Collective Bargaining Agreement

between

Owatonna Care Center, LLC

and

SEIU Healthcare - Minnesota

Effective
October 1, 2012
through
September 30, 2013
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OWATONNA CARE CENTER, LLC
AGREEMENT

ARTICLE 1: INTRODUCTION

This Agreement is made and entered into by and between Owatonna Care Center, LLC, 201 SW 18th Street, Owatonna, MN 55060 (hereinafter referred to as the "Employer") and SEIU Healthcare Minnesota (hereinafter referred to as the "Union").

ARTICLE 2: SUCCESSIONSHIP

In the event of a transfer, sale or assignment of the Employer's facility, the Union shall be notified expeditiously and in advance of such action. The Employer will advise a prospective buyer of the existence of the collective bargaining agreement.

ARTICLE 3: RECOGNITION

The Employer recognizes the Union as the sole representative of its regularly scheduled non-professional employees in the bargaining unit certified by the National Labor Relations Board, it is certified in Case 18-RC-17212 that Local 113 (SEIU Healthcare Minnesota) is the sole representative of all full-time, regular part-time, and on call/casual including CNA's, TMA's and all other non-supervisory employees employed by the Employer; registered nurses, confidential employees, professional employees, managerial employees, and guards and supervisors as defined in the Act as amended. Such recognition is mutually made for the express purpose of collective bargaining with respect to the hours of labor, rates of pay and working conditions herein specified.

3.1 No Change to Defeat Agreement

No classification or title shall be changed or new classification or title created to defeat the spirit of this Agreement.

3.2 No Contradictory Rule

The Employer agrees not to enter into any agreement or contract with its employees (who are in the classifications herein noted), either individually or collectively, which conflicts with any of the provisions of this Agreement. To the extent that the Employer's handbook conflicts with express provisions of this Agreement, the Employer's handbook is unenforceable.

ARTICLE 4: UNION SECURITE

4.1 Union Security

There is a Collective Bargaining Agreement between the Employer and SEIU Healthcare Minnesota, covering wages, hours of work, and other terms and conditions of
employment. The Collective Bargaining Agreement provides that the Union is the sole representative for the employees in the bargaining unit as described in Article 3. After completion of an introductory period of ninety (90) calendar days of employment, subject to extension pursuant to Article 12 of the Collective Bargaining Agreement provides the Employee with the following two choices:

1. Employees may elect to become a Union member and participate fully in the affairs of the Union by paying an initiation fee and monthly dues.

2. Employees may choose not to become a Union member and pay a service fee and monthly fees (an amount not to exceed monthly Union dues). These Employees shall not be able to attend membership meetings or participate in contract negotiations.

At the time of employment, a new employee who shall be subject to this Agreement shall be informed of this by the Employer and the Union. It is the Employee's responsibility and a condition of employment to ensure that payments to the Union are made on a timely basis. The Collective Bargaining Agreement provides that Employees may voluntarily elect to have Union dues and fees deducted from their checks and sent to the Union.

4.2 Good Standing

All Employees covered by this Agreement who are now or may hereafter become members of the Union shall during the life of this Agreement, remain members of the Union in good standing as a condition of employment. "In good standing," for the purpose of this Agreement, is defined to mean the payment of a standard initiation fee and standard regular monthly dues, uniformly required as a condition of acquiring or retaining membership in the Union.

Employees covered by this Agreement who elect not to become Union members shall pay to the Union a service fee in an amount equal to the standard initiation fee paid by Employees who become Union members and a monthly service fee not to exceed the standard monthly dues paid by Union members.

Payments required by this section shall be made only after an Employee has completed ninety (90) calendar days of employment. The fee required by paragraph one shall be due and payable upon the ninety-first (91st) day of employment, unless extended pursuant to Article 12, and must be paid within ten (10) days thereafter. Monthly payments required by paragraph one and two of this subsection are due and payable the first (1st) day of the month following the completion of ninety (90) calendar days of employment, unless extended pursuant to Article 12, and shall be paid by the tenth (10th) day of each month. Any Union member or Employee electing to pay the initiation or service fee and the monthly dues or monthly fees who is delinquent in making the payments required herein for more than thirty (30) calendar days shall be terminated by the Employer without any notice to the delinquent Employee. Termination shall occur within twenty-one (21) days after receipt of written notice from the Union to the Employer of such delinquency. The Union shall save the Employer harmless from any claims of an Employee so terminated.
4.3 Dues Deductions

The Employer agrees to deduct Union dues and initiation fees, or comparable enrollment and service fees for employees electing not to become Union members, from the wages of employees who voluntarily provide the Employer with a written authorization to make such deductions. The written authorization shall not be irrevocable for a period of more than one (1) year or beyond the termination date of this Agreement, whichever occurs sooner. Deductions shall be made from the wages of employees in the first (1st) pay period of the month in which the payment is due. Withheld amounts will be forwarded to the Union by the tenth (10th) day of the month following the actual withholding, together with a record of the amount, social security number, and name of those for whom such deductions have been made. The Union will hold the Employer harmless from any dispute with an Employee concerning deductions made.

In the event that no wages are due the employee or that they are insufficient to cover the required deduction, the deduction for such month will nevertheless be made from the first wages of adequate amount next due the employee and will thereupon be transmitted to the Union. The Union agrees to refund promptly any dues found to have been improperly deducted and transmitted to the Union.

The Union will also send copies to the Employer of the various warning notices sent to the member pursuant to its present practice so that the Employer may take steps designed to keep the employee in good standing. If the employee does not remain in good standing as defined above, the Employer shall terminate the employee within twenty-one (21) days of written notice to do so from the Union. The Union shall save the Employer harmless from any claim of an employee so terminated.

4.4 Employee Lists

Each month the Employer will send the Union a list with the following information relating to employees covered by the Collective Bargaining Agreement:

- **New Hires**: name, hire date, address, phone number, classification, rate of pay, social security number and number of hours worked per pay period.
- **Transfer Employees**: name, social security number, date of job transfer, position the employee is transferring from and into, new hire information if the employee is transferring into the bargaining unit.
- **Terminated Employees**: name, termination date, classification and social security number.
- **Employees on Leave of Absence**: name, date leave begins, date of return and social security number.
- **Changes**: name changes, address changes, phone number changes, changes in hours per pay period, change in classification, any other changes affecting Union membership or dues, and social security number.
- **Monthly Reports**: monthly lists of all employees with name, social security number, classification, actual hours worked by pay period, wage rate, gross
earnings per pay period in the bargaining unit, period the hours covered, and the actual amount of dues deducted.

- **Reports relating to Percentage-Based Dues System:** If and when SEIU Healthcare Minnesota implements a percentage-based dues system, Employer will provide all of the information contained in the “Monthly Reports” on a bi-weekly basis.

Each year, the Employer will send the Union a list with the following information:

- **Annually:** name, social security number, gross collective bargaining wages, and the annual dues deduction.
- **Seniority List:** one list of all employees in the bargaining unit by seniority with date of hire and one list alphabetically to be sent in June each year.

4.5 **Electronic Reporting.**

The Employer shall work with the Union in order to process dues and reporting of hours electronically, where it can be done without increased cost to the Employer.

4.6 **Yearly Updates.**

Upon written request from the Union, the Employer will provide yearly wage updates for each employee in the bargaining unit including any additional information reasonably requested by the Union.

**ARTICLE 5: UNION VISITATION/BUSINESS REPRESENTATIVES/STEWARDS**

5.1 **Union Visitation**

An official representative of the Union will be permitted to visit the Employer to ascertain that the provisions of this Agreement are being observed and to confer with employees covered by this Agreement during their non-work time and in non-work areas as reasonably designated by the Employer. Such visits will not interfere with the operation of the facility or the performance of employees' duties. The Union will furnish the name of the representative. The Union shall give at least 24 hours prior notice to Employer’s Administrator before entering the facility, except under extraordinary circumstances, according to the notice provision in Article 26. Upon arrival at the facility, the Union representative shall alert the facility’s administrator and/or the administrator’s designee of the Union representative’s presence at the facility, and the administrator and/or the administrator’s designee will provide a suitable meeting space.

5.2 **Bulletin Boards**

The Employer will furnish a bulletin board for the use of the Union in communicating with employees. Materials shall be shown to the Administrator or designee prior to posting. Only official Union notices containing no inflammatory comment may be posted. Official notices are not required to be on SEIU letterhead.
5.3 Stewards

The Union shall have the right to appoint two (2) CNA’s as Union Stewards. The parties agree that it is preferable to have one on the day shift and one on the afternoon shift, but it is the membership’s decision. Stewards shall be recognized as the representative of the Union for all matter arising under the Agreement to the extent permitted herein.

The Union will advise the Employer as to the identity of the Stewards in writing. In no instance will the Stewards be discriminated against for discharging such duties, provided such duties do not unreasonably interfere with the regular performance of their work for the Employer.

The Union will furnish to the Employer a complete list of Stewards, which shall be amended from time to time as may be necessary. Stewards will be entitled to an unpaid leave of two (2) days each calendar year for Steward training and education, except to the extent that the employee chooses to take paid time off. The Union must notify the Employer at least four (4) weeks in advance thereof. The Steward must, upon returning from the leave, present the Administrator with written evidence from the Union that the Steward has used the leave for the purpose for which the leave was intended.

It is the philosophy of Union and Employer that a cooperative relationship is in the best interest of the parties. To this extent, Stewards shall be allowed reasonable time on the clock to investigate issues that could lead to or are grievances, and to attend labor/management and grievance meetings, with prior approval of the supervisor. The Stewards will not all attend management meetings or investigate at the same time to the extent that such jeopardizes patient care by leaving patients unattended or leaving the floor short staffed, unless the Employer gives prior approval.

The Employer shall make time available during the orientation process for a Steward to provide information to new employees. The Employer and the Union agree to cooperate when scheduling this activity.

ARTICLE 6: NO DISCRIMINATION

No employee covered by this Agreement will be discriminated against because of membership or non-membership in the Union or activities on behalf of the Union.

ARTICLE 7: LABOR/MANAGEMENT MEETINGS

The parties are in agreement that full cooperation and understanding between the parties and a harmonious relationship will promote efficient performance that is in the interest of both the Employees and the Employer. It is recognized that matters other than formal grievances may arise that may be appropriate to discuss in Labor/Management meetings. Topics of Labor/Management meetings may be problems, concerns, suggestions, ideas, etc. related to the facility, the work force and resident services, all to promote a better work environment.
The Labor/Management meetings will be between the Union's stewards and up to three (3) representatives of management. Labor/Management meetings will be held as needed and upon the mutual agreement of the parties. When either the Employer or the Union desires a Labor/Management meeting it will notify the other party of the date, time and place of the Labor/Management meeting.

ARTICLE 8: MANAGEMENT RIGHTS

Retention of Employer Rights. All Employer rights, functions, responsibilities and authority not specifically limited by the express terms of this Agreement, are retained by the Employer and remain exclusively within the rights of the Employer.

Specific Employer Rights Acknowledged. Subject only to the express limitations stated in this Agreement, the Union recognizes that the Employer retains the sole and exclusive right to manage its business and to control and direct its work force, including (but not by the way of limitation) the right to plan, schedule, direct and control its operations; to introduce new or improved technology, machinery, facilities and methods of operations; to hire, assign, transfer, reward, promote, layoff or recall employees; to observe and evaluate an employee's job performance and to apply disciplinary action; to determine and re-determine job content; to determine the starting and quitting time; to determine the number of hours to be worked including overtime hours; to increase, decrease, or suspend the number of hours to be worked, including overtime hours; to increase, decrease, suspend discontinue work or any part thereof; and to establish, revise and enforce work rules and standards of service/performance; to discipline or discharge employees for just cause. Such work rules and regulations will be found in the Employer's policies and procedures.

ARTICLE 9: GRIEVANCE AND ARBITRATION

9.1 Grievances

A grievance is a dispute or controversy between an Employee or Union and the Employer relating to the interpretation of or application of the express terms and provisions of the Agreement.

Any grievance based upon the suspension or discharge of an employee shall be referred directly to Step 2 of this procedure within three (3) week days (i.e., Monday – Friday) following the suspension or discharge.

In the event of a grievance, the employee shall first discuss the issue with his or her supervisor. If the grievance has not been settled by oral discussion, the following procedure will apply:

Step 1: Notice of a grievance shall be given by the aggrieved party to the Director of Nursing, Administrator or designee. Within three (3) week days after the occurrence of such grievance (except as to grievances over wages, hours, PTO and days off, such notice shall be timely if given within five (5) week days after the regular pay day for the period
in which the alleged violation occurred). The written grievance shall state the Article and Section of the Agreement alleged to have been violated, the nature of the violation, the remedy or correction desired, and it shall be signed and dated by the employee, the Union Representative, or the Steward involved. The parties shall meet to discuss the grievance before the Employer responds to the grievance. The Director of Nursing, Administrator or designee will answer all written grievances in writing within three (3) week days from the date of the Step 1 meeting.

**Step 2:** If the grievance is not resolved in Step 1, the employee or Union shall submit a written grievance to the Administrator or designee within three (3) week days, specifying those provisions of the agreement alleged to be violated, following the Step 1 Employer response. The parties shall meet to discuss the grievance before the Employer responds to the grievance. The Administrator or designee shall reply in writing to the employee and the Union Representative or Steward within five (5) week days after the date of the Step 2 meeting.

### 9.2 Arbitration

Any grievance that has not been settled may be appealed to Arbitration by the Union or the Employer by serving written notice of its intent to appeal within fourteen (14) days after the Employer’s Step 2 response.

The parties can agree to extend the timeline to serve such written notice.

The arbitration request will be submitted to the Federal Mediation and Conciliation Service (“FMCS”) for a list of seven (7) arbitrators.

The parties shall select one arbitrator from the list provided by FMCS by alternately striking one name until six (6) names have been eliminated and the one person whose name remains shall be the selected arbitrator. The parties shall flip a coin to determine who strikes first, with the Union calling the flip.

The arbitrator shall meet at a time and place agreeable to the parties, and proceed to hear the parties and the witnesses with as much dispatch as possible. The decision of the arbitrator shall be in writing, and shall be final and binding. The Employer and the Union shall share equally the expenses of the arbitrator and all other agreed upon expenses.

The authority of the arbitrator shall be limited to making an award relating to the interpretation of or adherence to the written provisions of this Agreement, and the arbitrator shall have no authority to add to, subtract from, or modify in any manner the terms and provisions of this Agreement. The award of the arbitrator shall be confined to the issues raised in the written grievance and the arbitrator shall have no power to decide any other issues.
ARTICLE 10: MISCELLANEOUS

Bargaining unit employees shall have at least three (3) shifts of orientation, and shall have sufficient orientation to provide services to the residents they are assigned.

ARTICLE 11: CLASSIFICATION OF EMPLOYEES

Full-Time Employee: A regular full-time employee is one who is scheduled to work thirty two (32) hours or more per week averaged over a six (6) month period.

Part-Time Employee: A regular part-time employee is one who is scheduled to work less than thirty two (32) hours per week averaged over a six (6) month period.

Casual Employee: Casual employees are those who have no regular scheduled hours of work but work intermittently as required. Each casual employee shall provide Employer a list of days and times when he or she is or will be available to be called for work, and shall ensure that the list is updated if the employee’s availability changes. A casual employee may refuse work offered during his or her listed availability no more than three (3) times in a row. At the third refusal of work during a time within the casual employee’s days or hours of stated availability, the casual employee will have the option to work the shift or accept termination of employment. After the third consecutive refusal of work during the casual employee’s period of stated availability, the employee shall be terminated.

ARTICLE 12: INTRODUCTORY PERIOD

The first ninety (90) calendar days of employment starting with the first day worked in the department, of any new employee covered by this Agreement shall be an introductory period during which time the employment of such employee can be terminated with or without cause. The introductory period may be extended by thirty (30) days by the Employer by giving notice of such extensions to the Union.

Seniority shall not accrue to Employees during their introductory period, however, upon successful completion of the introductory period, all Employees shall be deemed to be regular Employees covered by the terms of this Agreement and their seniority shall revert back to the date of hire.

During the introductory period an Employee may be terminated with or without cause and such action shall not be subject to the grievance procedure. Employees shall not qualify for any Employee benefits during their introductory period except payment of wages, holiday pay for holidays worked, or as otherwise required by law.
ARTICLE 13: HOURS OF WORK AND OVERTIME

13.1 Scheduling

For employees hired on or before June 15, 2005, the normal workday shall consist of eight (8) work hours within eight and one-half (8.5) hours, which includes a one-half (1/2) hour unpaid meal period. For Employees hired after June 15, 2005 the Employer retains the right to go to a seven and one-half (7.5) hour workday to be completed in eight (8) hours, which includes a one-half (1/2) hour unpaid meal period. The Employer will make every effort not to schedule employees to work more than six (6) consecutive days. Employees shall be scheduled to work no more than every other Saturday and Sunday, except upon mutual agreement between the Employer and employee. Nothing in this Article shall be interpreted as requiring the Employer to schedule any given classification of employees to work alternating weekends.

If an employee fails to report to work for a scheduled weekend shift, Employer may require the employee to work a “make-up shift” within the employee’s next two scheduled “off” weekends (i.e., within the next three weekends), even if this causes the employee to work two consecutive weekends. In such cases the employee will not receive the weekend shift differential for the make-up shift. The make-up shift will be the employee’s usual shift.

ADDITIONAL HOURS: All extra hours posted due to vacancies, LOA's, and PTO which may become available on a temporary or unexpected basis shall be offered to bargaining unit employees who have signed up with their supervisor, in the fashion established for their department. When such hours become available in a classification, the Employer shall call said employees on a seniority basis by most recent date of hire in that job classification, to offer such hours, provided that this does not put an employee into an overtime status. If an employee cannot be reached after a good faith attempt, the Employer may continue to call other employees based on seniority. The Employer will not require or mandate an employee to work additional shifts.

13.2 Overtime

Overtime, at the rate of time and one-half (1 1/2) the employee's regular rate of pay shall be paid for all time worked in excess of forty (40) hours per week. Overtime will be offered pursuant to the additional hours provision of this Agreement.

13.3 Relief Periods and Meal Periods

All employees shall be allowed, without a reduction in pay, one (1) fifteen (15) minute rest period for each four (4) hours worked. Employees who work a full shift (i.e., six hours or more) shall receive a 15-minute break for every three and three quarters (3.75) hours worked. Such time shall be included in the regular workday.

Employees shall receive a one-half (1/2) hour unpaid meal period when working a minimum of six (6) hours. Meal periods shall be scheduled as close as possible to the
middle of the employee's shift. Relief and meal periods may not be combined with one another nor taken at the beginning or end of a shift unless approved by management. The night shift CNA (if only one is in the building) shall receive a paid meal period because of not being able to leave the floor.

13.4 No Split Shifts

There shall be no split shifts scheduled unless both the employee and the Employer agree to such in writing. Employer shall notify the Union steward of any agreed to split shifts.

No employee shall be scheduled to work without a minimum of twelve (12) hours between scheduled shifts except with written request by an employee and approval by the facility Administrator. Employer shall notify the Union steward of any such requested scheduled shifts.

13.5 Work Week Schedules to Conform

Schedules shall be posted seven to fourteen (7-14) days in advance of the employees' scheduled work. Once posted, if any changes are made, the Employer shall notify affected employees in advance and attempt to accommodate employee preferences based on seniority, provided such accommodation does not require the payment of overtime.

Workweek schedules shall be furnished to the Union as often as quarterly, upon request. Any proposed workweek schedules shall be in conformity with this Agreement.

All employees shall be required to give at least two hours notice if calling in ill.

13.6 No Time Off in Lieu of Overtime

Employees shall not be required to take time off when previously scheduled to avoid the payment of overtime.

13.7 Seniority Preference

If the Employer should offer block schedules or create new shifts or hours, the Employer shall give preference to employees in accordance with seniority.

13.8 Snow Emergency Days

Employees reporting within a reasonable length of time, not to exceed two (2) hours from the beginning of the employee's shift on a snow emergency day, shall be paid for the entire shift considering the employee's time and distance from work. Employees who make it to work on time shall receive an additional two (2) hours pay. Employees shall be required to stay until their replacement arrives to ensure adequate resident care. Employees may leave when replacements arrive, in reverse order of seniority. Employees needed to stay until the next shift comes in shall receive double time for those additional hours. If there is not enough staff to provide patient care then the management nurses
shall work the floor covering the open positions. Snow Emergency Days shall be
determined by the Employer based on school closings, travel advisories, impassable
roads, etc.

13.9 Four Hour Guarantee

Employees who are scheduled to report for work on a scheduled shift and who actually
report as scheduled will be guaranteed at least four (4) hours work or four (4) hours pay.
An employee who picks up an additional shift and is cancelled and the Employer has
given a good faith effort to reach the employee, shall not be eligible to receive the four (4)
hours pay or work. If the Employer cannot prove good faith, the employee shall receive
four (4) hours pay or work.

ARTICLE 14: HOLIDAYS

14.1 Recognized Holidays

The following are the recognized holidays: New Year's Day, Memorial Day, Fourth of
holiday pay shall be figured as follows: Holiday premium pay shall commence with the
third shift on December 24th/December 31st and end after the end of the second shift on
December 25th/January 1st.

All other holidays shall commence with the start of the first shift on the holiday and
conclude at the end of the third shift that begins on the holiday.

14.2 Rate of Pay

Employees who work on a designated holiday shall be paid at the rate of time and one-
half (1 ½) for all hours actually worked on the holiday. In addition, employees working
on the designated holiday shall receive pay for their normal scheduled shift at the regular
straight-time rate of pay as holiday pay.

Full-time employees who do not work on the designated holidays shall receive their
normal scheduled shift at the regular straight-time rate of pay as holiday pay. Probationary
employees shall not be eligible for holiday pay unless they work the holiday.

14.3 Scheduling Preference

Bargaining unit employees will be divided into two groups for purposes of scheduling
holidays: “Group A” and “Group B”. For purposes of scheduling holidays under this
provision, the year will begin with Memorial Day. Bargaining unit employees will be
scheduled to work according to the following schedule:

Even Numbered Years

Group A will work Memorial Day, Labor Day and Christmas
Group B will work Fourth of July, Thanksgiving and New Years Day

Odd Numbered Years

Group A will work Fourth of July, Thanksgiving and New Years Day
Group B will work Memorial Day, Labor Day and Christmas

Employer will assign all bargaining unit members to either Group A or Group B at Employer’s discretion, attempting to ensure equal coverage on all holidays. When new bargaining unit employees are hired they will be assigned to either Group A or Group B, and when a bargaining unit employee is transferred into a new position or shift, he or she will be assigned to a Group. Employer reserves the right to reassign employees into a different group to help ensure equal coverage on all holidays. Such reassignments, when necessary, will be made in reverse order of seniority.

When employees are scheduled to work a holiday, they may arrange with staffing to take a different day off, provided such day off was a Monday, Tuesday, Wednesday or Thursday.

14.4 Part-Time and On-Call/Casual Employees

Holiday premium pay shall be paid at a rate of time and one-half (1 ½) to part-time or casual employees who work on any of the holidays listed above.

ARTICLE 15: PTO

PTO will be awarded on June 1st of each year. PTO up to forty (40) hours not used by the end of the year will roll over into the next year. For the purposes of PTO benefits, seniority shall be the period of continuous employment with the facility from the date of hire.

15.1 Coverage

All full-time and part-time employees.

15.2 Amount of PTO:

<table>
<thead>
<tr>
<th>Up to 5 years at the facility</th>
<th>0.02694 hours of PTO for every compensated hour (equivalent of 7 days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5th year up to 10 years at the facility</td>
<td>0.03462 hours of PTO for every compensated hour (equivalent of 9 days)</td>
</tr>
<tr>
<td>10th year up to 15 years at the facility</td>
<td>0.04615 hours of PTO for every compensated hour (equivalent of 12 days)</td>
</tr>
</tbody>
</table>
In the event a holiday as specified in this Agreement falls within a PTO period, an additional day may be added to that PTO period.

15.3 Layoff

Employees will be cashed out at 100% of their earned but unused PTO upon being laid off according to the following formula: Employees shall receive fifteen (15%) percent of their PTO thirty (30) days following the first day of their layoff, then Employees shall receive forty-five (45%) percent of their PTO between day thirty-one (31) and day fifty-nine (59) following the first day of their layoff. Then Employees shall receive the remainder of their PTO sixty (60) days following the first day of their layoff if not recalled.

15.4 Termination of Employment

Employees who resign with a two (2) week written notice and who work all scheduled hours during the notice period shall receive pay for their earned but unused PTO. Employees who fail to serve a two (2) week written notice shall not receive pay for their unused PTO.

In the event of a transfer, sale or assignment of the facility, employee shall receive pay for their earned but unused PTO.

15.5 Arrangements for PTO

Arrangements for PTO must be made in a timely fashion and well in advance with the approval of the Employer. Every effort will be made to grant PTO at the time requested provided, however, it does not affect the operation of the facility in a detrimental manner. In the event that a request for PTO is made simultaneously by more than one (1) person under such circumstances as to hinder the operation of the department, the person with the most seniority shall be given preference as to PTO choice.

ARTICLE 16: LEAVES OF ABSENCE

16.1 Medical Leave/Parental Leave - Leave Extended and Guaranteed Return

In the case of illness or physical disability or parental leave which exhausts accumulated PTO leave, an automatic leave of absence without pay shall be granted at the employee's request for a maximum period of six (6) months (the Employer may require a physician's statement). No employee shall be entitled to receive a second automatic leave of absence for illness or physical disability unless such employee has returned to active employment for three (3) months or more. The employee's leave of absence may be extended by mutual agreement between the Employer and the Union.
An employee shall be returned to his/her regularly scheduled position upon certification by competent physician of recovery from such illness or disability which may cause the layoff of the least senior employee, except that when a medical leave exceeds one-hundred eighty (180) days, the Employer need only return the employee to the same classification and the same total hours paid per pay period, if the regularly scheduled position is unavailable.

16.2 Jury Duty Leave

When an employee receives notice of jury duty, the employee shall notify his/her supervisor at once. The employee shall be given leave for such jury duty. The employee shall report for work whenever jury duty does not conflict. Any reasonable rearrangement of work hours, including re-shifting of other employees for that purpose, shall be made. His/her wages shall be computed as if he/she had worked on the first shift at straight time and be paid in full therefore, minus the amount evidenced by his/her jury check. In no event shall jury allowance be made in any one year to an employee for over two weeks of such service.

Whenever considered necessary by the Employer because of the needs of the business at a particular time or the difficulty of substitution for the particular employee, said employee will cooperate with the Employer in requesting and obtaining a postponement of said jury duty.

16.3 Personal Leaves

Requests for personal leaves of absence for reasons other than medical, jury duty, or bereavement shall be made in writing. Such requests may be granted at the discretion of the Employer on a non-discriminatory basis. No such leave of absence shall be granted for gainful employment. Employees on such leaves of absence shall have the effective date of their seniority changed in accordance with the length of such leaves of absence.

16.4 Bereavement Leave

When a death occurs in the immediate family of any employee, the Employer shall give a paid leave of absence of up to three (3) days. Employees shall take the day before, day of, and the day after the funeral, unless otherwise mutually agreed between the employee and the Employer. Requests for time off will not be unreasonably denied. Immediate family is designated as spouse, significant other (provided that documentation is on file with the Employer), mother and father of the significant other (provided that documentation is on file with the Employer), father, mother, father-in-law, mother-in-law, son, daughter, sister, brother, grandparents, and grandchildren. A total of three (3) paid days per year may be granted. However, an employee can take additional bereavement days without pay. Special consideration for additional paid bereavement leave will be granted on an individual basis based on the circumstances.
16.5 Other Employment

The Employer may terminate an employee who takes a leave of absence for the purposes of working another job.

ARTICLE 17: SENIORITY

17.1 Classification Seniority

For the purposes of layoff, reductions, recall, PTO bids and job promotions, the following provisions shall apply:

1. Seniority shall be based upon date of hire at the facility. There shall be one seniority list per classification listing full-time and part-time employees. TMA's shall be on the CNA seniority list.

2. Seniority lists shall be posted and copies furnished to the Union in June of each year and at such other times, not to exceed once each quarter, upon request.

17.2 Lay Off or Reduction in Hours

In the event the work force is reduced because of lack of work or for other good cause, the Employer shall recognize classification seniority and lay off the employees in reverse order of classification seniority, and in rehiring employees after such layoff the Employer shall call back in order of classification seniority.

In the event it is necessary to reduce the hours of employees on a permanent or temporary basis, the Employer will reduce hours in reverse order of classification seniority. The Employer shall first ask for volunteers. To the extent that the reductions are not satisfied through volunteers, the least senior person's hours will be cut first without impacting the hours of other more senior employees.

17.3 Vacancies

Vacant job positions or new positions or shifts will be posted for three (3) calendar days, excluding weekends. An employee who, in the opinion of Employer, has the qualifications shall be awarded the position. If more than one qualified employee applies, the position will be given to the most senior employee.

ARTICLE 18: DISCIPLINE OR DISCHARGE

18.1 No Discharges without Just Cause

The Employer shall not discharge or suspend an employee without just cause. The Employer shall notify employees as to a time to meet in confidence to discipline.
18.2 Discharge/Suspension Notices/Copies to Union

A written notice of any written warning or discharge shall be given the employee, with a copy to be sent to the Union. The Union may file a written grievance relating to such discharge. The Employer may require an employee to sign as having received any disciplinary notices and it is the employee's duty to do so. Such a signature in receipt of said notice implies neither acceptance of nor agreement to the discipline, only that the notice was received. Employer shall not be obligated to provide the Union a copy of documented verbal warnings.

18.3 Investigatory Suspension

An employee may be placed on an unpaid investigatory suspension pending an Employer's investigation which will be completed within seven (7) calendar days. If there is a Federal or State investigation, the time period may be extended beyond the seven (7) days. If the Employer cannot substantiate the claim, then the employee shall be compensated for the time missed. If the Employer deems that the discipline warrants nothing more than a verbal or written warning, the employee shall be compensated for the time missed while suspended. The Employer may decide after the investigation that they will terminate the employee and, in such a case, the employee will not be paid for the time off during the investigatory suspension.

ARTICLE 19: WAGES

19.1 Wages

All employees making $9.70 per hour shall move to $10.00 per hour effective October 1, 2011.

Other than the above, there shall not be an increase to base wages. There shall not be a hiring scale to recognize wage rates based on experience.

Effective October 1, 2011 the starting wage shall be nine dollars and fifty cents ($9.50) per hour. After ninety days (90) of employment the starting wage rate shall be increased to ten dollars ($10.00) per hour.

Employees will have the opportunity to add to their wage rate by being current on their employer approved training program (in-services) and/or being free of disciplinary actions according to the following:

1. All employees current on their in-services shall receive an additional premium of fifty cents ($.50) per hour. Employees must be current at the end of every month to be eligible for the additional premium.

2. All employees who have not been written up or have not received any disciplinary actions as of April 1, 2012 will receive an additional fifty cents ($.50) per hour April 1, 2012. New Employees will receive an additional fifty cents ($.50) per
hour six months following their date of hire if they have not been written up and are not in any disciplinary action. All write-ups and suspensions will include a plan of correction to remove the disciplinary action and the Union shall have the right to grieve for just cause. Employees with a plan of correction will receive the premium pay when they have completed their plan of correction.

The disciplinary-free premiums are not cumulative. Employees must become current every six months from October 1, 2012 or six (6) months from their date of hire to receive and continue to receive the fifty cent ($0.50) premium.

3. All employees who are both current with their in-services AND are not in any disciplinary action shall receive a total of one dollar and fifty cents ($1.50) per compensated hour. Current employees shall receive this premium effective April 1, 2012 and repeat every six months if eligible. New employees shall be eligible every six (6) months following their date of hire.

19.2 Experimental Programs

The Employer and the Union recognize that from time to time the requirements of staffing and operating a nursing home may, due to circumstances beyond anyone's control, become burdensome to employees. To this end, the Employer may, with notice sent to the Union within twenty-four (24) hours, in situations where it is necessary to maintain the efficient operation of the facility, offer premium or overtime pay to employees who volunteer to assume additional hours or responsibilities. The length of this premium will be based on the needs but must be implemented in a fair and equitable manner.

The Employer may also initiate incentive award programs, with the approval of the Union, to encourage or reward employees. Any experimental programs implemented above shall not conflict with and must be in addition to the provisions of the Agreement. All such programs must be applied to eligible employees in a fair and equitable fashion. The Union shall not unreasonably deny the approval of the implementation and/or discontinuation of these programs.

19.3 Shift Differential

Employees working certain hours shall receive a differential in addition to their base wage rate. Employees working between 6:00 am and 2:00 p.m. will be paid their base rate. Employees working between 2:00 p.m. and 10:00 p.m. will be paid their base rate plus an additional sixty cents ($0.60) compensated hour. Employees hired after October 1, 2011 working between 2:00 pm and 10:00 pm will be paid their base rate plus an additional fifty cents ($0.50) per compensated hour. Employees working between 10:00 p.m. and 6:00 a.m. will be paid their base rate plus an additional one dollar ($1.00) per compensated hour.
19.4 Weekend Shift Differential

Employees working a scheduled weekend day off shall have their base pay for that shift increased by two dollars ($2.00) per compensated hour. The weekend for this purpose is defined as Friday (starting with the day shift), Saturday, and Sunday (ending at the end of the night shift).

However, any employee working a "make-up shift" on a weekend due to missing a scheduled weekend shift will be ineligible for this weekend shift differential.

19.5 TMA Pay

Upon becoming a TMA, an employee shall receive an additional $1.00 per hour to their base rate of pay.

**ARTICLE 20: BENEFIT PROGRAMS**

The employer participates in group health and dental plans. The specific benefits of the plans are occasionally changed or improved, including the amount paid for coverage of such plans by the employer and by employees who elect coverage. Full-time employees are eligible for health and dental plans on the first day of the month following three months of continuous service as a full time associate. For those full-time, non-probationary associates who are accepted for enrollment, the employer shall pay 70% of the cost for the full-time employees who elect to enroll in the plan.

In the event such changes or improvements occur during the life of this Agreement the Employer need not seek the Union’s prior agreement, but the Employer will promptly notify the Union of the changes or improvements and the effective date thereof.

**ARTICLE 21: NO STRIKE/NO LOCKOUT**

There shall be no strike, work stoppage, lockout or picketing and/or hand billing at any location during the term of this Agreement.

**ARTICLE 22: WORKING CONDITIONS**

22.1 Paychecks

Employees shall be able to pick up their paychecks on payday. Employees shall be paid on a semi-monthly basis.

A substantial error of fifty dollars ($50) or more in an employee's paycheck shall be corrected by the close of the following workday, as long as the error has been made by the Employer. All other errors shall be corrected on the employee’s next paycheck.
22.2 Benefit Accrual

Employees shall be permitted to know on what basis their pay and benefits are arrived at and shall be given reasonable evidence of the accuracy of their total take-home pay and benefits if requested by the employee.

22.3 In-Services

Employees who attend mandatory in-services shall be paid for the entire time. Employees who attend monthly nursing meetings shall be paid for the entire time with a guarantee of one-half (1/2) hour minimum pay.

ARTICLE 23: COPE

The Employer agrees to deduct and transmit to SEIU Healthcare Minnesota, COPE contributions on a per pay period basis from the wages of those employees who voluntarily authorize such deductions on the forms provided for that purpose by SEIU Healthcare Minnesota. Employees can only change their COPE contributions one time per year, other than to cancel deductions. These transmittals shall occur monthly and shall be accompanied by a list of the names and Social Security numbers of those employees for whom such deductions have been made and the amount deducted for each employee.

ARTICLE 24: LOBBY DAY

The Employer will pay for a regularly scheduled shift of lost time for two (2) SEIU Healthcare Minnesota bargaining unit members to participate in a SEIU Healthcare Minnesota sponsored Lobby Day to promote funding for nursing homes. One (1) member will be selected by the Business Representative and one (1) member will be selected by the Employer.

ARTICLE 25: STATE OR FEDERAL LAW

To the extent any provision of this Contract is contrary to any state or federal law, such provision is unenforceable.

ARTICLE 26: NOTICES

All written notices required or permitted shall be in writing and shall be deemed to be properly given when personally delivered to the party or parties entitled to receive the notice or three (3) business days after being sent by certified or registered mail, postage prepaid, or on the business day after sent by nationally recognized overnight courier, in each case, postage or delivery charges prepaid and properly addressed to the party or parties entitled to receive such notice.

All other notices required to be given may be done in person or by phone.
ARTICLE 27: DURATION

Except as otherwise provided, this Agreement shall be effective from October 1, 2012, through and including September 30, 2013. This Agreement shall remain in full force and effect from year to year thereafter unless either party notifies the other party in writing at least ninety (90) days but not more than one-hundred twenty (120) days prior to September 30, 2013 or September 30 of any year thereafter of its intention to change, modify or terminate this Agreement.

In witness whereof, the parties have caused their duly authorized representatives to execute this Agreement on the dates so indicated below:

For the Employer

By [Signature]

Date 10/30/12

For the Union:

By [Signature]

Date 10/26/12

SH:jx/opeia#12