

STIPULATION OF AGREEMENT

AGREEMENT made on the 21st day of April, 2006 between Service Employees International Union, Local 32BJ ("Union") and the Realty Advisory Board on Labor Relations, Inc. ("RAB").

WHEREAS, the 2003 Apartment Building Agreement between the parties by its terms expired on April 20, 2006; and

WHEREAS, the RAB through its committee representing certain buildings, has now negotiated an Agreement with the Union on behalf of itself and all its apartment building members; and

WHEREAS, the parties wish to include these terms in a written renewal Agreement;

NOW THEREFORE, the parties in consideration of the mutual covenants herein contained, and subject to ratification by the Union's membership and the RAB Board of Directors, do hereby agree to extend the Agreement thru April 20, 2010 and to amend the Agreement in accordance with the following stipulation:

1. **ARTICLE I – UNION RECOGNITION AND UNION SECURITY (PAGE 7)**

At the end of the 4th paragraph in Section 11 of Article I, insert the following language:

The interest shall not be assessed for an Employer's initial failure to deduct voluntary political contributions until thirty (30) days after the Employer has received written notice from the Union of its failure to deduct.

2. **ARTICLE II – COVERAGE OF AGREEMENT, SUB-CONTRACTING, SECTION 3, FIRST PARAGRAPH (PAGE 9)**

Delete last two sentences of first paragraph (union right to withhold approval of sub-contractors with record of fund delinquencies).

3. **ARTICLE IV – MANAGEMENT RIGHTS (PAGE 12):**

Insert Section 4:

In circumstances where the managing agent demands the removal of an employee from further employment in a building but where there is not cause to terminate the employee, the Union will continue to work with signatory Employers to reach a mutually satisfactory resolution

of the dispute, and to that end, will agree, in appropriate circumstances, to the transfer of the employee in question to another building, within the same county, without loss of pay or benefits.

4. **ARTICLE VI – ARBITRATION (PAGES 14-18)**

a) Modify to provide that arbitrator shall have thirty (30) (not ten (10)) days to issue award, except for arbitrations involving a superintendent, in which arbitrators shall have ten (10) days to issue an award.

b) Upon the joint request of all parties, the arbitrator shall issue a “bench decision,” with written award to follow within the required time period.

c) Change the third word of Paragraph 6 from “grievant” to “Union.”

5. **ARTICLE VII – REDUCTION IN FORCE (PAGE 19)**

Section 2(b): Delete phrase “If other work.”

6. **ARTICLE VIII – NO STRIKES OR LOCKOUTS (PAGE 23)**

Labor Peace Committee – In the interest of labor peace, and in recognition of the relationship between the New York City Real Estate Industry and the Union, the Union President, or his designee, and the RAB President, or his designee, and such other persons as they may mutually designate (including representatives of any interested employers) shall convene on a quarterly basis, or at the request of either President, to discuss any labor disputes, of which they are aware, with Employers. Both parties shall use their best efforts to notify the other party of such disputes in order to provide an adequate opportunity to seek to resolve such disputes.

7. **ARTICLE IX – SIGNATORY BUILDINGS, MULTI-EMPLOYER BARGAINING (PAGE 25)**

a) Sections 5, after the first paragraph (pg. 31) insert the following:

Upon request of the President of the RAB, the Union shall provide copies of any agreements outside of Brooklyn, Manhattan, Staten Island or Queens that are more favorable to the Employer than the terms of this Agreement.

b) Section 5, after subsection (f) (pg. 31) -- Add a new subsection (g) to read, “Buildings located outside Manhattan, Brooklyn, Queens, and Staten Island.”

8. ARTICLE X – HEALTH, PENSION, TRAINING, LEGAL AND ANNUITY FUNDS, SECTION A – HEALTH FUND (PAGES 32-34):

a) The President of the Union and the President of the RAB may determine, in their discretion, prior to the beginning of the contract year beginning January 1, 2007, to divert any portion of the scheduled increases in the annual rate of Employer Health Fund Contributions to the Training Fund and/or the Legal Fund.

b) The Employer shall continue to make annual contributions of \$9750.64 per employee into the Building Service 32BJ Health Fund.

c) Effective January 1, 2007, the rate of contribution to the Fund shall be increased to \$10,790.64 per employee per year.

9. ARTICLE X – HEALTH, PENSION, TRAINING, LEGAL AND ANNUITY FUNDS, SECTION B – PENSION FUND (PAGES 35-36):

a) The “Retirement Study Committee” established by the October 1, 2004 side letter to the 2005 Commercial Agreement from James Berg to Michael Fishman shall be modified to include representatives from the residential sector to be appointed by the RAB President.

b) The Employer shall continue to make weekly contributions of \$49.75 per employee into the 32BJ Pension Fund.

c) Effective January 1, 2007, the weekly contribution shall be increased to \$58.75 per employee per week.

10. ARTICLE X – HEALTH, PENSION, TRAINING, LEGAL AND ANNUITY FUNDS, SECTION E – SRSP (PAGE 37):

In Supplemental Retirement and Savings Fund section, second paragraph, change reference to “2005 Commercial Agreement” to “2008 Commercial Building Agreement.”

11. ARTICLE X – HEALTH, PENSION, TRAINING, LEGAL AND ANNUITY FUNDS, SECTION F – PROVISIONS APPLICABLE TO ALL FUNDS (PAGES 37-38):

a) Change all references throughout the Agreement from “Annuity Fund” to “SRSP.”

b) Replace Article X, Section F, Paragraph 4 with the following:

Effective as of January 1, 2008, any contributions and benefits required hereunder (except SRSP) shall be increased by any amount and in the same manner as contributions and benefits may be increased in the Commercial Building Agreement to succeed the presently effective 2005 Commercial Building Agreement, and if in said successor agreement service fees are required to be paid, the same fees shall be required to be paid hereunder; provided, however, (i) the aggregate increase in Employer contributions required to be paid to the Pension and the Health Funds effective anytime in 2008, shall not exceed \$26.00 per week per employee, Article 10 Section A Paragraph 4 notwithstanding, and; (ii) if the aggregate increase in Employer contributions required to be paid to the Pension and the Health Funds effective anytime in 2009 exceeds \$26.00 per week per employee, the RAB shall have the right, by written notice, to the Union on or before October 21, 2008, to terminate this Agreement effective as of April 20, 2009.

12. ARTICLE XII - SICKNESS BENEFITS, SECTION 1 (PG. 41):

Modify requirement that only four days may be used as single sick day to permit five days to be used as single sick days.

13. ARTICLE XV – WAGES, HOURS & WORKING CONDITIONS (PAGES 46-52):

a) Effective October 21, 2006, each employee covered hereunder shall receive a wage increase of \$0.25 for each regular straight time hour worked; Handypersons, forepersons and starters shall receive \$0.30; Superintendents shall receive \$0.325 for each regular straight time hour worked.

b) Effective July 1, 2007, each employee covered hereunder shall receive a wage increase of \$0.25 for each regular straight time hour worked; Handypersons, forepersons and starters shall receive \$0.275; Superintendents shall receive \$0.275 for each regular straight time hour worked.

c) Effective January 1, 2008, each employee covered hereunder shall receive a wage increase of \$0.25 for each regular straight time hour worked; Handypersons, forepersons and starters shall receive \$0.275; Superintendents shall receive \$0.275 for each regular straight time hour worked.

d) Effective July 1, 2008, each employee covered hereunder shall receive a wage increase of \$0.25 for each regular straight time hour worked; Handypersons, forepersons and starters shall receive \$0.30; Superintendents shall receive \$0.325 for each regular straight time hour worked.

e) Effective April 21, 2009, each employee covered hereunder shall receive a wage increase of \$0.2625 for each regular straight time hour worked; Handypersons, forepersons and starters shall receive \$0.2875; Superintendents shall receive \$0.2875 for each regular straight time

hour worked.

f) Effective October 21, 2009, each employee covered hereunder shall receive a wage increase of \$0.2625 for each regular straight time hour worked; Handy persons, forepersons and starters shall receive \$0.2875; Superintendents shall receive \$0.2875 for each regular straight time hour worked.

g) Effective April 21, 2007, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York - Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical Workers] from February 2006 to February 2007 exceeds 6.5%, then, in that event, an increase of \$.10 per hour for each full 1% increase in the cost of living in excess of 6.5% shall be granted effective for the first full work week commencing after April 21, 2007. In no event shall said increase pursuant to this provision exceed \$.20 per hour. In computing increases in the cost of living above 6.5% less than .5 % shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minimum.

h) Effective April 21, 2008, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York - Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical Workers] from February 2007 to February 2008 exceeds 6%, then, in that event, an increase of \$.10 per hour for each full 1% increase in the cost of living in excess of 6% shall be granted effective for the first full work week commencing after April 21, 2008. In no event shall said increase pursuant to this provision exceed \$.20 per hour. In computing increases in the cost of living above 6%, less than 0.5% shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minimum.

i) Minimum wage rates shall be increased accordingly to reflect the above increases in each category of work.

14. ARTICLE XVI – PROVISION APPLICABLE TO SUPERINTENDENTS ONLY (PAGES 52-60)

Section B(1) and (2) (page57) – Effective immediately, the assents for the Apartment Agreement and Resident Manager Agreement shall be submitted on one form.

15. ARTICLE XVII – GENERAL CLAUSES, SECTION 3, HOLIDAYS (PAGE 62)
Add September 11 (Day of Remembrance) as an additional Elective Holiday choice.

16. ARTICLE XVII – GENERAL CLAUSES. SECTION 8, METHOD OF PAYMENT OF WAGES (PAGE 65)

The Union recognizes that certain employees and Employers desire to utilize a bi-weekly

payroll schedule. Employers recognize that bi-weekly pay may create hardships for certain employees. Therefore, the parties agree to create an industry-wide committee to study the bi-weekly pay issue. If bi-weekly pay is permitted under the Commercial Building Agreement, then it shall be permitted under this Agreement.

At the end of the first sentence of the fifth paragraph, insert “or a paycheck card may be utilized.”

17. ARTICLE XVII – GENERAL CLAUSES, SECTION 9, LEAVE OF ABSENCE (PAGE 66):

Move the current second paragraph of Section 9(a) to become the fourth paragraph of Section 9(b); and move the second paragraph of Section 9(b) to become the second paragraph of Section 9(a).

18. ARTICLE XVII – GENERAL CLAUSES, SECTION 20(B), TERMINATION PAY (PAGE 81):

a) Subsection a, second paragraph (pg. 81) – Delete requirement that employees “(a) submit to a medical examination at the Health Center. . . ”

19. ARTICLE XVII – GENERAL CLAUSES, SECTION 23, NO DISCRIMINATION (PAGES 84-85)

a) Insert “sexual orientation” into the list of characteristics identified in the No Discrimination provision.

b) Insert “42 U.S.C. § 1981” and the “Family and Medical Leave Act” to the list of statutes identified in the No Discrimination provision.

c) The parties will create a committee to study recruitment and retention issues for all underrepresented groups in the residential industry.

20. ARTICLE XVII – GENERAL CLAUSES, SECTION 26, REQUIRED TRAINING PROGRAMS (PAGE 86):

The Thomas Shortman School shall establish, for new and existing employees, a “Quality of Life” training program which shall include, but not be limited to, tenant relations and appropriate conduct by residential employees.

21. ARTICLE XVII – GENERAL CLAUSES, SECURITY BACKGROUND CHECKS:

a) Add a new section as follows:

Security Background Checks

On change of ownership or conversion of the status of a building or employee, employees may be subject to security background checks. An employee shall cooperate with an Employer as necessary for obtaining security background checks. Any employee who refuses to cooperate shall be subject to termination. Notwithstanding the above, Employers shall not subject employees to security background checks on a disciplinary or retaliatory basis. Any disciplinary action imposed arising from security background check results shall only be for just cause.

All security background checks shall be confidential and may be disclosed only to the RAB and the Union; as necessary for the administering of this Agreement; and/or as required by law. The Employer shall pay all costs of any security background checks.

22. ARTICLE XVII – GENERAL CLAUSES, NOTICES:

All notices required to be sent to the Union shall be addressed to Director, Contracts and Complaints, at 101 Avenue of the Americas, 19th Floor, New York, NY 10013.

* * *

The parties agree to make appropriate modifications to the Resident Manager and Superintendents Agreement in accordance with this stipulation. The dates of the wage increases shall be December 21, 2007; September 1, 2007; March 1, 2008; September 1, 2008; June 21, 2009; and December 21, 2009; the duration shall be from June 21, 2006 to June 20, 2010.

The parties agree to include in the final contract any language clarifications which may be necessary as a result of this Stipulation of Agreement, including changing dates, as appropriate.

This Agreement is subject to ratification by the membership of the Union and the Board of Directors of the RAB.

AGREED to this 21st day of April, 2006 at 2:45 a.m.
SERVICE EMPLOYEES INTERNATIONAL REALTY ADVISORY BOARD ON
UNION, LOCAL 32BJ LABOR RELATIONS, INC.

By: _____
MICHAEL FISHMAN, PRESIDENT

By: _____
JAMES F. BERG, PRESIDENT

Date: _____

Date: _____

April 20, 2006

Michael Fishman
SEIU, Local 32BJ
101 Avenue of the Americas
New York, New York

Re: Maintenance of Benefits

Dear Mike:

The benefit plan under the Building Service 32BJ Health Fund shall be amended as follows:

Beginning July 1, 2006, and each six months thereafter, the Trustees shall review statements of expenses incurred (including without limitation the amortization of any loan to the Fund) and projected costs as prepared by Fund consultants dated and attached hereto. In the event that at any such six month interval expenses and costs have exceeded the projections, the Trustees shall implement cost saving measures sufficient to eliminate the first ten million dollars (annualized) of any such deficit, with a maximum of twenty million dollars during the term of the 2005 Commercial Collective Bargaining Agreement.

The Trustees shall not implement any increases in Employer contributions pursuant to Article X Section A Paragraph 4 of the 2006 Apartment Building Collective Bargaining Agreement until the terms of the preceding paragraph have been implemented.

Sincerely,

James F. Berg
President, RAB

AGREED:

Michael Fishman
President, Local 32BJ, SEIU

April 20, 2006

Michael Fishman
SEIU, Local 32BJ
101 Avenue of the Americas
New York, New York

Re: Pension Fund Legislation

Dear Mike:

The parties agree that in the event new legislation leads (or is projected to lead) to the imposition of funding or other contribution or cost requirements on employers with respect to the Pension Fund above those which are imposed by the 2006 Apartment Building Collective Bargaining Agreement, through Article X, Section F, Paragraph 4, the parties agree that they will take, and will recommend to the Pension Fund trustees that they take, all legal action necessary so that no such additional contributions or costs are imposed on employers, except for any reduction in pension accrual rates or any other benefits.

Sincerely,

James F. Berg
President, RAB

AGREED:

Michael Fishman
President, Local 32BJ, SEIU

April 20, 2006

Michael Fishman
SEIU, Local 32BJ
101 Avenue of the Americas
New York, New York

Re: Service Center Visit

Dear Mike:

This letter is to confirm the parties' agreement concerning service center visits. The one day off per year, described in Article XVII, Section 32 of the Apartment Building Collective Bargaining Agreement, can be taken to visit any one of the benefit funds or an employee's personal physician, upon a showing of proof.

Sincerely,

James F. Berg
President, RAB

AGREED:

Michael Fishman
President, Local 32BJ, SEIU