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ARTICLE 1: RECOGNITION

The Employer recognizes the Union as the sole and exclusive bargaining agent for all Certified Nurse Assistants (Aides and Orderlies), Restorative Aides, Activity Assistants, Cooks and Dietary Aides at Avamere Heritage Rehabilitation of Tacoma.

ARTICLE 2: LABOR MANAGEMENT COMMITTEE

The Employer and the Union agree to work together for the mutual benefit of the workers, the residents, the Employer and the Union. The Employer and the Union will establish a facility-based Joint Labor Management Cooperation Committee within the facility. This committee will be composed of three (3) members chosen by the Union, of which at least two members shall be bargaining unit employees and three (3) members of management. The committee will meet quarterly, or as often as needed, to discuss issues, concerns, suggestions and ideas related to the facility, the workers and the residents and to promote better understanding between the Union, the Employer and the residents. This committee will also advise facility management on recruitment and retention issues. Minutes of the meetings will be posted within the facility. This Committee will have no authority to modify or interpret the collective bargaining agreement.

ARTICLE 3 MANAGEMENT RIGHTS

SECTION 3.1

Except as otherwise specifically provided in this contract, the management and operation of the nursing home, the control of the premises and the direction of the work force are vested with the Employer.

SECTION 3.2

The right to manage includes, but is not limited to: the right to hire, promote, demote, layoff, assign, transfer, suspend, discharge and discipline Bargaining Unit Employees for just cause; select and determine the number of its Bargaining Unit Employees, including the numbers assigned to any particular work; to increase or decrease that number; direct and schedule the workforce; determine the location and type of operation; determine and schedule when overtime shall be worked; install or remove equipment; discontinue the operation of the business by sale or otherwise, in whole or in

part, at any time; determine the methods, procedures, materials and operations to be utilized or to discontinue their use; transfer or relocate any or all of the operations by sale, in whole or in part, at any time; determine the work duties of Bargaining Unit Employees; promulgate, post and enforce reasonable rules and regulations governing the conduct and actions of Bargaining Unit Employees during working hours; select supervisory Bargaining Unit Employees; training Bargaining Unit Employees; discontinue or reorganize or combine any department or branch of operation with any consequent reduction or other change in the work force; establish, change, combine or abolish job classifications and transfer Bargaining Unit Employees, either temporarily or permanently, within programs and/or job classifications; determine job qualifications, work shifts, work pace, work performance levels, standards of performance, and methods of evaluation of the Bargaining Unit Employees, and in all respects carry out, in addition, the ordinary and customary functions of management. Unless otherwise expressly limited by the terms of the Agreement, the exercise of any management prerogative, function, or right is not subject to Article 15, Grievance Procedure, and is not within the jurisdiction of any arbitrator.

SECTION 3.3

The provisions of this Agreement do not prohibit the Employer from directing any person not covered by this Agreement from performing any task. The Employer, therefore, has the right to schedule its management and supervisory personnel at any time. The selection of supervisory personnel shall be the sole responsibility of the Employer and shall not be subject to the grievance and arbitration provisions of this Agreement.

SECTION 3.4

None of these rights shall be exercised in an arbitrary or capricious manner.

ARTICLE 4: UNION MEMBERSHIP AND VOLUNTARY ASSIGNMENT OF WAGES

Not later than (for persons hired after this agreement becomes effective) thirty (30) days after their hire date or (for those employed at the effective date of this Agreement) the effective date of this Agreement, or the execution date of this Agreement, whichever is later, every worker subject to the terms of this Agreement shall, as a condition of employment, become and remain a member of the Union, paying the periodic dues uniformly required, or, in the alternative, shall, as a condition of employment, pay a fee in the amount equal to the periodic dues uniformly required as a condition of acquiring or retaining membership, or, if the worker objects to the payment of that agency fee,

such worker shall, as a condition of employment, pay that portion of the agency fee that is related to the Union's representation costs.

The Employer shall include a membership card in each new employee's new hire paper work and collect the same providing the original to the union and retaining a copy for its records. Upon voluntary signed authorization by a worker and a statement from the Union of the dollar amounts due for each worker, the Employer agrees to deduct the Union dues, and remit it to the office of the Union not later than the 30th day of the month following the month in which the dues were deducted.

The Union shall indemnify and hold harmless the Employer with respect to any asserted claim or obligation or cost of defending against any such claim or obligation of any person arising out of the Employer's deducting and remitting of Union dues. Once every month, the Employer shall inform the Union of new hires and terminated employees in the classifications listed herein in Article 1 Recognition.

The Employer will honor written assignment of wages to the Union for the payment of voluntary contributions to the Union's Committee on Political Education (COPE) Fund. The Employer will remit such contributions to the Union in accordance with the procedure set forth in this section. The Employer shall supply to the Union a list of all employees covered by this Agreement on a monthly basis. The list shall include the name, address, phone number, Social Security number, gender, date of birth, cell phone number, shift, email address (if any) date of hire, rate of pay, job class, FTE status, hours worked, gross earnings in the pay period, earnings amounts by hourly wages, shift differential, and any other differentials that may apply, as well as, the amount of dues, fees or COPE contributions deducted from each employee's pay. Additionally, the Employer shall also furnish the Union each month with a list of employees identifying bargaining unit status changes for each employee since the last report (i.e. on leave of absence, new hire, transfer into bargaining unit, terminated, or transfer out of the bargaining unit), inclusive of the employee's names, social security number, past status, new status and the effective dates of the actions. The Employer shall provide these lists in any commonly available electronic format.

ARTICLE 5: UNION VISITATION

Official representatives of the Union will be permitted to visit the premises of the Employer for the purpose of ascertaining that the provisions of this Agreement are being observed and/or conferring with workers covered by this Agreement during their non-work time and in break areas and non-work areas. Such visits shall not interfere with the operation of the nursing home or the performance of the workers' duties and the Union Representative shall inform the Administrator or Director of Nursing of his/her visits prior

to entering the nursing home's premises. The Union will furnish in writing the name of the authorized representatives, and the Employer is obliged only for admission of such authorized representative. The Union will provide at least one (1) business day's prior notice, or less with mutual agreement, to the Employer, upon which the authorized representative of the Union shall have reasonable access to the Employer's premises. The Employer shall not unreasonably deny access to employee break areas during all working hours for above-stated reasons.

ARTICLE 6: UNION RIGHTS

SECTION 6.1 ADVOCATES

The Union shall designate up to two worker representatives per work shift as advocates. The advocate position is the worker representative position responsible for handling grievances and disciplinary issues with the Employer. Immediately following designation of said advocate(s), the Union shall confirm this appointment by written notice to the Employer. The activities of an advocate shall not interfere with the performance of his/her work or the work of other workers of the Employer.

Any time spent by an advocate on Union matters or acting in his/her capacity will not be compensated by Employer, except for time spent investigating, presenting grievances, representing employees and attending meetings called by the Employer. Advocates will not be compensated by the Employer for time spent in adjusting grievances beyond that which is reasonable. In no case will the Employer be required to pay for time spent adjusting grievances to the extent such time would result in overtime. Under no circumstances shall the Employer be required to pay more than one (1) advocate for attendance at a grievance meeting, unless the second advocate is training the first advocate.

An advocate may not communicate with workers, the Union, or representatives of the Employer concerning Union business on working time without first obtaining the permission of his/her immediate supervisor or other representative of the Employer. Such permission shall not be unreasonably denied.

An advocate shall not direct any worker how to perform or not to perform his/her work in his/her role as advocate, shall not countermand the order of any supervisor and shall not interfere with the normal operations of the Employer or any other worker.

An advocate may not communicate with the Union office by telephone during working time without first obtaining the permission of his/her immediate supervisor or other representative of the Employer. Such permission shall not be unreasonably denied. The Union office may communicate with an advocate during working hours by telephoning

the steward's immediate supervisor or department manager. Such calls to an advocate shall be limited to two (2) calls per day of ten (10) minutes in duration.

Any notification by the Employer to the Union shall be in writing delivered to the Union at its offices with a copy to an advocate designated by the Union.

SECTION 6.2 ACCESS TO NEW EMPLOYEE ORIENTATIONS

A worker representative will be allowed up to twenty (20) minutes after the employer orientation to meet with the group of new bargaining unit workers who have completed the facility orientation provided by the Employer. The worker representative will obtain prior written supervisory approval before he/she will be released to participate in this meeting. The employer will provide the Union with no less than forty-eight (48) hours' notice of New Employee Orientations.

SECTION 6.3 PERSONNEL FILE

The Employer shall maintain one (1) official personnel file for each employee, located at the primary administrative office for the worksite. Upon reasonable notice, an employee may inspect the records in his/her personnel file within five (5) days of his/her request. With the employee's authorization, his/her advocate and/or a Union field representative may inspect the employee's official personnel file.

SECTION 6.3.1 EMPLOYEE SIGNATURES

No information reflecting critically upon an employee except notices of discharge shall be placed in the employee's official personnel file that does not bear the signature of the employee. The employee shall be required to sign material to be placed in his/her official personnel file provided the following disclaimer is attached:

"Employee's signature confirms only that management has discussed and given a copy of this material to the employee. The employee's signature does not indicate agreement or disagreement with the contents of this material."

If an employee is not available within two (2) working days or refuses to sign the material, the Employer may place the material in the file, with a notation specifying why the material is unsigned by the employee.

SECTION 6.3.2 EMPLOYEE STATEMENTS

Employees shall be entitled to place copies of any written explanation(s) or opinion(s) regarding any critical material placed in his/her personnel file. The employee's explanation or opinion shall be attached to the relevant critical material and shall be included as part of the employee's personnel file so long as the critical material remains in the file.

SECTION 6.4 VOLUNTEER UNION ACTIVITIES

For employee activity under this Article, including collective bargaining with the Employer that does not fall under paid time, employees will be able to utilize earned paid time off. Under no circumstance will employees have a reduction of status or lose health care benefits for employee activity under this Article.

SECTION 6.5 ALL-STAFF MEETINGS

When the Employer holds its regularly scheduled All Staff Meetings at the facility, a Union Representative and/or Union Steward shall be given the opportunity to address the Bargaining Unit for five (5) minutes.

SECTION 6.6 BULLETIN BOARD

The Employer shall allow the Union to provide a bulletin board no larger than three (3) feet by four (4) feet that shall be used for the purpose of posting proper Union notices.

SECTION 6.7 ADVOCATE TRAINING

The Employer shall grant a pool of at least twenty four (24) hours paid release time per year for advocate training.

ARTICLE 7: VACANCIES AND SHIFT ASSIGNMENTS

SECTION 7.1 VACANCIES SECTION

A vacancy is defined to mean any regular full-time or part-time job opening within the job classifications in this Agreement, which the Employer determines to fill. The Employer reserves the exclusive right to determine if a vacancy exists. Positions shall be posted for five (5) days for bid. The qualified worker with the most seniority (as defined in Article 12 Seniority) shall be offered the position. Should the senior employee decline the position, the Employer shall proceed through the list of qualified applicants in order of seniority until the position is filled. In the event that no applicant is qualified, or if no applicant accepts the offered position, then the Employer may fill the position as the Employer deems appropriate. This includes filling the position from outside of the bargaining unit.

SECTION 7.2 SHIFT ASSIGNMENTS

Employees shall work in the job classifications and on the shifts for which they were hired or onto which they transferred in accordance with the terms of this Agreement.

ARTICLE 8: NO DISCRIMINATION

SECTION 8.1 GENERAL PROVISIONS

No worker covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union. Neither the Employer nor the Union shall unlawfully discriminate for or against any worker or applicant covered by this Agreement on account of race, color, religion, creed, national origin, lawful political affiliation, disability (as defined by the Americans with Disabilities Act as amended), sexual orientation, gender identity or expression, gender, age, marital status, veteran's status (as defined by USERRA) or any protected class protected by law.

SECTION 8.2 GENDERED LANGUAGE

Wherever the masculine provision is used in this Agreement, it is understood that it applies to the feminine as well.

SECTION 8.3 PRIVACY RIGHTS AND THE DEPARTMENT OF HOMELAND SECURITY (D.H.S.)

The Union is obligated to represent all workers without discrimination based upon national or ethnic origin. The Union is therefore obligated to protect workers against violations of their legal rights occurring in the workplace, including unreasonable search and seizure. The Employer is obligated to comply with all applicable federal, state and local regulations in addition to operating within all parameters and specific conditions set in their private compliance agreement with federal state and local regulatory officials. To the extent permitted by law, the Employer shall notify the Union as quickly as possible, if any D.H.S. agent contacts the facility to enable a Union representative or attorney to take steps to protect the rights of workers. Additionally, to the extent permitted by law, the Employer shall notify the Union immediately upon receiving notice from the D.H.S., or when an SSA audit of worker records (for any purpose) is scheduled or proposed and shall provide the Union with any list received from such governmental agencies identifying workers with documentation or social security problems. To the extent permitted by law, the Employer shall not infringe the privacy rights of workers, without their express consent, by revealing to the D.H.S. any worker name, address or other similar information. To the extent permitted by law, the Employer shall notify the affected worker and the Union in the event it furnished such information to the D.H.S. To the extent permitted by law, the Employer may provide paid or unpaid leaves of absences for any worker who requests such leave in advance because of court or agency proceedings relating to immigration matters as outlined in its Employer Policies and consistent with all state and federal leave requirements. The decision of whether to grant the leave and the maximum duration of the leave shall be determined in the

Employer's sole discretion. To the extent permitted by law, workers shall not be discharged, disciplined, suffer loss of seniority or any other benefit or be otherwise adversely affected by a lawful change of name or social security number. Workers who have falsified any records concerning their identity and/or social security number will be terminated. Nothing in this section shall restrict the Employer's right to terminate a worker who falsifies other types of records or documents. A worker may not be discharged or otherwise disciplined because: A. The worker (hired on or before November 6, 1986) has been working under a name or social security number other than their own; B. The worker (hired on or before November 6, 1986) requests to amend his/her employment record to reflect his/her actual name or social security number; C. The worker (hired on or before November 6, 1986) fails or refuses to provide to the Employer additional proof of his/her immigration status.

ARTICLE 9: PROBATIONARY PERIOD

All workers covered by this Agreement who are hired into a covered position on or after the effective date of this Agreement, whether or not previously employed by the Employer shall be subject to a probationary period of ninety (90) days.

The Employer in its sole discretion may elect to extend this probationary period for up to an additional ninety (90) days. Such extension must be presented to the worker and the Union in writing.

Seniority shall not accrue to workers during their probationary period. However, upon successful completion of said probationary period, all workers 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.

Probationary employees may be terminated during their probationary period at the discretion of the Employer without recourse to the Grievance and Arbitration procedure.

ARTICLE 10: CATEGORIES OF EMPLOYEES

A regular full-time employee is one who is regularly scheduled to work or normally works a minimum of thirty (30) or more hours a week. After completing the probationary period, regular full-time employees are eligible for benefits as specified in this contract or as otherwise specified in the Employer's Employee Handbook.

A regular part-time employee is one who is regularly scheduled to work or normally works less than thirty (30) hours per week. After completing the probationary period,

regular part-time employees are eligible for benefits as specified in this contract or as otherwise specified in the Employer's Employee Handbook.

A casual, on-call or per diem employee is one with no regular schedule, but who works intermittently, depending on the availability of work, at minimum one (1) shift a month if called by Employer. Casual, on-call or per diem employees are not eligible for any benefits.

A temporary employee is one who is hired as a replacement for a regular employee on an approved leave of absence not to exceed the period of the leave. Temporary employees are not eligible for any benefits. All temporary employees must be informed of their temporary status in writing, including the expected duration of their term.

ARTICLE 11: DISCIPLINE AND DISCHARGE FOR JUST CAUSE

The Employer shall have the right to maintain discipline and efficiency of its operations, including the right to discipline or discharge a worker for Just Cause. Grounds for discipline or discharge, including immediate discharge are set forth in the Employer's Employee Handbook. Offenses warranting immediate terminations shall include but not be limited to repeated action or inaction that is abuse or neglect. A government finding of abuse or neglect is not required for a conclusion that the Bargaining Unit Employee's action or inaction is defined as such.

Information requested by the Union on behalf of an Employee grievance which involves direct patient information cannot be released without the express approval by the resident. This statement does not however prevent the employer from providing relevant documents pertaining to discipline or discharge of an employee with resident information redacted.

Employees shall be notified of their right to request union representation at the beginning of any disciplinary meeting or disciplinary investigation. Employees and the Union Field Representative or advocate will be provided with a copy of any written notice of disciplinary action. Copies of all written discipline shall be provided to the designated advocate and designated union representative within ninety-six (96) hours. A record of disciplinary action shall be removed from an employee's personnel file eighteen (18) months after it was issued, except that if a Bargaining Unit Employee receives a related discipline during the eighteen (18) month period, the original discipline will remain in his or her file until eighteen (18) months have elapsed during which the Bargaining Unit Employee received no related discipline. This provision shall not apply to disciplines issued for resident abuse, resident neglect, sexual or racial

harassment, The Advocate and/or a union representative may meet and discuss any disciplinary action of a Union member with Employer.

ARTICLE 12: SENIORITY

Seniority shall be defined as the worker's length of continuous service with the Employer in the bargaining unit commencing with the date and hour on which the worker first began work in a bargaining unit position. Seniority shall not accrue to probationary employees during the probationary period. However, at the successful completion of the probationary period, the worker's seniority shall be retroactive to their first day of work in the bargaining unit position, and shall accrue during his/her continuous employment with the Employer within the bargaining unit covered by this Agreement. Seniority shall accrue and not be lost during a worker's paid time off (PTO), union leave, any paid leave of absence or approved unpaid leave of absence not to exceed twelve (12) weeks.

A worker shall not accrue seniority while on Layoff or an unpaid leave of absence which exceeds twelve (12) weeks.

A worker shall lose accumulated seniority and seniority shall be broken for any of the following reasons:

- Voluntary quit;
- Discharge;
- Failure to report to work after a Layoff, within three (3) days after receipt of written notice of recall sent by the Employer to the worker at his/her last address of record on file with the Employer or ten (10) days after written notice of recall is sent to the address that was last provided by the worker;
- Layoff which either extends (a) in excess of twenty-four (24) consecutive months, or (b) for the period of the worker's length of service, whichever is less;
- Absence from work without notifying the Employer, unless reasonable notification could not be given for emergencies, determined on a case-by-case basis at the sole discretion of management and exercised in good faith;
- Unauthorized failure to report to work at the expiration of a leave of absence pursuant to this Agreement;
- Taking employment elsewhere during the period of a contractual leave of absence without the express consent of the Employer.

A worker whose seniority is lost for any of the reasons outlined above shall be considered as a new employee if the Employer again employs him or her. The failure of the Employer to rehire said worker after the loss of seniority shall not be subject to the grievance and arbitration provisions of this Agreement.

ARTICLE 13: HOURS OF WORK, OVERTIME, SCHEDULING, MEAL AND REST PERIODS, PAY PERIODS AND PAY DAYS

SECTION 13.1 NORMAL WORK WEEK

The work week shall be Sunday at 12 AM through Saturday at 11:59 PM. The normal workweek shall be no more than forty (40) hours per week. The recitation of a normal workweek or workday shall not imply a guarantee of any number of hours in a workweek or a workday.

SECTION 13.2 OVERTIME

Overtime shall be paid for all hours worked in excess of forty (40) in one week in accordance federal and state law. The Employer may schedule mandatory overtime to meet the needs of the business, provided the Employer has asked qualified Employees to volunteer to stay past the end of the scheduled shift, and unless an employee cannot work overtime due to reasonable extenuating circumstances, e.g. weather, childcare requirements. No overtime shall be worked unless approved in advance.

SECTION 13.3 WORK SCHEDULES

SECTION 13.3.1 General Scheduling

The Employer shall fix the hours of work. A supervisor shall assign workers specific starting and ending times and schedule meal and rest periods.

Employee work schedules, inclusive of training schedules, shall be posted as early as practical but no later than seven (7) days prior to the first workday on the monthly schedule.

Once work schedules are posted, the Employer must give Bargaining Unit Employees fourteen (14) days' notice if changes are to be made to the schedule, unless affected Bargaining Unit Employees approve changes. This Section does not apply where:

1. Additions to hours are necessary pursuant to Section 13.3.2 of this Article, or
2. Reductions in hours are necessary pursuant Section 13.4 Reduction of Hours

If a Bargaining Unit Employee wants to make a schedule change or request time off after the schedule is posted, the Bargaining Unit Employee needs to submit the change or requested days off by the end of the 15th of the prior month. The Employer may not be able to accommodate the requested changes after the schedule is posted.

When an employee requests an absence at least 24 hours in advance and that absence is approved by the DNS or Administrator, that absence will not be considered cause for counseling or other disciplinary action. If a worker wishes to change a scheduled day with another worker, both must sign a written request, and it must be approved by their supervisor. No such changes will be approved if they result in overtime, unless approved by their supervisor.

If a Bargaining Unit Employee who reports to work when on the posted schedule is not needed by the facility, he or she will receive work and/or pay for two (2) hours of his or her shift.

SECTION 13.3.2 Additional Hours

The Employer will fill extra shifts that become known to Employer at least seven (7) days in advance of that shift by posting a list of open shifts with space for Bargaining Unit Employees to sign up for those shifts. If more than one Bargaining Unit Employee signs up for the same shift, then that shift will be assigned to the competing Bargaining Unit Employees in rotating order of Seniority (once a Bargaining Unit Employee has received a shift in this manner in a given month, then that Bargaining Unit Employee shall go to the bottom of the list for receiving such assignments in all months.). If no Bargaining Unit Employee signs up for the shifts at least two (2) days prior to the shift, then the Employer may assign those shifts through the method below.

Extra shifts that are not filled at least two (2) days before the shift will be filled pursuant to this Section. Employer will fill extra shifts (extra or additional shift shall be defined as any work time beyond a Bargaining Unit Employee's regularly scheduled shift) that become available on an occasional basis as a result of short-term needs or Bargaining Unit Employees' last minute or temporary absences in the following manner: Such shifts shall first be offered to Bargaining Unit Employees in rotating Seniority order, with the following consideration:

- The Employer will make all reasonable efforts to follow Seniority, but may offer the shift to on-duty Bargaining Unit Employees before calling off-duty employees at home.
- The Employer will maintain a log (available upon request) documenting its efforts to contact off-duty Bargaining Unit Employees.

Temporary changes to the posted schedule may be made by the Employer upon seven (7) days' notice to the employees to meet the needs of the business, including the right to send workers home after the start of their shift.

Employees will not be rescheduled from their regular shifts to avoid paying overtime.

SECTION 13.4 REDUCTION OF HOURS

During temporary periods of low census, the Employer shall reduce hours in the following manner:

The Employer may eliminate full shifts. The Employer may also shorten the length of the work shift of one or more Employees per department, per shift. The Employer shall first cancel the shifts of contract agency workers, workers from other facilities and temporary workers. The Employer shall then ask for volunteers who wish to reduce their hours. Requests for volunteers shall be rotated among the staff on the affected shift with the most senior employee asked first. An employee who volunteers to take a low census day goes to the bottom of the list.

Nothing herein shall limit the number of low census days an employee may accept as a volunteer.

If there are no volunteers, and the Employer is going to cancel a full shift or reduce hours, it will then cancel the shift or reduce the hours of employees on extra shifts in order of Seniority. If there is still a need to reduce hours, it will cancel shifts or reduce hours in rotating seniority order, starting the rotation with the least senior employee working the shift and progressing to the most senior employee on that shift.

Assignments of low census days shall be rotated among the staff on affected shift(s), so that no employee on a shift shall be required to take a subsequent low census day until all employees available on the shift that day have taken a low census day. When the Employer has prior notice of a low census situation, the Employer shall notify affected employees at least two (2) hours in advance of their scheduled shift. Any employee who is designated by the Employer to take a low census day off after reporting for work shall receive a minimum of two (2) hours pay for that day. A Reduction in Hours shall not be considered a Layoff as defined in this Agreement.

SECTION 13.5 CHANGE IN SHIFT OR WORKDAYS

The Employer has the right to, upon fourteen (14) days' notice, move a Bargaining Unit Employee from one shift, or set of work days, to another. If, prior to the fourteen (14) day period, the Bargaining Unit Employee represents in writing to the Employer that the Bargaining Unit Employee will not be able to meet the Employee's child or family care arrangements with the directed change, then the Bargaining Unit Employee will have a total of thirty (30) days from the date the notice was given by the Employer to the Bargaining Unit Employee in order to make that move.

The Employer will not change or alter a Bargaining Unit Employee's shifts or set of work days without a bona-fide business need.

SECTION 13.6 MEAL AND REST PERIODS

The Employer will provide workers who work a full shift with a half-hour unpaid meal period. The Employer will provide a fifteen (15) minute rest period during each four (4) hour half shift.

SECTION 13.7 PAY PERIODS AND PAY DAYS

Pay periods and paydays shall be as outlined in the Employer's Policies. Pay shall be distributed twice per month.

ARTICLE 14: LAYOFF AND RECALL

SECTION 14.1 LAYOFF

In the event the Employer finds it necessary to reduce its staff by laying off workers, it shall notify the Union as expeditiously as possible of its intention, and shall inform the Union of the names of the workers who are to be laid off, as well as the effective date of the layoff. In cases of layoff, probationary employees shall be laid off first without regard to their individual periods of employment. If layoffs remain necessary among the remaining workers, the worker with the least seniority shall be laid off.

SECTION 14.2 BUMPING

A Bargaining Unit Employee whose hours are being cut or who is being laid off may fill any vacant bargaining unit position or may displace a less senior Bargaining Unit Employee in any job classification provided that he or she has the qualifications to do the job. A Bargaining Unit Employee who is displaced in a Layoff or has hours reduced shall also have bumping rights. A laid off Bargaining Unit Employee may combine the jobs of two (2) less senior Bargaining Unit Employees in the same classification, provided that there is no conflict in schedule.

SECTION 14.3 RECALL

Whenever a vacancy occurs, workers who are on layoff shall be recalled with the last person laid off in that job classification being recalled first. Recall shall thereafter continue in reverse order of layoff. Nothing contained herein shall deprive the Employer of the right, at its discretion, to hire a temporary employee for the duration of a worker's contractual leave of absence or for the duration of a worker's absence as a result of sickness, accident, or injury on the job, vacation or any other absence. It shall be the responsibility of the worker to keep the Employer informed of his/her present address and telephone number and to notify the Employer, in writing of any such changes within five (5) days of the date of any change.

ARTICLE 15: GRIEVANCE PROCEDURE

SECTION 15.1 GRIEVANCE PROCESS

Any grievance or dispute arising out of the application or meaning of the terms of this Agreement during the term of this Agreement and not specifically excluded from the grievance and arbitration procedure by this or any other provision of this Agreement shall be taken up in the manner set forth below.

All grievances must be presented in writing at every step. Such writing shall specify in detail the acts upon which the grievance is based and the particular provisions of this Agreement allegedly violated by said acts. Failure to properly present a grievance in writing at this stage of the grievance procedure shall constitute a waiver of such grievance and bar all further action thereon. Failure on the part of the Employer to answer a grievance at any step shall not be deemed acquiescence thereto and the Union may proceed to the next step. Workers have a right to Union representation for any grievance in dispute arising out the application of the Agreement. It is mutually understood and agreed that nothing herein will prevent a worker from discussing any problem with his/her supervisor or other representative of Management at any time, with or without his/her Union steward, prior to initiating a formal grievance. Failure to present a grievance within fourteen (14) calendar days of the date the Union or employee became aware of the issue shall nullify the grievance.

SECTION 15.2 GRIEVANCE STEPS

Step I: The complaint must be presented to the Facility Administrator or designee fourteen (14) calendar days from the date of the event giving rise to the concern, or the date the event became known or should have been known. This step may be waived by mutual written consent of the parties.

The Facility Administrator or designee will respond within fourteen (14) calendar days of the Step I meeting to affected worker(s) and the appropriate advocate or Union field representative, unless the Employer, making a reasonable effort to research the issue notifies the complainant in writing of reasonable cause existing for further delay. The Step I response will settle the matter, unless appealed to Step II.

Step II: If the matter is not resolved at Step I, it shall be reduced to writing and presented to the Regional Director of Operations or designee within fourteen (14) calendar days of the Step I response or from the time the Facility Administrator or designee should have responded in Step I. The Union Field Representative or advocate and the Regional Director of Operations shall arrange a mutually agreeable date to meet, generally within ten (10) calendar days from the receipt of such grievance for the purpose of attempting to settle the matter. The Regional Director of Operations or

designee shall respond to the written grievance in writing within ten (10) calendar days of the Step II meeting. The Step II response will settle the matter unless appealed to Arbitration.

MEDIATION (Optional): Mediation may be mutually agreed upon by the Union and the Employer to resolve grievances following Step Two. A mediator shall be selected by mutual agreement of the Employer and the Union within ten (10) calendar days of the employer's response to Step II, from a list of trained mediators provided by the Federal Mediation and Conciliation Service. The mediator shall hear the presentation of the grievance within ten (10) calendar days or as soon as all parties are reasonably able to do so and shall issue a recommendation that day or on a timely date mutually agreed to by both parties. Should the mediation resolution be unacceptable to the Union, the Union shall reserve the right to proceed to arbitration.

SECTION 15.3 ARBITRATION PROCEDURE

If a grievance is not settled under this Article, the Union may refer it to arbitration within thirty (30) calendar days of the Employer's decision. The Union's request for arbitration must be made in writing, by the thirtieth (30th) calendar day, after the Employer's answer to the last step in the grievance procedure has been served on the Union, or the grievance will be deemed to have been resolved on the basis of the Employer's last answer and will not be arbitral. It is understood and agreed that a decision of the Union not to exercise its right to request arbitration shall be final and binding upon the members of the bargaining unit, and further that the Union, through its designated representatives, has authority to settle any grievance at any step.

The Union shall submit the unresolved grievance in writing to the Arbitrator with a copy to the Employer. Arbitrators will be selected from a list provided by the Federal Mediation and Conciliation Service by mutual agreement. A list of seven (7) arbitrators will be requested from The Federal Mediation and Conciliation Service and the parties will alternately strike names until only one remains to serve as the arbitrator in the case referred. The first strike shall be awarded to a party based on a coin toss.

The award of the Arbitrator so appointed shall be final and binding upon the parties. The Arbitrator shall have no authority to alter, amend, add to, subtract from or otherwise modify or change the terms and conditions of this Agreement. Only one grievance shall be submitted to the Arbitrator at a time, unless the parties mutually agree otherwise.

The cost of arbitration, which shall include the fees and expenses of the Arbitrator, the Court Reporter and the transcript shall be borne equally by the parties. Each party shall pay any fees of its own representatives and witnesses for time lost.

Occurrences prior to the execution date or subsequent to the expiration date of this Agreement shall not be subject to arbitration.

Since it is important that grievances and arbitrations be processed expeditiously, the number of days indicated at each level shall not be considered as merely procedural, but shall be deemed of the essence and any grievance shall be waived if not appealed to the next step or to arbitration within the time limits set forth herein.

The parties agree that the arbitrator shall accept a written statement signed by a resident or patient in lieu of their sworn testimony. Both parties shall have equal access to such written statements at least thirty (30) days prior to the arbitration date. The parties agree that neither shall call a resident or patient as a witness.

SECTION 15.4 ELECTRONIC COMMUNICATIONS

Notifications of grievances and notifications of arbitrations may be presented by either party in an email instead of in writing.

ARTICLE 16: HIRING RATES AND WAGES

SECTION 16.1 WAGE ADJUSTMENTS

16.1.1 Ratification

All Bargaining Unit Employees shall receive the following ratification bonus:

- Employees with less than one year of service with Heritage = \$100
- Employees with between one and five years of service with Heritage = \$200
- Employees with more than five years of service with Heritage = \$300

16.1.2 September 1, 2015

Effective September 1, 2015, all employees covered under the agreement shall be placed on the hiring schedule (Appendix A) at the same step of the schedule from which they are currently compensated. Employees whose rates are above or at the top step shall have their pay rate increased by fifteen cents (\$0.15) per hour. All employees shall receive an increase of at least fifteen cents (\$0.15).

Each employee shall receive an increase of twenty-five cents (\$0.25) on his/her anniversary date between September 1, 2015, and August 31, 2016.

16.1.3 September 1, 2016

Effective September 1, 2016, the wages of all employees covered under this agreement shall be increased fifteen cents (\$0.15) per hour. Each employee shall receive an increase of twenty-five cents (\$0.25) per hour on their anniversary date.

16.1.4 September 1, 2017

Effective September 1, 2017, the wages of all employees covered under this agreement shall be increased fifteen cents (\$0.15) per hour. Each employee shall receive an increase of twenty-five cents (\$0.25) per hour on their anniversary date.

SECTION 16.2 SUBSEQUENT WAGE ADJUSTMENTS

The Parties shall have an option to reopen the contract on or after July 1st of each year, to bargain over wage adjustments. This section is intended to negotiate over adjustments to the Medicaid rates or other changes to nursing home funding (Article 29 – Term of the Agreement and Reopener).

SECTION 16.3 HIRING SCALE

Effective September 1, 2017, the hiring scale (Appendix A) shall be adjusted upward twenty cents (\$0.20).

In the instance where new hires would be paid a higher wage than incumbent employees in the same position, the incumbent employees shall be adjusted upward. Any such adjustments may be made only after consultation with the Union.

The Operator shall not hire new employees at any rate that exceeds these rates, without express agreement from the Union.

The Operator agrees to meet and discuss the hiring rates for any new, covered job categories prior to implementation as long as the meeting occurs within thirty (30) calendar days after the Union receives notices of the rates.

SECTION 16.4 DIFFERENTIALS

16.4.1 Shower and Restorative Aides

Shower Aides and Restorative Aides shall receive twenty-five cents (\$0.25) per hour more than their base rate of pay.

16.4.2 Incentives and Bonuses

The Operator may not, at its sole discretion, implement, modify, or eliminate incentives to hire new employees, encourage safe working practices, or for any other business reason, without discussion with the Union.

16.5 EXTRA SHIFT BONUS

All employees working extra hours and shifts beyond their regular schedule shall receive a bonus of three dollars (\$3.00) per hour for each hour or portion worked.

ARTICLE 17: PAID TIME OFF

SECTION 17.1 PTO Accrual

Bargaining Unit Employees shall be entitled to paid time off each year (in addition to holidays and specific leaves described in Article 23-Bereavement Leave and Article 24-Jury Duty Leave), pro-rated for part time employees.

The “year” refers to each Bargaining Unit Employee’s individual employment year dating from their hiring. The end of each Bargaining Unit Employee’s year is their “Anniversary”. Paid Time Off will accrue on a monthly basis as follows:

| Length of Service | Full-Time Employee |
|-------------------|--------------------|
| 1-4 | 8.3 per month |
| 5-9 | 11.66 per month |
| 10-15 | 15 per month |
| 15+ | 18 per month |

SECTION 17.2 PTO ACCRUAL CAPS

Bargaining Unit Employees’ PTO shall be capped as follows:

| Length of Service | Full-Time Employee |
|-------------------|--------------------|
| 1-4 | 100 hours |
| 5-9 | 140 hours |
| 10-15 | 180 hours |
| 15+ | 216 hours |

SECTION 17.3 PTO CAP PROCESS

Bargaining Unit Employees shall accrue PTO on an ongoing basis from their date of hire but once a Bargaining Unit Employee reaches his/her cap, he/she shall not be permitted to accrue any additional PTO until he/she has used PTO such that his/her PTO drops below the cap.

SECTION 17.4 PTO REQUEST AND APPROVAL PROCESS

If Paid Time Off is requested in advance, the Employer will approve or deny the request in writing within fourteen (14) days of having received the written request. Paid time off requests made more than two (2) months in advance shall not be unreasonably denied. Written requests for PTO may be made up to six (6) months in advance of the requested time off. Written requests will be considered on a first come, first served basis. If two or more written requests for the same time off are received within a twenty-

four (24) hour period, and if the Employer is inclined to honor the request, then the request shall be honored on a Seniority basis, as Seniority is defined elsewhere in this Agreement.

SECTION 17.5 PTO AND TERMINATION OF EMPLOYMENT

1. **Resignation with proper notice:** Employees who resign with proper notice (a minimum of 2 weeks), will be eligible to receive payment for all PTO earned hours at 100% the value.
2. **Resignation without proper notice:** Employees who resign without proper notice (less than 2 weeks) will not be paid any earned PTO time.
3. **Termination for Cause:** Employees who are terminated for cause will not be paid for earned PTO time.

SECTION 17.6 PTO USE FOR ILLNESS

Bargaining Unit Employees may use paid time off for an illness or to care for family members who are ill.

SECTION 17.7 PTO BASED ON REGULAR RATE OF PAY

Any Paid Time Off shall be at the employee's regular pay rate. Once an employee has completed one (1) year of service with the Employer, they have an option of cashing out up to half of their earned PTO accrual at fifty percent (50%) of the value based on their regular hourly rate. An Employee can exercise this cash out option no more than twice a year in minimum increments of sixteen (16) hours.

SECTION 17.8 CALLING OUT SICK

Bargaining Unit Employees shall not be required to find their own replacements if they use paid leave or if they use unpaid leave when they call out sick.

SECTION 17.9 LEAVING WORK EARLY DUE TO ILLNESS

A Bargaining Unit Employee who leaves work early due to illness or a personal emergency may use PTO for the hours of her or his scheduled shift that were not worked.

** The regular hourly rate does not include shift differentials and any incentive pay. "Family members" include Domestic Partners as defined in [Section 23.1, Bereavement Leave](#). The word "employee" shall mean Bargaining Unit Employee.*

ARTICLE 18: HOLIDAYS

The Operator recognizes the following six (6) holidays:

New Year's Day*

Memorial Day

Independence Day

Labor Day

Thanksgiving*

Christmas*

All part-time and full-time employees are eligible for Holiday Pay, once they have completed ninety (90) days of service.

Employees who work on a recognized Holiday marked with an asterisk (*) shall receive two (2) times their normal hourly pay rate. Other holidays shall be paid at one and a half (1.5) times their normal hourly rate of pay. Employees must work the holiday to receive Holiday Pay.

ARTICLE 19: UNION LEAVE

SECTION 19.1 EXTENDED UNION LEAVE

Workers may request an unpaid leave of absence to perform work for the Union with thirty (30) days' notice to the Employer. Such leaves may be for any duration up to three (3) months and may be extended by mutual consent. Seniority will not accrue during the leave of absence. The Employer will take the needs of the business into account, but will not unreasonably withhold approval of such leave or extension. To the extent allowed by the business, the Employer shall return the worker to the same job, shift and position that he/she held at the time they went on Union leave with no loss of seniority (seniority will not accrue while on union leave) and with any intervening changes in wages or benefits applied as if they had been working. Workers must give the Employer at least fourteen (14) days written notice of their return to work.

SECTION 19.2 SHORT UNION LEAVE (UNPAID)

With thirty (30) days' notice to the Employer, employees who are attending the Union's annual convention, the convention of SEIU, or who are requesting other short-term leave for Union business shall be granted unpaid release time for the duration of the

Convention or event. Such leave shall be granted on a first-come, first-serve basis. The Employer may limit the numbers of employees granted leave to no more than five (5), and no more than one (1) from any department except the nursing department, however the Employer will make every effort to release more than one employee from small departments. Employees on unpaid union leave may utilize any earned PTO while on leave, and shall be entitled to any recognized, paid holiday which occurs while on such short leave if the employee would otherwise normally be entitled to the paid holiday.

SECTION 19.3 SHORT UNION LEAVE (PAID)

The Employer shall grant up to eight (8) paid shifts per contract year for employees to engage in public advocacy for quality long-term care, as agreed between the Employer and the Union. The Employer shall make a good faith effort to maximize the number of employees released on unpaid leave to attend one of the main days designated as public advocacy days by the Union.

ARTICLE 20: INSURED BENEFITS

The Employer shall pay eighty percent (80%) of the health insurance premium for full-time employees during the first full year the employee is enrolled in the Employer's medical insurance plan and also for those employees not in the wellness plan. The Employer will pay ninety percent (90%) of the cost for employees in the wellness plan. This applies to employee only coverage.

Spousal coverage will not be offered to bargaining unit employees effective 12/31/13. Employees who were electing spousal coverage on 12/31/12 and who have maintained their coverage since may continue to receive it on a grandfathered basis.

Where not explicitly noted above, the Employer may implement, modify or eliminate dental, vision and/or disability benefits as outlined in Employer Policies. The Employer may select, change, eliminate or modify insurance carriers, benefits plans, benefits levels, and employee co-pays. Prior to implementing any substantial and material change in insured benefits, the Employer shall meet with the Union to discuss the changes provided the Union requests such a meeting within thirty (30) calendar days of receiving notice of the changes. If the Employer's foregoing modification results in less total compensation for employees in the bargaining unit, the Employer shall bargain the changes with the Union.

ARTICLE 21: RETIREMENT/401(K) PLAN

The 401(k) plan in place at the time of the ratification of this agreement will continue with the following provisions:

- A. Eligibility after ninety (90) days of employment; twenty-one (21) years old or older.
- B. Open enrollment is January 1-10, April 1-10, July 1-10 and October 1-10 following one (1) Year of employment.
- C. The Employee can defer up to 20% of Gross Income (maximum determined by federal law).
- D. The Employer may match up to 15% of the Employee's contribution, which is not discretionary. The Employer's contribution will be capped at \$500.00 per year.
- E. Contributions must be made in whole percent increments or as a specified dollar amount.
- F. Hardship withdrawals are available for the Employee under federal law. Employee loans against 401(K) accounts are not available.

ARTICLE 22 LEAVES OF ABSENCE

All leaves of absence must be requested by an employee in writing as far in advance as possible stating the reason for the leave and the amount requested. Except as otherwise provided for in this Agreement, it shall be the Company's prerogative to grant or deny the request. A leave of absence begins on the date of first absence from work. Failure to return from a leave of absence by the agreed upon return date subjects such employee to discipline by the Company.

SECTION 22.1 FAMILY MEDICAL LEAVE

Eligible employees may take up to 12 weeks of unpaid family and/or medical leave in a 12 month period in accordance with Federal and State laws. Although Family Medical Leaves are without pay the Company may require that you utilize any remaining PTO hours prior to moving to an unpaid leave status. You may also be eligible for compensation through supplemental Disability Benefit Insurance.

SECTION 22.1.1 ELIGIBILITY

Family Medical Leave states that employees who have been employed with the Company for 12 months and have worked at least 1,250 hours in the previous 12-month period may be eligible for leave. The Company uses a 12-month rolling period of time (looking backward) to determine eligibility under Family or Medical Leave guidelines.

The following circumstances may be eligible for Family Medical Leave:

- A. For the birth of a child, or the placement of a child under the age of 18 for adoption or foster care
- B. To care for a family member with a serious health condition
- C. To recover from or seek treatment for your own serious health condition
- D. When a family member is called to active duty in the National Guard or Reserves
- E. To care for a member of the armed forces who is recovering from service related injuries (26 weeks)
- F. Other reasons which may be identified by Federal or State Governments.

SECTION 22.1.2 SERIOUS HEALTH CONDITION

A serious health condition is generally defined as a condition requiring inpatient care or that poses an imminent danger of death in the near future or that requires constant care. A serious health condition includes a patient's disability due to pregnancy or a period of absence for prenatal care. Not all medical conditions are serious health conditions. Generally, routine illnesses such as colds or flu that can be treated with non-prescription drugs or bed rest will not be considered serious health conditions. Employees who are unsure whether a medical condition qualifies as a serious health condition should contact their manager or the Human Resources department for information or consult the Family & Medical Leave Policy.

SECTION 22.1.3 SUBMITTING FAMILY MEDICAL LEAVE REQUEST

Normally, an employee is asked to provide the facility with at least 30 days' notice of the need for a Family medical leave. If 30 days' notice isn't possible, the employee will notify facility management as soon as possible so that appropriate arrangements can be made. Failure to provide adequate notice may delay commencement of the leave or reduce eligibility. Depending on the circumstances of the leave the employee may be required to provide certification from a health care provider supporting their leave request.

SECTION 22.1.4 RETURNING FROM MEDICAL LEAVE

With few exceptions, when employees return from your Family medical leave they will return to their former position. Employees are expected to return promptly when the leave expires. Normally employees should provide the Company with at least 2 days' notice of the anticipated return. Failure to return to work following the maximum allowable absence may result in the loss of reinstatement rights.

SECTION 22.1.5 BENEFIT CONTINUATION

While on a Family Medical Leave, employees will continue to be eligible for Company employee benefits, including group medical insurance, for up to 12 weeks, provided that

the employee continue to pay their portion of the premiums. Employees on FML will not accrue additional PTO time while on an unpaid leave and will not be eligible for holiday pay. Employees on FML will retain credit for seniority and PTO time already accrued while on leave.

SECTION 22.2 PERSONAL LEAVE

An employee, upon completion of the probationary period, may be granted a personal leave of absence for up to thirty (30) days with no loss of seniority or benefits accrued to date such leave commences. An employee's written request for personal leave of absence must state the reason for the leave and the date of commencement. If the employee is eligible for other leaves under this Article, such leaves shall run concurrently. If the employee is on a personal leave and becomes eligible for other leaves under this Article, such employee will immediately notify the Company and the appropriate process will be initiated.

SECTION 22.3 MILITARY LEAVE

An employee required attending military reserve or guarding training or who is called to active duty shall be granted a leave of absence with no loss of seniority or benefits. Such Military Leave shall be unpaid, except that the employee may elect to use any earned paid leave available. Reinstatement to work shall be in compliance with the federal USERRA and State and local laws.

SECTION 22.4 MILITARY CAREGIVER LEAVE

The Employer will grant an eligible employee who is a spouse, son, daughter, parent or next of kin of a covered service member with serious injury or illness up to a total of twenty-six (26) work weeks of unpaid leave during a single twelve (12) month period to care for a service member. A "covered service member" is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is otherwise on temporarily disability retired list for a serious injury or illness. A serious injury or illness is that which was incurred by the service member in the line of duty that may render the service member unfit to perform the duties of his or her office, grade, rank or rating. The "single twelve (12) month period for leave to care for a covered service member with a serious injury or illness begins on the first day the employee takes leave for this reason and ends twelve (12) months later, regardless of the twelve (12) month period established by the employer for other types of FMLA Leave. An eligible employee is limited to a combined total of twenty-six (26) work weeks of leave for any FMLA-qualifying reason during a single twelve (12) month period. Only twelve (12) of the twenty-six (26) weeks total may be used for the FMLA qualifying

reason other than to care for a covered service member. This provision shall be administered in accordance with the U.S. Department of Labor Relations.

SECTION 22.5 MILITARY SPOUSE LEAVE

Up to fifteen (15) days of unpaid leave will be granted to an eligible employee who averages twenty (20) or more hours of work per week, whose spouse is on leave from deployment or before and up to deployment during a period of military conflict. An employee who takes leave under this provision may elect to substitute any of the accrued paid leave to which the employee is entitled for any part of the leave provided under this provision. The employee must provide his or her supervisor with notice of the employee's intention to take leave within five (5) business days of receiving official notice that the employee's spouse will be on leave or of an impending call to active duty. This provision shall be administered in accordance with RCW 49.77.

SECTION 22.6 DOMESTIC VIOLENCE/SEXUAL ABUSE/STALKING LEAVE

Eligible employees shall be entitled to take unpaid leave for domestic violence, sexual assault or stalking that the employee has experienced, or for the use to care for and /or assist a family member who has experienced domestic violence, sexual assault or stalking. Leave under this provision shall be administered in accordance with RCW 49.76

ARTICLE 23: BEREAVEMENT LEAVE

Upon completion of the required probationary period, an employee shall be eligible for up to three (3) days of paid leave for the death of an immediate family member, in addition to any accrued PTO time. Immediate family shall be defined as a grandparent or grandparent-in-law, aunt or uncle, parent or parent-in-law, spouse or domestic partner, brother or brother-in-law, sister or sister-in-law, niece or nephew, child, grandchild, stepchild or child of recognized domestic partner.

ARTICLE 24: JURY DUTY PAY

A Bargaining Unit Employee who is called to serve as a juror shall receive pay for each work day missed, for up to three (3) days paid leave. If jury duty does not take the entire work shift, employees shall be afforded reasonable paid time in order to travel to work or the employee may choose to use appropriate leave for the remainder of the shift if preapproved.

A Bargaining Unit Employee who is subpoenaed as a witness in any court shall receive unpaid leave. If the Bargaining Unit Employee is called as a witness in a matter in which the Employer is a party; the Employee will be paid for that time unless it involves a dispute between the Employer and the Employee.

The Employee shall turn any jury duty or witness pay in directly to the facility administrator.

ARTICLE 25: NO-STRIKE CLAUSE

SECTION 25.1 DURING TERM

During the term of this Agreement or any written extension hereof, the Union shall not call nor authorize any strike against the Employer at the establishment covered by this Agreement, and the Employer will not lock out any employee. For the purpose of this Article, a walk-out, sit-in, sick-out, slow-down, sympathy-strike, or other work stoppage will be considered a strike.

If an employee or employees engage in any strike, and the Employer notifies the Union of such action, a representative of the Union shall, as promptly as possible, instruct the employees to cease such action and promptly return to their jobs.

Employees who participate in a strike in violation of this Article will be subject to discipline up to and including termination.

In the event of a violation of the no-strike provision, the Union will:

- A. Publicly disavow such action by the workers;
- B. Notify the workers of its disapproval of such action and instruct them to cease such action and return to work immediately;
- C. Post notices on Union bulletin boards advising that it disapproves such action, and instructing workers to return to work immediately.

In recognition of the unique partnership between the Union and the Employer that has led up to this Agreement, the Union will not conduct informational picketing during the term of this Agreement. This provision will sunset on the last day of this agreement and not continue unless specifically renegotiated.

SECTION 25.2 UPON TERM EXPIRATION

Upon the termination of this Agreement, this Article 25 (No Strike Clause) shall remain in full force prohibiting workers from engaging in work stoppage over labor contract disputes and the parties shall engage in prompt, binding interest arbitration to resolve the dispute. The No Strike clause shall survive the termination of this Agreement, and this language will automatically be included in all future contracts.

ARTICLE 26: SEPARABILITY

In the event that any provision of this Agreement shall, at any time, be declared invalid or void by any court of competent jurisdiction or by any legislative enactment or by Federal or State statute enacted subsequent to the effective date of this Agreement, such decision, legislative enactment or statute shall not invalidate the entire Agreement, it being the express intention of the parties hereto that all other provisions not declared invalid or void shall remain in full force and effect. In the event that any decision, legislative enactment or statute shall have the effect of invalidating or voiding any provision of this Agreement, the parties hereto shall meet solely for the purpose of negotiating with respect to the matter covered by the provision which may have been so declared invalid or void.

ARTICLE 27 NOTICE OF SALE

In the event the nursing home covered by this Agreement is to be sold, assigned, leased or transferred, the Operator will notify the Union as soon as possible, within the confines of any non-disclosure agreement, but no later than the time required for legal notice to notify the residents of the name and address of the new owners, assignee, lessee or transferee, and meet with the Union to negotiate over the effects of the transaction on bargaining unit workers.

ARTICLE 28: SUBCONTRACTING

Both parties also understand that for the Employer to satisfy the demands of its residents and to successfully operate the facility, contracting and/or subcontracting of bargaining unit work may be necessary from time to time.

It is, therefore, agreed that the Employer may, within its exclusive discretion, engage contractors and/or subcontractors to help meet the demand of the facility; provided,

however, that the Employer will endeavor to utilize its own employees whenever practicable and that the Employer notify the Union of such changes at least thirty (30) days prior to implementation.

If, in the future, the Employer seriously contemplates subcontracting of bargaining unit work, it shall discuss the matter with the Union prior to making its final decision. It is agreed that the use of registry or agency personnel, as a supplement to the workforce or use of employees from a different facility affiliated with Avamere Health Services or Avamere Skilled Advisors does not constitute contracting out. The Employer will make its best effort to use regular employees first, before the use of registry personnel; however, the decision to use a subcontractor shall be solely that of the Employer, which may make the decision in its sole discretion.

Should subcontracting any work covered by this Agreement in the future, the Employer shall subcontract work to persons, firms, or companies meeting not less than the terms and conditions of this Agreement relating to wages, hours, and working conditions. This article does not apply to any agency or registry personnel. In the event the Employer subcontracts work to persons, firms or companies, the subcontractor shall hire any and all displaced employees. All future subcontracted employees shall continue to remain in and become part of the existing bargaining unit. Additionally, the subcontractor shall agree to be bound by all the terms and conditions of this agreement and the serviced facility's policies and procedures.

ARTICLE 29: TERM OF AGREEMENT AND REOPENER

This Agreement shall be effective as of the date of the ratification of this Agreement, and shall remain in full force and effect unless amended by mutual written agreement of the parties through the end of the term August 31, 2018, and year to year thereafter provided, however, that either party may serve written notice on the other at least ninety (90) days prior to the expiration date, or subsequent expiration anniversary date, of its desire to amend any provision hereof. Notwithstanding the above, the parties agree that either party may make a written request to reopen the Agreement for negotiations over wages and benefits up to sixty (60) days following Employer's receipt of written notification by an official and authoritative representative of Washington's Government reporting the specific scope of scheduled changes (i.e., increase or decrease) to the Medicaid skilled nursing facility rate net of any provider tax. If either party does not agree with the other's request to reopen the Agreement per the foregoing statement, the determination of whether "written notification by an official and authoritative representative of Washington's Government reporting the specific scope of scheduled changes to the Medicaid skilled nursing facility rate" exists shall be arbitral under this Agreement. Since numerous historical examples exist of Washington's Government Representatives announcing scheduled Medicaid rate changes and then failing to

implement such changes as specifically announced, the parties agree that any wages and/or benefit change agreement negotiated through the foregoing re-opener provision shall not be effective until Employer actually receives the rate change as specifically promised by the official and authoritative representative of Washington's Government.

During bargaining for economic reopeners, the provisions of [Article 25: No-Strike Clause](#) shall apply.

If the parties are not able to reach agreement on an economic reopener or for a successor agreement, they may by mutual agreement submit the question to expedited binding arbitration, as described in [Article 15](#).

In evaluating economic proposals, Employer, Union and/or Arbitrator, shall consider factors normally considered in interest arbitration cases; provided, that to the extent the Employer's financial circumstances are considered, the Employer, Union and/or Arbitrator shall limit consideration to the financial circumstances of the specific Employer facility involved in this Agreement. The Employer, Union and/or Arbitrator shall not establish a collective bargaining relationship that would create an economic disadvantage to Employer by requiring increases in worker pay, benefits, staffing levels and/or shift ratios that both were not adequately reimbursed by Medicaid revenues and prevented Employer's reasonable economic return on operation of the specific Employer facility covered by this Agreement. Employer will not be required to provide financial records to Union or arbitrators. If Washington creates a voluntary mediation and binding arbitration process to resolve collective bargaining disputes, the parties will consider utilizing such services before proceeding to the traditional arbitration process.

ARTICLE 30: COLLECTIVE BARGAINING AGREEMENT

TRAINING

The Employer and Union agree to facilitate a joint Collective Bargaining Agreement Training at the facility, within thirty (30) days of the ratification date of this Agreement. Additionally, this training will be held within thirty (30) days of a new Administrator being established at the facility.

This training may include participants from Avamere Corporate, On-Site Facility Management (Administrator, DNS, and Department Managers), SEIU 775 Representatives, and up to 3 members of the Bargaining Team and/or Advocates. This training shall last no more than two (2) hours in duration. Members of the Bargaining Team and/or Advocates will be paid his/her regular rate of pay for this training. The training will not be schedule to result in overtime.

The purpose of this training shall be to:

1. Review the Articles within this Collective Bargaining Agreement, relevant to wages, benefits, working conditions and policies.
2. Review shared goals and the next steps that both parties can participate in as it relates to quality care, census improvements, and Nursing Home funding.

APPENDIX A – HIRING SCALE

Effective July 1, 2015

| Position | Base/Hire Rate | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | 6 Years | 7 Years | 8 Years |
|------------------------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Certified Nursing Assistant | \$11.15 | \$11.40 | \$11.65 | \$11.90 | \$12.15 | \$12.40 | \$12.65 | \$12.90 | \$13.15 |
| Shower/ Restorative Aide | \$11.40 | \$11.65 | \$11.90 | \$12.15 | \$12.40 | \$12.65 | \$12.90 | \$13.15 | \$13.40 |
| Nursing Assistant Registered | \$10.15 | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- |
| Dietary Aide | \$9.95 | \$10.20 | \$10.45 | \$10.70 | \$10.95 | \$11.20 | \$11.45 | \$11.70 | \$11.95 |
| Dietary Cook | \$10.45 | \$10.70 | \$10.95 | \$11.20 | \$11.45 | \$11.70 | \$11.95 | \$12.20 | \$12.45 |
| Activities Aide | \$10.10 | \$10.35 | \$10.60 | \$10.85 | \$11.10 | \$11.35 | \$11.60 | \$11.85 | \$12.10 |

Effective September 1, 2017

| Position | Base/Hire Rate | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | 6 Years | 7 Years | 8 Years |
|------------------------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Certified Nursing Assistant | \$11.35 | \$11.60 | \$11.85 | \$12.10 | \$12.35 | \$12.60 | \$12.85 | \$13.10 | \$13.35 |
| Shower/ Restorative Aide | \$11.60 | \$11.85 | \$12.10 | \$12.35 | \$12.60 | \$12.85 | \$13.10 | \$13.35 | \$13.60 |
| Nursing Assistant Registered | \$10.35 | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- | \$ --- |
| Dietary Aide | \$10.15 | \$10.40 | \$10.65 | \$10.90 | \$11.15 | \$11.40 | \$11.65 | \$11.90 | \$12.15 |
| Dietary Cook | \$10.65 | \$10.90 | \$11.15 | \$11.40 | \$11.65 | \$11.90 | \$12.15 | \$12.40 | \$12.65 |
| Activities Aide | \$10.30 | \$10.55 | \$10.80 | \$11.05 | \$11.30 | \$11.55 | \$11.80 | \$12.05 | \$12.30 |