

BEST AND FINAL OFFER
ADT/CWA Salt Lake City
November 28th, 2011

Article 4 – Grievance Procedure

Section 3. Stewards may handle requests, complaints or grievances arising under this agreement during working hours without loss of compensation provided that the time so spent is devoted to handling of requests, complaints or grievance in accordance with the grievance procedure outlined in this Article. Stewards that are High Volume Commissioned Installers shall be paid at ~~same rate as one hardwired device per meeting~~ the 48 month rate. Such time must be reasonable and be scheduled through their supervisor.

New SECTION 5

Any grievance settled prior to arbitration shall not set precedent nor prejudice any future matters unless agreed to in writing by the CWA Representative and the Director of Labor Relations.

Article 5 - Arbitration

Section 1. In the event that an agreement cannot be reached between the Union and the Employer with respect to a grievance involving and limited to the interpretation and application of any specific provision of this Agreement, it may be submitted, on the request of either party, to arbitration, pursuant to the Labor Arbitration Rules of the ~~American Arbitration Association~~ Federal Mediation and Conciliation Service (FMCS), provided such request is made within thirty (30) days after final decision has been rendered. The decision of the arbitrator will be binding on both parties for a period to be named in the arbitration decision, but in no event to antedate the period during which the agreement was effective. The arbitrator shall not have the authority to alter or modify any of the express provisions of the Agreement. The expenses, including fees and other necessary expenses of the arbitrator, shall be shared equally by the Union and the Employer.

Article 6 – Hour of Work and Overtime

Section 6. All qualified employees shall be assigned to stand-by duties. Such standby will be assigned for periods of one (1) week (payroll period) on a rotating basis. During such assignments, employees shall be compensated for carrying a pager or cell phone as follows:

Regular Scheduled Weeks- 1 hours of pay for each day on standby or ~~\$125.00~~ \$150.00 whichever is greater. Holiday Scheduled Weeks- 2 hours of pay for each holiday on standby or ~~\$150.00~~ \$175.00 whichever is greater.

Article 13 – Seniority

SECTION 3 When a lay-off (i.e., a reduction in force due to lack of work) is made, the principle of seniority shall apply. There will be ~~a single seniority list~~ two (2) separate seniority lists: (1) Commercial and (2) Residential/Small Business for lay-off purposes. ~~When a lay-off occurs, if an employee bumps into a different department due to his/her seniority rights, he/she will be on a thirty (30) day probationary period, during which he/she shall maintain his/her seniority rights and during which he/she will maintain his/her Union representation. If, during this probationary period, the employee does not progress at a satisfactory rate, he/she can accept a lay-off, which will include~~

~~eligibility for severance as provided in Article 14. In turn, the employee who has been laid-off due to the "bumping" procedure will be recalled as provided in Section 4 of this Article.~~ The employer shall give two (2) weeks written notice to the Union. Any employee may transfer from one seniority list to another with all seniority assuming a vacancy exists and such transfer has the approval of the Employer.

Article 15 – Pay for Use of...Traveling Time and Expenses

Section 1. (b) Employees, when using their own cars in the Employer's service and at the Employer's direction, shall be compensated in accordance with IRS regulations with a minimum of ~~six (\$6.00)~~ ten (\$10.00) dollars per day. (c) Employee-owned motor vehicle shall be in service of the Employer only when approved by a manager or supervisor.

Section 2. (a) When the Employer deems it necessary to board an employee near a job, or training assignment, such employee shall be allowed a meal allowance of up to ~~forty-five (\$45.00)~~ sixty-one (\$61.00) dollars with receipts necessary for any meal over twenty-five (\$25.00) dollars, plus the reasonable cost of room when the employee is required to be away from home overnight

Section 3 ~~When the employee is to report to a customer's premises that is located beyond a thirty-five (35) miles radius from his normal reporting station, he will be allowed travel time to and from the customer's premises beyond the thirty-five (35) miles radius point. The travel time will commence at the thirty-five (35) miles radius point from the reporting station. Such travel will be paid at straight time.~~

Employees who report directly to the jobsite from home are responsible for up to 45 minutes of unpaid commuting time from their home to their first job in the morning and up to 45 minutes of unpaid commuting time from their last job to their home each day.

Section 4. The Company, ~~with reservations~~, agrees to reimburse employees up to five hundred (\$500.00) dollars toward their deductible for damage to their vehicles as a result of an automobile accident. Such reimbursement will be granted in cases where:

- (a) the employee is not at fault
- (b) the employee actually has their vehicle repaired
- (c) the employee is not entitled to complete reimbursement from his/her or other party's insurance company

If this benefit is abused by the employees, the Company reserves the right to end the benefit upon thirty (30) days' notice to the Union and take necessary disciplinary action.

Replace Article 18 with the following:

Article 18 - HIGH VOLUME COMMISSIONED INSTALLER

Section 1. A High Volume Commissioned Installer position will be created and made part of the agreement.

- a) High volume can best be described as a program to sell numerous systems with recurring revenue.
- b) Such systems are designed for residential and small business installers. HVCI can be assigned residential and/or small business packages.
- c) Employees assigned to high volume installation work (residential and small business)

will be paid per installation as follows in Attachment A.

- d) As additional High Volume systems are developed, the Employer retains the right to develop and implement such systems, but is required to negotiate the compensation for such systems.
- e) In the case of a No- show “porched” pay is paid when the Installer arrives on-site and cannot start the installation as no one is at the installation site. If the company cannot find other work within one (1) hour the employee will be paid per Attachment A.
- f) The provisions of Article 6 will not apply to High Volume Commissioned Installers. High volume installers are required to track their actual hours worked. High Volume employees will be compensated for overtime as follows:
 - a. Total Dollars per Week
 - b. $\text{Total Hours per Week} \times (\text{Total hours} - 40) \times (1/2) = \text{Overtime Pay}$
- g) Employees paid per installation will receive all contractual and company fringe benefits equal to the annual salary of an hourly residential technician, except as specified in Attachment A.
- h) Employees can work holidays and take the holiday at other times subject to mutual agreement with the Employer.
- i) If a High Volume installer is designated to be laid off in accordance with Article 13, the High Volume installer will be paid severance pay on the provisions of Article 14 and calculated on the High Volume installer’s individual annual weekly average based on the last twelve (12) months of performance.

New ARTICLE 25 - ANCILLARY BENEFITS

The Company may unilaterally confer other benefits not specifically listed in the contract which are offered to non-bargaining unit employees. These benefits will be subject to terms and conditions contained in the applicable plan documents. The Company reserves the right to modify and/or terminate these benefits at any time.

New

ARTICLE 26 – SEPARABILITY/AGREEMENT OF PARTIES

If the enactment of legislation, or a determination of a court of final jurisdiction (whether in a proceeding between the parties or in one based on a similar statement of fact) invalidates any portion of this Agreement it shall not affect the validity of the rest of this Agreement, which shall remain in full force according to its terms in the same manner and with the same effect as if such invalid portion had not originally been included herein.

Any provision invalidated under the preceding paragraph shall immediately become the subject of negotiations between the parties in an effort to bring the provisions into conformance.

The provisions of this Agreement constitute the entire agreement between the parties. No waiver or modification of any provision of this Agreement shall be effective unless signed by the parties hereto, and no such writing, applicable to any particular instance or instances, shall be construed as any general waiver or modification, but shall be strictly limited to extent and occasion specified therein.

Current Article 25 Termination Date becomes Article 27

Term: 7/31/2011 – 7/30/2014

Hourly Wage Increases:

2.3% upon ratification

2.5% Year 2*

2.5% Year 3*

***Wage opener in Years 2 and 3.**

Other Items:

Payment in lieu of retro: \$350.00 lump sum to each active employee upon ratification.

HVCI Matrix (See attached document).

October 20, 2011

Mr. Lew Ellingson
CWA Local 7704
1743 W. North Temple
Salt Lake City, UT 84116

Re: SLC HVCI Side Letter

Dear Mr. Ellingson,

Management has committed that the new HVCI compensation plan will not be implemented for compensation purposes until on or after 1/1/2012.

Based on the new High Volume Installation Compensation Plan, the parties will meet on the one (1) year anniversary of the Plan to discuss and possibly adjust provisions of this plan.

Sincerely,

Tim Drabek
Manager – Labor Relations
ADT Security Services, Inc.

cc: James Nixdorf
Julie Perkinson-Carpenter

Side letter:

October 20, 2011

Mr. Lew Ellingson
CWA Local 7704
1743 W.North Temple
Salt Lake City, UT 84116

Re: Year 1 bumping between Commercial and
HV Resi/Sm Business

Dear Mr. Ellingson,

As discussed during 2011 contract negotiations, two separate seniority lists have been created – one for Commercial and one for High Volume Residential/Small Business. As further discussed during 2011 negotiations, in the event of any layoff occurring on or before July 31, 2012, the company will allow a senior employee affected by a layoff to bump a junior employee between Commercial and HV Residential/Small Business (and vice versa).

Sincerely,

Tim Drabek
Manager – Labor Relations
ADT Security Services, Inc.

cc: Jim Nixdorf
Jim Cournane, HR - Commercial
Julie Perkinson-Carpenter, HR - HV