

**MEMORANDUM OF AGREEMENT  
BETWEEN  
GINO MORENA ENTERPRISES – AIR FORCE ACADEMY  
And  
UFCW LOCAL 7**

Gino Morena Enterprises and UFCW Local No. 7 are parties to a collective bargaining agreement whose term is June 14, 2012, through June 14, 2017. The parties have met and reached a new tentative agreement ("Agreement") for a collective bargaining agreement applicable to the facility operated by the employer in Colorado Springs, Colorado. Such new collective bargaining agreement shall contain the provisions of the current collective bargaining agreement between the parties except as modified in bargaining and in the attached document entitled 'Tentative Agreement, consisting of five (5) pages' as well as any and all documents attached to or incorporated by reference into said Tentative Agreement document. The new collective bargaining agreement shall have a term of June 14, 2017, through June 14, 2021. The attached document and the current collective bargaining agreement, as modified herein, represent the entire agreement of the parties. Any proposal made, modified or withdrawn by the parties shall not be used as evidence in any arbitration, or other legal proceeding.

The Union, its officers and bargaining committee agree to recommend and support the ratification of this Agreement.

Signed and agreed this 5<sup>th</sup> day of June, 2017:

**FOR THE EMPLOYER:**

  
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**FOR THE UNION:**

  
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**UFCW Local 7  
And  
Gino Morena Enterprises – Air Force Academy  
Tentative Agreement  
June 2, 2017**

**ARTICLE 5  
CLASSIFICATION AND COMPENSATION**

Section 1. Classification and Wages. Barbers compensation shall be sixty percent (60%) of the gross receipts collected by him or her. ~~Strike: GME shall retain the next fifteen cents (\$0.15) increase in the haircut price (currently eight dollars (\$8.00)). The price increase will then be used to recalculate the barbers commission. Effective April 1, 2014 through the expiration of the contract the barbers commission will be sixty percent (60%).~~

Section 2. Pay Periods. Barbers shall be paid on a bi-weekly basis. Employee's check will be direct deposited upon written authorization from the employee.

Section 3. Social Security. The Company shall pay its share of Social Security taxes as to each employee and shall deduct from employees their share of such taxes as required by law.

Section 4. Tip Credit. The Company shall not take a tip credit against wages.

Section 5. Tools and Uniforms. In consideration for the wages and other benefits provided herein, each barber shall be responsible for furnishing and maintaining his or her own tools and uniforms (smocks) as such may be required by the Company. The Company shall provide employees with all supplies needed.

Section 6. Holidays. The legal holidays are New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas Day, and any other day observed as a holiday by the Exchange. ~~Strike: Effective April 1, 2014~~ **Add: Effective upon ratification** employees will be paid for ~~Strike: four (4)~~ **Add: five (5)** holidays at seventy-five dollars (\$75.00) per day whether or not the employee works the holiday, pro rated on thirty-five (35) hours. The ~~Strike: four (4)~~ **Add: five (5)** paid holidays shall be President's Day, Martin Luther King Day, Columbus Day, ~~Strike: and~~ Veterans' Day **Add: , and Christmas day.**

**Add: Effective March 1, 2019** employees will be paid for six (6) holidays at eighty dollars (\$80.00) per day whether or not the employee works the holiday, pro rated on thirty-five (35) hours. The six (6) paid holidays shall be President's Day, Martin Luther King Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas day.

Section 7. Vacations. Effective April 7, 1994, employees will no longer be compensated for vacation. However, employees with five (5) years or less can receive up to two (2) weeks unpaid vacation if they desire. Employees with over five (5) years seniority can receive up to three (3) weeks unpaid vacation if they desire. Any vacation pay due as of April 6, 1994 will be paid. Effective October 1, 2013 employees will begin to accrue vacation credit. All employees will be eligible for one (1) week paid vacation equal to one percent (1%) of their annual gross pay. Employees will be eligible for vacation April 1, 2014 but any vacation taken prior to October 1, 2014 will be on a pro rate basis. Employees will be eligible for one (1) week paid vacation each subsequent year of the collective bargaining agreement. **Add: Effective March 1, 2019 employees will begin to accrue vacation credit at one and one-half (1 ½) percent of their annual gross pay.**

In the event the Company is replaced as the concessionaire at the operations covered by this Agreement, then liability for vacation pay as between the Company and its successor shall be determined in accordance with 29 C.F.R., part 4, as it shall from time to time be amended.

The Company reserves the right to determine how many employees may take vacation during a particular week. Vacation preferences among employees will be honored based upon seniority.

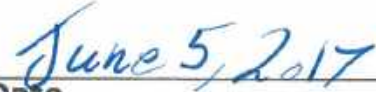
Section 8. Overtime. Personnel covered by this Agreement shall be compensated at one and one-half (1 ½) times their regular rate of pay for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, provided that no such overtime deferential shall be required in cases where an employee volunteers to work more than eight (8) hours in one day.

Section 9. Health and Welfare. If the Company is required to incur additional health-care costs during the term of the Agreement arising out of the implementation of and/or passage of and/or amendment to federal or state health-care legislation, the Company has the exclusive right to reopen the Agreement to discuss the economic impact of any such legislation and to negotiate concerning a reduction in the commission rate set forth in Article 5, Section 1 to offset any such additional costs. The Company and the Union will make good-faith efforts to reach mutual agreement in any such reopener negotiations. Should the parties be unable to reach agreement, either the Company or the Union may request mediation of any outstanding differences and upon exhaustion of mediation, and notwithstanding the prohibitions in Article 14, will be entitled to economic recourse, including the right to strike or lockout.

  
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**Gino Moréna Enterprises**

  
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**Date**

  
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**UFCW Local 7**

  
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**Date**

**UFCW Local 7  
And  
Gino Morena Enterprises – Air Force Academy  
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**ARTICLE 21  
HOURS OF LABOR**

Section 1. The regular work week for any barber shall not exceed forty (40) hours. A full-time employee is one who works thirty four (34) hours or more a week. Except for the allowance of ~~Strike: two (2)~~ **Add: three (3)** part-timers per bargaining unit, all other employees will be classified as full-time, effective upon the incorporation into the Company's AAFES contract of a wage determination reflecting the wages and benefits set forth in the agreement.

If in its sole discretion, the Company elects to change any full-time position to a part-time position, it may do so upon sixty (60) days notice to the Union. Such notice will be required only in the event a change of a full-time position to a part-time position is not voluntarily agreed upon by the employee in question and in no way limits the Company's right to lay-off without notice.

Section 2. The Company shall determine the number of barbers who shall be permitted to be off work on any day of the week in each branch.

Section 3. Working days and hours shall be scheduled by the Company.

Section 4. ~~Strike: All barbers will take a daily lunch period without pay, which lunch period shall be scheduled by the Company.~~

**Add:** Each employee who is scheduled to work in excess of five (5) hours in a day shall receive, on his own time, a one (1) hour lunch period, or, upon mutual agreement between the employee and the Employer, a one-half (1/2) hour lunch period at approximately the middle of his workday. Individual employees' change of lunch period from one (1) hour to one-half (1/2) hour, or vice versa, shall occur only at the beginning of a new work schedule.

Employees' scheduled lunch periods will be set forth on the schedule, but the parties recognize it may be necessary to alter the lunch period schedule due to the needs of the business.

Section 5. No barber shall work in excess of eight (8) hours in any one (1) day or forty (40) hours in any week without the express written permission of the Company, nor shall the

Company require this. Refusal to work overtime without express written permission shall not be grounds for discharge, discipline or harassment in any form by any Company representative. Violation of the terms of this Section by an employee shall be grounds for discipline, including discharge, provided that the employee guilty of the infraction has received one (1) prior written warning for violating this Section, except that overtime work by an employee at the direction of the base manager or other manager excluded from the collective bargaining unit shall not constitute a violation of this Section. In order to effectuate the purposes of this Section, the Company agrees that the line may be cut off fifteen (15) minutes before closing, provided that sufficient notification is given to a guide or to the customer themselves.

Section 6. If management requires barbers to attend any business meetings regarding the barber shops, such meetings will be a maximum of two hours in length and each barber will be paid **Strike: nine-dollars (\$9.00) Add: ten dollars and twenty cents (\$10.20) per hour, or the State/Federal minimum wage, whichever is greater.**

**Add: Business meetings will be limited to once a quarter; additionally such meetings will be scheduled on a day where a majority of the barbers are scheduled for their regularly scheduled shift. The Area Manager shall retain the right to call a business meeting whenever he or she may deem it necessary.**

  
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**Gino Morena Enterprises**

  
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**Date**

  
\_\_\_\_\_  
**UFCW Local 7**


  
\_\_\_\_\_  
**Date**

**UFCW Local 7  
And  
Gino Morena Enterprises – Air Force Academy  
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June 2, 2017**

**ARTICLE 23  
DURATION OF CONTRACT AND REOPENING**

It is agreed that this contract shall be in force and effect from ~~Strike: June 14, 2012~~  
~~Add: June 14, 2017~~ ending twelve (12) midnight ~~Strike: June 14, 2017~~ ~~Add: June 14, 2021~~.  
Should either party to this Agreement desire to negotiate changes in any or all of the provisions  
of this Agreement upon its expiration date, written notice to that effect must be given to the other  
party at least sixty (60) days before the date of expiration. If no opening notice is given as  
designated above, this Agreement shall run from year to year and can only be changed through  
negotiations started by written notice by one party to the other party at least sixty (60) days prior  
to any expiration date, that is, the annual anniversary date of this Agreement.

  
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Gino Morena Enterprises

  
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Date

  
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UFCW Local 7

  
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Date