycheck.)

- E. Personal leave time (and vacation once personal leave is exhausted) 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 regular 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.

SECTION 11.5 PROCESSING UNPAID LEAVES OF ABSENCE

It is mutually understood and agreed by all parties that staffing compliance with the contract with the U.S. Marshals Service is of utmost concern and that 100% staffing compliance must be maintained.

The Employer will consider requests for unpaid leaves of absence and may grant them at its sole discretion. Family Medical Leave and leave for medical issues will take precedent over all other types of leave, including unpaid Leave of Absence. An unpaid leave of absence must be processed in the following manner:

- A. All requests for unpaid Leave of Absence shall be submitted to the Lead CSO for scheduling approval no more than thirty (30) and no less than ten (10) days prior to the requested leave. Upon scheduling approval, the Lead CSO will submit the request to the Company for final approval. The Company shall grant or deny requests for Leave of Absence without pay on a first come/first serve basis and subject to the provisions in this Section.
- B. During any calendar year of this Agreement, Personal Leave, including unpaid Leave of Absence, is not to exceed thirty days in the aggregate.
- C. In Albuquerque, there shall be four (4) shared CSOs used to ensure compliance with manning levels. A minimum of one (1) shared CSO shall always be available to work. The Company agrees to allow three (3) CSOs to be on vacation status or personal leave status at one time, thereby maintaining once shared CSO in reserve, and will allow two (2) CSOs on Personal Leave if either or both of those CSOs are on Leave of Absence. The list of the four (4) shared CSO employees shall alternate so that no one shared CSO is always the first to be called in. After a given availability is over, the shared CSO who was first to be available for work shall be placed at the bottom of the list and the shared CSO who was previously second shall now become the first, and so on.

- D. Should a shared CSO be called in to work, it shall be the LCSO's responsibility to notify the next shared CSO on the list that he/she is the next shared CSO to be available for work. The LCSO shall be responsible for all notification of rotation and changes to rotation.
- E. Should a shared CSO who has been notified that he is next to be available for work and fails to report to work may be subject to discipline.
- F. Discipline under this section is not grievable except to the extent that progressive discipline was not followed in the particular case.
- G. Should the Employee's failure to work result in Akal's non-compliance with its obligations to the Federal Government, then that Employee may be subject to termination.
- H. If a facility is in non-compliance of USMS staffing requirements more than twice per calendar year, this program will be suspended until both parties agree to re-instate it.
- I. Any full-time employee who uses more than two (2) days of leave without pay (LWOP) per Government contract year for absences not authorized by this Agreement or any addenda thereto is deemed to have resigned his or her employment with the Company pursuant to Section 11.5 E above.

SECTION 11.6 GENERAL PROVISIONS

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

SECTION 11.7 JURY DUTY

The Company will comply with all State and Federal regulations regarding Employees' service for jury duty.

SECTION 11.8 ABSENTEEISM FROM DUTY

When an employee fails to report for duty or to call the appropriate LSCO two (2) hours prior to the start of the scheduled shift, it is considered a "no call/no show." In the event an emergency prevents an employee from reporting to work and notifying the office prior to the scheduled shift, an employee must contact the appropriate LCSO as soon as possible and explain the failure to report for duty. Explanations are subject to verification. Unverified and unexcused absences from duty will result in disciplinary action.

Akal Security, Inc., considers that an employee has resigned their position voluntarily (voluntary separation) if the employee is absent from duty due to "no call/no show" more than 2 shifts in a contract year.

SECTION 11.9 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 three (3) days paid leave of absence per contract year at their straight rate of pay. Shared position employees will receive one half of the full time leave. Immediate family is defined to mean an Employee's spouse, father, mother, brother, sister, children (including legally adopted children and/or step children), father-in-law, mother-in-law, grandparents, and grandchildren.
- B. The Employer may require proof of the death for which an Employee requests a paid leave.

ARTICLE 12

HEALTH, WELFARE AND UNIFORM ALLOWANCES

SECTION 12.1 PAYMENTS

For the life of this Agreement, the Employer will make health and welfare payments to Employees on all hours paid up to forty (40) hours per week, and up to a total of 2080 hours per contract year, as described in Appendix A.

SECTION 12.2 OTHER BENEFITS

The Employer will offer Employees the opportunity to participate in other available Employee paid fringe benefit programs made available to all Court Security Officers employed by the Company. These programs may include cafeteria plans, payroll deduction plans, retirement plans, insurance plans, 401(k) plans, and any other plan mentioned in this Agreement.

SECTION 12.3 UNIFORM MAINTENANCE

The Employer will pay the Employee an allowance for each hour worked, up to 40 hours per week, for uniform maintenance as described in Appendix A. A shoe allowance of \$50 per contract year will be provided annually for the purchase of USMS-required CSO uniform shoes.

ARTICLE 13

MISCELLANEOUS PROVISIONS

SECTION 13.1 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 of 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 13.2 PHYSICAL EXAMINATIONS

- A. The Employer shall pay for one medical examination that is required by the Employer and the U.S. Government. The Employer has the right to choose the physician who will perform the physical exam.
- B. Medical exams may be required by the U.S. Government contract, or should the Employer have concerns regarding an Employee's fitness for duty. The Employer may designate the physician or clinic, at its discretion. Physical fitness is an important job requirement. Employees must pass the medical 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 attempt to gain authorization for multiple physicians or clinics by which an Employee may obtain a physical exam. It is understood that the approval of the Federal Government is required for a physician or clinic to be approved.
- D. 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, the Employee will call into the Site Supervisor or designee to inform them of the delay and request approval for additional time.

SECTION 13.3 TRAVEL EXPENSES

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 Employer receives the properly completed travel voucher and all required receipts.

SECTION 13.4 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 prerogative of the U.S. Government 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 13.5 LOCKERS

The Employer will make its best effort to obtain lockers from the U.S. Government for the use of the CSOs. The providing of these facilities is the prerogative of the U.S. Government.

SECTION 13.6 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 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. No Employee may be at the worksite at any time unless on duty or a scheduled break at that time.

ARTICLE 14

401(k) PLAN

The Company shall provide a 401(k) plan to which Court Security Officers are eligible to contribute, whether Union or Non-Union. At the direction of the individual Employee, the Company may deposit the Health & Welfare payment to the Employee's 401(k) account. Employees shall be subject to the eligibility requirements and rules of the Plan.

ARTICLE 15

SAFETY

SECTION 15.1 SAFETY POLICY

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 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 Union to participate in any locally scheduled safety meetings.

SECTION 15.2 OSHA STANDARDS

The Company will report any safety violations observed or reported to the Company in any U.S. Government-provided CSO workstation or break room.

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 shall at any time be declared invalid by any court of competent jurisdiction or through U.S. 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 decree or U.S. Government 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, 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 understand that all 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.

ARTICLE 19

DURATION

This Agreement shall be effective from June 13, 2003 through September 30, 2008 and supersedes any and all prior agreements or understandings between the parties.

This Collective Bargaining Agreement is a follow-on to the Agreement dated April 1, 1999 between Akal and its Employees covered by the Agreement. All terms and conditions of the previous Collective Bargaining Agreement, economic and non-economic, remain in effect other than as specifically revised in this follow-on Agreement.

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: The International Guards Union of America, Local #126

BY: [Signature]

TITLE: President local #126 IGUA

DATE: 11 June 03

FOR: The International Guards Union of America

BY: _____

TITLE: _____

DATE: _____

FOR: Alcal Security, Inc.

BY: [Signature]

TITLE: Director, I.R.

DATE: 6/11/03

Appendix A

WAGE SCHEDULE

Listed below are the Wages and Benefits for the employees at the 10th Circuit for the District of New Mexico, International Guards Union of America Local # 126:

a) Base Wages

SITE: Albuquerque, Santa Fe

Current:

Court Security Officers:	\$ 13.73 /hour
Lead Court Security Officer 1:	\$ 14.91 /hour
Lead Court Security Officer 2:	\$ 15.33 /hour
Health & Welfare Allowance:	\$ 2.30 /regular hour paid up to 40
Uniform Allowance:	\$ 0.11 /regular hour worked up to 40

Effective October 1, 2003:

Court Security Officers:	\$ 14.21 /hour
Lead Court Security Officer 1:	\$ 15.39 /hour
Lead Court Security Officer 2:	\$ 15.81 /hour
Health & Welfare Allowance:	\$ 2.30 /regular hour paid up to 40
Uniform Allowance:	\$ 0.11 /regular hour worked up to 40

Effective October 1, 2004:

Court Security Officers:	\$ 14.71 /hour
Lead Court Security Officer 1:	\$ 15.89 /hour
Lead Court Security Officer 2:	\$ 16.31 /hour
Health & Welfare Allowance:	\$ /regular hour paid up to 40
Uniform Allowance:	\$ 0.11 /regular hour worked up to 40

Effective October 1, 2005:

Court Security Officers:	\$ /hour
Lead Court Security Officer 1:	\$ /hour
Lead Court Security Officer 2:	\$ /hour
Health & Welfare Allowance:	\$ /regular hour paid up to 40
Uniform Allowance:	\$ 0.11 /regular hour worked up to 40

Effective October 1, 2006:

Court Security Officers:	\$ /hour
Lead Court Security Officer 1:	\$ /hour
Lead Court Security Officer 2:	\$ /hour
Health & Welfare Allowance:	\$ /regular hour paid up to 40
Uniform Allowance:	\$ 0.11 /regular hour worked up to 40

* The parties agree that either party may reopen negotiations for amendments to Appendix "A" Wages and Health & Welfare Allowance and wages at any time after May 1 and before June 1, for all years governed by this contract, by giving written notice to the other party. Any final agreement resulting from said negotiation shall be incorporated into the terms of this agreement. If the parties fail to reach agreement, the dispute shall be submitted to arbitration in accordance with Article 8 of this agreement. All provisions of this Agreement, including, but not limited to, Article 18, shall remain in force during the terms of the negotiations and any resulting arbitration, and for the remainder of the term of this agreement.

** A shift differential of three and a half percent (3.5%) of the employee's regular hourly rate shall be paid for all hours worked between 5 P.M. and 5 A.M.

International Guards Union of America
International Union

Aral Security, Inc.

Signature

Date

Signature

Date

International Guards Union of America
Local # 126

Richard [Signature]
11 June 03
11 June 03

[Signature] 6/11/03
Director, H.R.

Appendix A WAGE SCHEDULE

Listed below are the Wages and Benefits XXXXXXXXXX for the employees at the 10th Circuit for the District of New Mexico, International Guards Union of America Local # 126:

a) Base Wages SITE: Roswell, Las Cruces

Current:

Court Security Officers:	\$ 13.84 / hour
Lead Court Security Officer:	\$ 15.03 / hour
Health & Welfare Allowance:	\$ 2.30 / regular hour paid up to 40
Uniform Allowance:	\$ 0.11 / regular hour worked up to 40

Effective October 1, 2003:

Court Security Officers:	\$ 14.32 / hour**
Lead Court Security Officer:	\$ 16.51 / hour**
Health & Welfare Allowance:	\$ 2.36 / regular hour paid up to 40
Uniform Allowance:	\$ 0.11 / regular hour worked up to 40

Effective October 1, 2004:

Court Security Officers:	\$ 14.83 / hour**
Lead Court Security Officer:	\$ 16.02 / hour**
Health & Welfare Allowance:	\$ * / regular hour paid up to 40
Uniform Allowance:	\$ 0.11 / regular hour worked up to 40

Effective October 1, 2005:

Court Security Officers:	\$ * / hour**
Lead Court Security Officer:	\$ * / hour**
Health & Welfare Allowance:	\$ * / regular hour paid up to 40
Uniform Allowance:	\$ 0.11 / regular hour worked up to 40

Effective October 1, 2006:

Court Security Officers:	\$ * / hour**
Lead Court Security Officer:	\$ * / hour**
Health & Welfare Allowance:	\$ * / regular hour paid up to 40
Uniform Allowance:	\$ 0.11 / regular hour worked up to 40

* The parties agree that either party may reopen negotiations for amendments to Appendix "A" Wages and Health & Welfare Allowance and wages at any time after May 1 and before June 1, for all years governed by this contract, by giving written notice to the other party. Any final agreement resulting from said negotiation shall be incorporated into the terms of this agreement. If the parties fail to reach agreement, the dispute shall be submitted to arbitration in accordance with Article 5 of this agreement. All provisions of this Agreement, including, but not limited to, Article 16, shall remain in force during the terms of the negotiations and any resulting arbitration, and for the remainder of the terms of this agreement.

** A shift differential of three and a half percent (3.5%) of the employee's regular hourly rate shall be paid for all hours worked between 6 P.M. and 6 A.M.

International Guards Union of America
International Union

Akal Security, Inc.

Signature

Date

Signature

Date

International Guards Union of America
Local # 126

David Gunn 6/11/03
Director, I.G.U.

Signature

Date

[Signature] 11 June 03
[Signature] 11 June 03