

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

BROOKS RANGE CONTRACT SERVICES, INC.

AND

FEDERACION CENTRAL DE TRABAJADORES
UFCW, LOCAL 481, C.T.W

FOR

HOURLY MECHANICAL MAINTENANCE EMPLOYEES
AT THE DEGETAU FEDERAL BUILDING

HATO REY, PUERTO RICO

Term of Agreement:

August 1, 2012 through July 31, 2015

CONTRACT

This agreement entered into on this 29th day of May 2012, by and between BROOKS RANGE CONTRACT SERVICES, INC. for the contract site at the Degetau Federal Building, 150 Carlos Chardon Avenue, Hato Rey, Puerto Rico, here in after referred to as "the employer" or "the Company" and "Federacion Central de Trabajadores," UFCW, Local 481, affiliated with the United Food + Commercial Workers, here in after referred as "the Union," and any renewal or extension thereof, shall be binding upon the parties here to, their heirs, executors, administrators, successors and assign.

ARTICLES

ARTICLE I

RECOGNITION OF THE UNION

The Employer hereby recognizes the Union as the sole and exclusive bargaining representative for all hourly mechanical maintenance employees employed at Hato Rey at the Degetau Rey Federal Building at Hato Rey, Puerto Rico.

ARTICLE II

MANAGEMENT RIGHTS

The Union acknowledges that the management of the Company and its hourly bargaining unit labor force are the sole and exclusive prerogatives of the Company. Therefore, except as expressly limited by the terms of this Contract, the Company has and retains exclusive controls of all matters concerning the operations, management, scheduling and administration of its business, including-but not to be construed as a limitation-administration and management of its departments, operations, scheduling of the hourly bargaining unit labor force, assigning of duties and responsibilities to its employees, maintaining discipline and efficiency in its operations, determining the methods, processes, materials and equipment to be used for the work schedules, and establishing and changing its operations and rules of work.

ARTICLE III

UNION SHOP

Section 1

As a condition of employment for all hourly mechanical maintenance employees covered by this Collective Bargaining Agreement who on the execution date of this Contract are not active Union members, shall join the Union within ninety (90) days of the execution date thereof, and as a condition of employment shall continue to be active members for the life of the contract. All hourly mechanical maintenance employees covered by this Collective Bargaining Agreement hired after the execution date thereof shall join the Union within ninety (90) days of their date of hire, and shall continue to be active members of the Union for the life of the Contract.

Section 2

Upon receipt of an authorization signed by the employee, the Company shall deduct from the salary of the employee the periodic and initiation fees of the Union for the period covered by said authorization. The amount to be deducted shall be certified by the Union.

Section 3

At the end of each month, the Company shall remit to the secretary-treasurer of the Union any fees deducted from the employee covered by this Contract.

Section 4

Nothing in this agreement shall prohibit at the discretion of Management Company salaried management personnel from engaging in actual mechanical maintenance work as deemed necessary by management.

ARTICLE IV

WORKING HOURS AND OVERTIME

All work performed in excess of eight (8) hours in one (1) day shall be paid at one and one half times (1 1/2 x), the employee's regular rate of pay on any working day. All work performed in excess of forty (40) hours in one work week shall be paid at one and one half time (1 1/2 x) the employees regular rate of pay.

The employees shall have one break period of fifteen (15) minutes paid during the first four (4) hours of their regular scheduled work shift. This paid work break will be scheduled at the discretion of management. All employees working their regularly scheduled work shift shall be granted a meal break of one (1) unpaid hour. This unpaid meal break shall be scheduled at the discretion of management within the first five (5) hours of the regularly scheduled work shift. In the event of an emergency, as determined by management, unpaid meal breaks and paid work breaks may be interrupted. In the event that this should occur, upon satisfactory resolution of the emergency situation, employees shall be permitted to resume their unpaid meal break or their paid work break.

ARTICLE V

HOLIDAYS

Employees must work their scheduled work shift before and their scheduled work shift after each holiday in order to receive holiday pay. Granted vacation is the only exception. Holiday pay shall be deemed to be eight (8) hours paid at the employee's regularly scheduled rate of pay. The following represents the paid holidays:

- | | |
|---------------------------|-------------------|
| 1. New Year's Day | 6. Labor Day |
| 2. Martin Luther King Day | 7. Columbus Day |
| 3. President's Day | 10. Veteran's Day |
| 4. Memorial Day | 11. Thanksgiving |
| 5. Independence Day | 12. Christmas |
| | 13. Good Friday |

Any employee required to work on a recognized holiday shall receive one and one half time (1 1/2 x) their regularly hourly rate of pay for all hours worked. The regular work week shall be defined as 12:01 a.m., Sunday, thru midnight Saturday. Payday will be every other Friday. All employees must receive their pay exclusively through direct deposit.

ARTICLE VI

VACATIONS

Employees shall be entitled to the following paid vacation based upon seniority. Vacations shall be paid at the employee's regular hourly rate of pay. Employees must complete one (1) year of credited service prior to achieving eligibility for paid vacation time. All vacation shall be granted based on a schedule deemed acceptable to management. Management retains the right to cancel vacations at any time and require a canceled vacation to be rescheduled at the convenience of management. All vacation must be taken between January 1st and December 31st of each calendar year. No vacation time may be carried over passed December 31st

1 to 5 years	15 days of paid vacation leave
5 to 15 years	17 days of paid vacation leave
15 years and over	20 days of paid vacation leave

ARTICLE VII

SICK DAYS

Every employee covered under this contract shall accumulate up to twelve (12) sick days, in accordance with Puerto Rico Law. (Law #180 of 1998.) These days cannot be carried over to the following year if not used. The procedure to use them is as follows:

1. The employee must call his supervisor at or before his punch-in time to inform that he is not able to work due to illness that day.
2. If the time not able to work is going to exceed more than two (2) working days, the employee must turn in to his supervisor, a note or letter from a Doctor certifying the amount of time he was not able to work. This must be turned in no later than the first day the employee returns to work from his illness.
3. Failure to comply with this procedure exposes the involved employee to disciplinary actions established by the company.

ARTICLE VIII

THE FAMILY AND MEDICAL LEAVE ACT OF 1993

Unless greater rights are provided for under applicable state law, an employee may be eligible for unpaid Family and Medical Leave if the employee has worked for the Company for at least 12 months, including at least 1,250 hours in the 12-month period immediately preceding the request for leave, and has worked at a site where 50 or more Company employees work within 75 miles.

An employee is eligible for up to 12 workweeks of unpaid leave during a 12-month period for covered family and medical reasons, or to support a qualifying close family member in the National Guard or Reserves who is called to active military duty. In addition, eligible employees may take up to 26 workweeks of unpaid leave during a single 12-month period to provide care for a qualifying family service member who is employed by the military, but is unable to work due to a serious illness or injury incurred in the line of duty. (The 12-month period for an employee is measured backward from the date the leave will start).

Some limitations apply to two family members who are both employed by the Company.

Reason for Leave

Leave may be requested for any of the following five reasons:

- (1) To care for a child born to or placed with an employee for adoption or foster care;
- (2) To care for a spouse, child, or parent with a serious health condition (defined below);
- (3) Because of an employee's own serious health condition (defined below);

A serious health condition is defined as an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of his

or her job, or prevents a qualified family member from participating in school or other daily activities.

This policy also covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three consecutive days of incapacity with the first visit to the health care provider within seven days of the onset of the incapacity and a second visit within thirty days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year.

- (4) For qualifying exigency leave for qualified family members of individuals in the National Guard and Reserves when the covered military member is on active duty or called to active duty in support of a contingency operation.

An employee whose spouse, son, daughter or parent is on active duty, or is called to active duty with the National Guard or Reserves, may take up to 12 weeks of leave for reasons related to or affected by the family member's call-up or service. The qualifying exigency must be one of the following: 1) short-notice deployment, 2) military events and activities, 3) child care and school activities, 4) financial and legal arrangements, 5) counseling, 6) rest and recuperation, 7) post-deployment activities and 8) additional activities that arise out of active duty, provided that the Company and employee agree, including agreement on timing and duration of the leave.

- (5) For military caregiver leave (also known as covered service member leave) to care for an ill or injured service member who is the spouse, son, daughter, parent, or next of kin of the service member.

Covered service member leave permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A “covered service member” is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty while on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Employee Status and Benefits During Leave

Family medical leave is generally unpaid leave. However, all forms of paid leave will run concurrently with the unpaid FMLA leave. If leave is requested because of a birth, adoption or foster care placement of a child, any accrued paid vacation and personal leave must first be substituted and used for unpaid family/medical leave. If leave is requested because of the employee’s own serious health condition, or to care for a covered family member with a serious health condition, any accrued paid vacation, personal leave and sick leave must first be substituted and used for any unpaid family/medical leave. In addition, if an employee is receiving pay under the Company’s disability plan or pursuant to workers’ compensation benefits, the Company and the employee may agree to have paid leave supplement any disability or workers’ compensation benefits. The substitution of paid leave time for unpaid leave time does not extend the 12 or 26 week leave period.

Notice of Leave

Eligible employees must give timely notice of the need for leave. If the need for family/medical leave is foreseeable, the employee must explain the reasons for the leave to Corporate Human Resources and provide at least thirty days’ prior written notice. Failure to provide such notice may

be grounds for delay or denial of leave. Where the need for leave is not foreseeable, the employee must explain the reason for leave to Corporate Human Resources by any means necessary as soon as it is possible.

The notice must state the dates when leave will begin and when the employee plans to return to work. Employees must provide sufficient information for the Company to determine if the leave qualifies for FMLA protection and the anticipated timing and duration of the leave. Employees may obtain the appropriate forms from the Corporate Human Resources Department. Employees should use these forms when requesting leave. Employees who misrepresent facts in order to be granted FMLA leave will be subject to discipline, up to and including termination.

Medical Certification

If an employee requests leave because of the employee's own or a covered family member's serious health condition, the employee and the relevant health care provider must supply appropriate medical certification if requested by the Company. Employees may obtain Medical Certification Forms from the Corporate Human Resources Department. Each Medical Certification Form must be completed within fifteen days from the date it is provided to the employee. Failure to provide such medical certification in a timely manner may result in delay or denial of leave. In its discretion and at its own expense, the Company may require a second medical opinion, and if the first and second opinions differ, a third medical opinion. The third opinion will be provided by a health care provider approved jointly by the employee and the Company and will be binding. The Company may also require re-certification periodically during a leave period, and the employee may be required to present a fitness-for-duty certificate upon return to work following the leave for an employee's own illness.

Medical and Other Benefits

During the leave, the Company will maintain health benefits, dental benefits, life insurance, and short-term and long-term disability benefits, the same as if the employee had continued working. The employee is not entitled to other benefits' accrual or holiday pay during the leave period except to the extent the employee accrues benefits and/or holiday pay during the portion of FMLA leave, if any, that paid leave is used by the employee.

Currently, the employee pays a portion of the health care premium. While on paid leave, the Company will continue to make payroll deductions to collect the employee's share of these premiums. While on unpaid leave, the employee must continue to make this payment, either in person or by mail. The payment must be received by Company by the last day of each month. If the payment is more than thirty days late, the employee's health care coverage may be dropped for the duration of the leave. The Company will provide fifteen days' notification prior to the employee's loss of coverage.

If the employee does not return to work after the FMLA leave period, the employee will be required to reimburse the Company for the payments of the health insurance premiums.

Reporting While on Leave

The Company requires its employees on FMLA leave to periodically report to Corporate Human Resources, once every thirty days, regarding the employee's status and intent to return to work.

Returning from Leave

An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from his or her health care provider. Generally, an employee who takes FMLA leave will be able to return to the same position or a position with equivalent status, pay, benefits and other

employment terms. However, if the employee would otherwise have ceased to be employed at the time that reinstatement is sought, the employee will not be entitled to reinstatement. The Company may choose to exempt certain key employees from this requirement and not return them to the same or similar position.

Eligible employees who are not able to resume work because they are unable to perform an essential function of the position because of a physical or mental condition, including the continuation of a serious health condition, will have no right to restoration upon expiration of FMLA leave.

Intermittent Leave or a Reduced Work Schedule

Eligible employees may also request to take leave on an intermittent basis or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the Company's operations.

Employee Rights under the FMLA

The Company will inform employees who request leave whether they are eligible for FMLA benefits. If the employee is eligible for FMLA benefits, the Company will specify any additional information required from the employee as well as provide the employee with notice of his or her rights and responsibilities under the FMLA and the Company will inform employee if leave will be designated as FMLA-protected and the amount of leave to be counted against the employee's leave entitlement. If the employee is not eligible for FMLA, the Company will provide a reason for ineligibility. Similarly, if the Company determines that the leave is not FMLA-protected, the Company will notify the employee.

It is unlawful for the Company to interfere with, restrain, or deny the exercise of any right provided under the FMLA. It is also unlawful for the Company to discharge, discriminate against, or harass

any employee for opposing any practice made unlawful by the FMLA, or for involvement in any proceeding under the FMLA. If any employee believes their FMLA rights have been violated, the employee should bring this to the attention of his or immediate supervisor or to Corporate Human Resources.

ARTICLE IX

SENIORITY

A. All employees who have satisfactorily completed the probationary period of ninety (90) days shall be included on the seniority list with the seniority date corresponding to the employee's date of hire at the Company.

In the event of a permanent or temporary reduction in the work force, the employer shall abide by the seniority list, unless there is a marked difference in skills between one employee and another. The employer shall notify the Union in writing at least three (3) days in advance of any permanent staff reduction. In said notice, the employer shall list the names of the employees being laid-off, including the seniority date and classification.

B. Seniority shall be determined by time of service with the employer. Said term shall include vacations, military leave, temporary layoff, leave of absence authorized by the employer and sick leave, providing the latter does not exceed six (6) months.

C. Promotions to higher classification, temporary or permanent lay off and recalls after shall all be based on the individual's seniority, experience and skills. If the experience and skills are equal, then seniority shall prevail.

D. Layoffs shall be affected by classification and seniority and on the following order:

1. Employees on probationary period
2. Regular employees based on seniority list and classification

The employer shall keep a list of laid-off employees for up to six (6) months, and if the employee has not been recalled, the employer will eliminate his/her name from the list. Laid off employee will be recalled in reverse order in which they were laid off, provided that the recall occurs within six (6) months of the date of the layoff. As of this waiting period, the employer is not bound to hire said laid off personnel and may, at its discretion, hire any employees it may need.

ARTICLE X

EMPLOYEE HEALTH AND WELFARE

The company shall provide a total health and welfare benefit in a monthly amount as prescribed by the applicable U.S. Department of Labor wage determination.

The appropriate amount from the current U.S. Department of Labor Wage Determination No. 2005-2461 is \$685.00 per month.

The monthly health and welfare shall change each August 1st in order to match the appropriate U.S. Department of Labor Wage determination health and welfare amount.

The union shall provide, through its health and welfare trust function, all benefits dues each eligible employee.

The company shall send payment to the union each month, by the 20th of each month, the required

payment to cover the cost of benefits.

The difference between the actual benefit cost, and the \$685.00 allocated per employee, per month, will be deposited by the company, semi-monthly, into each respective employee's 401K account.

The union shall inform the employer of the amount of this difference on an annual basis.

The company and the union agree to meet annually, by 15 May each year, to resubmit the cost of health and welfare benefits should an increase be dictated by the applicable wage determination.

The correct address to submit health and welfare payments to the union shall be:

Local 481 UFCW
P.O.Box 11542
Caparra Heights Station
San Juan, PR 00922-15

ARTICLE XI

UNIFORMS

The employer will provide five (5) wash and wear uniforms for every employee per year. It will consist of five (5) Shirts and five (5) Trousers. The employer shall also provide a pair of OSHA-approved steel toed shoes per year. The price of said shoes will not exceed \$130.00. Employees will take delivery of their yearly allocation of uniforms and shoes no later than August 30 of each year.

ARTICLE XII

MATERNITY LEAVE

The employer shall provide maternity leave to each female employee, accordance with the laws in effect.

ARTICLE XIII

RULES OF CONDUCT

In compliance with their duties and responsibilities, employees covered by this Contract shall follow the Company's rules and regulations of conduct as well as any work-related instructions and orders issued by the Company's duly authorized personnel, provided that said rules and regulations of conduct do not conflict with the provisions of this Contract.

ARTICLE XIV

ADJUSTMENT AND ARBITRATION

A. In the event of any dispute or question regarding the interpretation of this Contract, any party shall make all possible efforts to find a solution at the earliest possible moment, taking the following steps into consideration:

First step: Discussions between the Union's shop stewards and business agent, or both and the Company supervisor.

Second step: Discussion between a Union officer and a representative appointed by the Company.

Third step: If the parties cannot agree on the complaint, as described in the second step, then the parties shall select an arbitrator. All arbitral disputes shall be heard before an arbitrator from the American Arbitration Association. If the parties cannot agree on an arbitrator after each having the ability to strike five then the A.A.A. shall appoint an arbitrator. The arbitrator shall decide the case based upon the terms of the CBA and the evidence presented by both parties.

B. The arbitrator has no authority to modify, alter, add, or express any part of this Contract. The arbitrator's award shall be final, binding on the parties, and unappealable.

A. The Employer shall not discriminate against an employee for belonging to the Union or his/her activities within the Union.

D. Employees are entitled to take their disputes and complaints to diverse forums and testify before them, and shall not be subject to loss of employment or discrimination

E. All disputes or complaints shall be entertained immediately and a report submitted within seven (7) days of the event or notification of the final decision thereto.

F. It is agreed that Steps 1 and 2 may be omitted by agreement of the Employer and the Union.

G. The Union is entitled to determine whether the dispute or complaint should go to arbitration. The ensuing decision shall be binding on the employee as well as the Union.

H. Costs of arbitration shall be borne equally by the parties.

ARTICLE XV

UNION REPRESENTATIVE

It is agreed that the activities of the Union shall not be carried out during working hours, except as indicated in this Article. Nevertheless, this does not prohibit the Officers of the Union to enter the premises of the Company to ascertain compliance with the provisions of this Contract.

ARTICLE XVI

CHRISTMAS BONUS

The Employer shall pay all of the hourly employees, covered by this Collective Bargaining Agreement, a Christmas Bonus during the paid period before December 15 of that year. Said Christmas bonus shall be paid as part of that regular pay period pay check. The Christmas bonus shall be based upon the gross earnings of each employee from December 1st of the previous calendar year to November 30th of the present year. The Christmas bonus shall be five percent (5%) of the employee's gross earnings for this 12 month pay cycle.

ARTICLE XVII

WAGES

The following represents the wage schedule:

	08/01/2012	08/01/2013	08/01/2014
Electrician	\$ 19.87	\$ 21.02	\$ 22.17
HVAC Mechanic	\$ 19.76	\$ 20.91	\$ 22.06
Plumber/Maintenance Mechanic	\$ 19.64	\$ 20.79	\$ 21.94
General Maintenance Worker	\$ 18.25	\$ 19.40	\$ 20.55

ARTICLE XVIII

FUNERAL LEAVE

In the event of the death of a parent, spouse, siblings, children or grandparents of any employee covered by this Agreement, the Employer shall grant them a maximum of three (3) consecutive days of leave (excluding Saturdays, Sundays and holidays) to attend the funeral. The last day of the three days granted shall be the day after the burial.

ARTICLE XIX

NO STRIKE/NO LOCKOUT CLAUSE

Section 1

The Union agrees that neither it nor the company employees who compromise the bargaining unit covered by this contract may collectively, in concert or individually, engage in or participate, directly or indirectly, in strikes of any nature, slow-downs, work interruptions and/or stoppages, demonstrations, boycotts, or any other type of interference and/or interruption of Company operations and activities.

Section 2

During the life of this Contract, the Union pledges to resort to the Grievance Procedures provided by this contract instead of resorting to a strike so as to guarantee permanent and constructive industrial peace.

Section 3

The company may terminate any employee of the Bargaining Unit who engages in any of the above-mentioned acts.

ARTICLE XX

EMPLOYEE REIMBURSEMENT

The Company shall reimburse employees required to reregister required licensing as determined by the Company. Employees must provide documentation of the payment of any and all licensing fees in order to receive reimbursement from the Company. The Company shall reimburse the employee submitting the proper documentation no later than twenty (20) calendar days from the date he submitted them.

TERM OF AGREEMENT

This Contract shall be effective beginning 1 August 2012 and shall continue in full force and effect through 31 July 2015.

Executed in San Juan, Puerto Rico, on this 29th day of May 2012.

BROOKS RANGE CONTRACT SERVICES, INC.

FEDERACION CENTRAL DE TRABAJADORES, LOCAL
481, UFC, C.T.W.

Fernando Riquelme
for R.
Thom Co. Va.
G. M. D.