

COLLECTIVE BARGAINING AGREEMENT

Between

VERTICAL ENDEAVORS, INC.

and

**UNITED FOOD AND COMMERCIAL WORKERS,
LOCALS 663 AND 1189**

September 30, 2025 – September 30, 2028

TABLE OF CONTENTS

SECTION 1: RECOGNITION	1
Section 1.1. Agreement.....	1
Section 1.2. Recognition.....	1
Section 1.3. Classifications Not Guaranteed.....	1
Section 1.4. New Classifications.....	1
SECTION 2: REPRESENTATION.....	2
Section 2.1. Union Steward.....	2
Section 2.2. Union Activity.....	2
Section 2.3. Bulletin Board.....	2
Section 2.4. Union Access.....	2
SECTION 3: NO STRIKE/NO LOCKOUT.....	2
Section 3.1. No Strike.....	2
Section 3.2. No Lockouts.....	2
Section 3.3. Discipline for Violations of this Provision.....	2
SECTION 4: UNION MEMBERSHIP REQUIREMENTS.....	3
Section 4.1.....	3
Section 4.2. Employee Lists.....	3
Section 4.3 Notification and Enforcement.....	3
Section 4.4 Conformity with Law.....	3
SECTION 5: DUES CHECKOFF	3
Section 5.1. Dues Checkoff.....	3
Section 5.2. ABC Contributions.....	4
Section 5.3. Indemnification.....	4
SECTION 6: MANAGEMENT RIGHTS	4
SECTION 7: CORRECTIVE DISCIPLINE.....	5
SECTION 8: GRIEVANCE PROCEDURE.....	5
Section 8.1. Definition.....	5
Section 8.2. Informal Resolution.....	5
Section 8.3. Procedure.....	5
Section 8.4. Limitations on Authority of Arbitrator.....	7
Section 8.5. Group Grievances.....	8
Section 8.6. Time Limits.....	8
Section 8.7. Time Spent for Grievance Meetings and Arbitration.....	8
Section 8.8. Union Control of Grievance Procedure.....	8
SECTION 9: EMPLOYEE HANDBOOK, OPERATIONS MANUAL, AND STANDARDS OF CONDUCT	9
SECTION 10: WORK BY SUPERVISOR, NON-UNIT EMPLOYEES, AND OTHERS	9
SECTION 11: SCHEDULING.....	9
SECTION 12: ATTENDANCE.....	9
SECTION 13: BREAKS AND LACTATION ACCOMMODATIONS	11
Section 13.1. Meal Breaks.....	11
Section 13.2. Rest Breaks.....	12
SECTION 14: NURSING PARENT BREAKS	12
SECTION 15: HOLIDAYS	12

Section 15.1. Full-Time Employees Paid Holiday Benefit.....	12
Section 15.2. Part-Time Employees Accrued Holiday Pay Benefit	13
SECTION 16: PAID TIME OFF	13
Section 16.1 Full-Time Employees.....	13
Section 16.2 Part-Time Employees.....	14
Section 16.3 Scheduling Paid Time Off	14
Section 16.4 Payout of Accrued, Unused Paid Time Off	14
SECTION 17: OTHER LEAVES OF ABSENCE.....	15
Section 17.1 Other Leaves	15
Section 17.2. Family and Medical Leave.....	15
Section 17.3. Benefit Accrual During Leaves	15
SECTION 18: PERSONAL APPEARANCE.....	15
SECTION 19: HEALTH AND SAFETY	16
SECTION 20: VIOLENCE IN THE WORKPLACE.....	17
SECTION 21: FITNESS EXAMINATIONS	18
SECTION 22: DRUGS AND ALCOHOL	18
SECTION 23: TRANSGENDER AND NON-BINARY EMPLOYEES.....	18
SECTION 24: SAFETY CAMERAS	19
SECTION 25: LABOR MANAGEMENT MEETINGS	19
SECTION 26: PERFORMANCE REVIEW	20
SECTION 27: NON-COMPETE AGREEMENTS	20
SECTION 28: SENIORITY AND LAYOFF	20
Section 28.1. Seniority Definition.	20
Section 28.2. Introductory Period.	20
Section 28.3. Termination of Seniority.....	21
Section 28. 4. Seniority List.....	21
Section 28.5. Layoff.....	21
Section 28.6. Promotions to and Transfers to Permanent Openings in the Bargaining Unit.	22
Section 28.7. Regular Full-Time and Regular Part-Time Employees.	22
Section 28.8. Seasonal, Temporary, and Contractual Employees.	22
SECTION 29: TRAVEL EXPENSES	22
Section 29.1. Travel.	22
Section 29.2. Meal Reimbursement.	23
Section 29.3. Mileage Reimbursement.	24
Section 29.4. Competition Travel Time Compensation.....	24
SECTION 30: PRIVATE LESSONS	24
SECTION 31: RETIREMENT	24
SECTION 32: HEALTH INSURANCE.....	24
Section 32.1. Health Insurance Benefits	24
Section 32.2. Company Contribution Toward Health Insurance Premiums.....	25
SECTION 33: CERTIFICATIONS	25
SECTION 34: WAGES	25
Section 34.1 Wage Schedules	25
Section 34.2 General Wage Increase	25
Section 34.3. Company Discretion	25

Section 34.4. Demotions	25
Section 34.5. Multiple Classifications	26
Section 34.6 Pay Procedures	26
SECTION 35: MEMBERSHIPS	26
SECTION 36: DISCOUNTS	26
SECTION 37: GEAR.....	26
SECTION 38: RATIFICATION BONUS	27
Section 38.1. Eligibility	27
Section 38.2. Union Certification	27
Section 38.3. Payment Date and Method	27
Section 38.4.....	27
SECTION 39: SEPARABILITY	27
SECTION 40: PRECEDENCE OF AGREEMENT	27
SECTION 41: DURATION OF AGREEMENT	28

SECTION 1: RECOGNITION

Section 1.1. Agreement. It is hereby agreed by and between Vertical Endeavors, Minneapolis, Inc.; Vertical Endeavors St. Paul, Inc.; Vertical Endeavors Twin Cities Boulderling, Inc.; Vertical Endeavors Bloomington, Inc.; and Vertical Endeavors Duluth, Inc., hereinafter known as the "Company" or the "Employer," and United Food and Commercial Workers, Locals 663 and 1189, hereinafter known as the "Union," as follows.

Section 1.2. Recognition. The Company recognizes United Food and Commercial Workers as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, hours of employment or other conditions of employment for all employees included in the bargaining unit described below. Pursuant to the certification of representative issued by the National Labor Relations Board on December 7, 2023 in Case No. 18-RC-324559, the bargaining unit covered by this Agreement consists of all full-time and regular part-time employees, including counter staff, route setters, head route setters, team coaches, maintenance, shift managers (also known as manager on duty), guides, head coaches, assistant head coaches, yoga and fitness assistant coordinators, and assistant coaches employed by the Company at its facilities currently located at 2540 Nicollet Ave S. Minneapolis, Minnesota; 855 Phalen Blvd, St. Paul, MN; 2550 Wabash Ave, St. Paul, Minnesota; 9601 James Avenue South, Bloomington, Minnesota; and 329 S Lake Ave, Duluth, Minnesota MN. The bargaining unit excludes managerial employees and guards and supervisors defined in the National Labor Relations Act, as amended. Temporary, casual, and contractual employees are not included in the bargaining unit and are not covered by this Agreement.

It is fully understood that this clause is solely a recognition clause and that nothing in this Section or Agreement shall be deemed to nor shall constitute a guarantee or obligation (explicit or implied) on the part of the Company to continue operations or any portion(s) thereof, or as a guarantee of employment to any employee(s), or as a guarantee of work jurisdiction to the bargaining unit.

Section 1.3. Classifications Not Guaranteed. The classifications and job titles used by the Company are for descriptive purposes only. Their use is neither an indication of nor a guarantee that these classifications or titles will continue to be utilized by the Company.

Section 1.4. New Classifications. The Company shall promptly notify the Union of its decision to implement any new classifications pertaining to work of a nature performed by employees in the bargaining unit. If the new classification contains a part of the work now being done by any of the classifications covered by this Agreement, or whose functions are similar to employees in this bargaining unit, and the Union notifies the Company of a desire to meet within ten (10) working days of its receipt of the Company's notice, the parties will then meet to review the proposed classification and if unable to reach agreement as to its inclusion or exclusion from the unit, the Company shall be free to implement its decision and the Union shall be free to challenge that decision before the National Labor Relations Board. If the inclusion of the proposed classification is agreed to by the parties or found appropriate under the National Labor Relations Act, the parties shall then negotiate as to the proper rate of pay for the classification, with the Company free to assign a temporary rate pending resolution of negotiations.

SECTION 2: REPRESENTATION

Section 2.1. Union Steward. The Union has the right to appoint stewards at the facility. The Union will notify the Employer of employees who are designated as stewards. The Union shall timely provide notice to the Employer of any employee's change in steward status. The Employer shall not discriminate against or retaliate against an employee because that individual holds the role of steward.

Section 2.2. Union Activity. The Union agrees that it will not solicit Union membership or carry on any other Union activities during the work time of any employee involved, or carry on such activities in working areas at any time or in any manner.

Section 2.3. Bulletin Board. The Employer shall provide a space at the facility in the employee break area or another non-customer facing area agreeable between the Employer and the Union for a bulletin board where all official Union notices originating from the Union and Union-related material shall be posted. The Union agrees it shall keep the designated bulletin board in neat order, and the Union shall be responsible for all costs related to the bulletin board. All postings to the bulletin board shall be completed during non-working time.

Section 2.4. Union Access. Accredited representatives of the Union shall have access to the facility breakroom by permission of management to meet with employees on the employees' non-work time and in non-work areas out of public view and to maintain the bulletin board after providing forty-eight hours' advance notice. The Union representative shall comply with all safety and security rules during the time on the premises, including, but not limited to, signing any and all necessary waivers of liability. A Facility Manager or Assistant Facility Manager must be at the facility during the time for which any Union representative is present.

SECTION 3: NO STRIKE/NO LOCKOUT

Section 3.1. No Strike. In consideration of the Company's commitment not to lock out the employees, the Union, and its officers, agents, representatives, stewards, committeeperson and members, and all other employees shall not, in any way, directly or indirectly, instigate, lead, engage in, authorize, cause, assist, encourage, participate in, ratify, or condone any strike, sympathy strike, slowdown, work stoppage, or any other interference with or interruption of work at the Company.

Section 3.2. No Lockouts. In consideration of the Union's commitment to refrain from engaging in any strikes or strike activities as set forth above, the Company shall not lock out bargaining unit employees.

Section 3.3. Discipline for Violations of this Provision. The failure or refusal on the part of any bargaining unit employee to comply with the No Strike Clause set forth above, shall be cause for immediate discipline, including discharge. The failure or refusal by Union officers, agents, representatives, stewards and committeeperson to comply with this provision constitutes leading and instigating a violation of this No Strike Clause as it is specifically agreed that such Union officers, agents, representatives, stewards, committeeperson, by accepting such positions,

have assumed the responsibility of affirmatively preventing violations of this No Strike Clause by reporting to work and performing work as scheduled and or required by the Company.

SECTION 4: UNION MEMBERSHIP REQUIREMENTS

Section 4.1. Every non-introductory bargaining unit employee who is employed on the effective date of this agreement will as a condition of employment become a member in good standing, and every employee the Employer thereafter hires will as a condition of employment become a member in good standing on the ninety first (91st) day of employment or the effective date of this agreement, whichever is later. For purposes of this Section, "member in good standing" shall mean the tendering of periodic dues and initiation fees uniformly required by the Union.

Section 4.2. Employee Lists. The Employer shall supply to the Union on a monthly basis an electronic list of all employees covered by this Agreement. The list shall be sent electronically and shall include, if the employee has supplied, the employee's name, address, home number, cell number, email, department, job classification(s), date of hire, wage rate, work location, full-time or part-time status, hours worked, and Social Security Number. The Union takes full responsibility for the security of this private, employee data and will take reasonable steps to protect it, including determining a means of secure electronic transfer. Once the data is in the Union's possession, the security of that data is the sole responsibility of the Union, and the bargaining unit employees shall hold the Employer harmless for any loss or breach of the Employee data.

Section 4.3 Notification and Enforcement. The Union shall be responsible for notifying New Employees of their obligation to join the Union and for providing the necessary membership materials. The Company shall not be required to discharge any employee for failure to comply with the provisions of this Section unless and until the Union provides the Company with written notice and confirmation that the Union has provided the employee with at least fifteen (15) calendar days' written notice of the deficiency and an opportunity to cure, and the Union requests the employee's discharge in accordance with this Section.

Section 4.4 Conformity with Law. Nothing in this Section shall require the Company to take any action that is inconsistent with applicable federal or state law. In the event any federal or state law, including but not limited to any future "right-to-work" enactment, renders unlawful the conditional dues obligations established herein, the affected provisions shall be deemed null and void to the minimum extent necessary to achieve legal compliance, and the parties shall, upon written request of either party, promptly meet and confer to negotiate a lawful substitute provision.

SECTION 5: DUES CHECKOFF

Section 5.1. Dues Checkoff. The Company agrees that, upon receipt of written authorization in the form currently used by the Union from employees, the Company will deduct, from the wages of employees who become a member of the Union, the monthly dues of the Union each month and will remit all such deductions to UFCW Local 1189, aligning with their billing processes, no later than the fifteenth (15th) day of the month following the month for which the deduction is made. If the fifteenth of the month is a federal holiday, Saturday, or Sunday, the remission of dues shall be made by no later than the following business day.

Section 5.2. ABC Contributions. The Company agrees that, upon receipt of written authorization in the form currently used by the Union from employees, it will deduct, from the wages of employees who sign political checkoff forms, a monthly contribution to the Union's Active Ballot Club and will remit all such deductions to the Union no later than the fifteenth (15th) day of the month following the month for which the deduction is made. If the fifteenth of the month is a federal holiday, Saturday, or Sunday, the remission of contributions shall be made by no later than the following business day.

The Company will cease deducting dues and/or contributions from those workers who the Union notifies the Company in writing have revoked their checkoff authorization.

Section 5.3. Indemnification. The Union agrees to indemnify the Company, hold the Company harmless, and compensate the Company for all attorneys' fees and costs it incurs from any liability or allegations of liability resulting from any deductions from the pay of any employee covered by this Agreement and the transmission of personal data on written authorization forms pursuant to this Section.

SECTION 6: MANAGEMENT RIGHTS

Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Employer, including, but not limited to, the rights, in accordance with its sole and exclusive judgment and discretion: to reprimand, suspend, discharge, or otherwise discipline employees for cause; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign and direct their work in every respect; to assign employees to specific positions as the Company deems appropriate; to promote, demote, transfer, lay off, recall to work; to set reasonable standards of productivity and/or the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors and/or temporary employees to perform work or services; to subcontract, contract out, closedown, or relocate the Company's operations or any part thereof; to expand, reduce, alter, combine, transfer, assign or cease any job, department, operation or service; to control and regulate the use of equipment or other processes related to the Company's services; to sell or transfer the Company or any of its assets; to introduce new or different equipment or machinery, service, maintenance methods, safety procedures, standards, or equipment or remove and or modify the same; to determine the number, location and operations of departments, divisions, and all other units of the Company; to relocate the Employer's operations, equipment or any part thereof; to issue, amend, and revise policies, rules, regulations and practices and to take whatever action is either necessary or advisable to determine, manage, and fulfill the mission of the Company and to direct the Company's employees. The Company's failure to exercise any right, prerogative or function hereby reserved to it to, or the Company's exercise of such right in a particular way, shall not be considered a waiver of the Company's right to exercise such right in the future in the same or different manner depending on the circumstances.

Nothing in this Section prevents the Union from bargaining over the effects of changes to the working conditions of bargaining unit members.

SECTION 7: CORRECTIVE DISCIPLINE

Employees shall be disciplined for just cause. Corrective Discipline shall generally be progressive as follows:

Verbal Coaching – A supervisor verbally counsels an employee about an issue of concern and a written record of the discussion is placed in the Employee's file for future reference.

Written Warning – In situations that a supervisor considers serious or a verbal warning has not corrected unacceptable behavior, a written warning may be issued and placed in the Employee's file with the understanding that the next level of discipline will be termination.

Dismissal

Employees will remain at the level of discipline attained for a period of twelve (12) months from the date of occurrence, after which the discipline shall be considered of no force or effect.

The Company and the Union recognize that there are certain types of Employee problems that are serious enough to justify immediate termination without going through any discipline steps and the Employer reserves the right to combine, repeat, or skip steps in this process or introduce additional steps such as suspension. Just cause for immediate discharge without progressive discipline shall include, but not be limited to, willful damage or destruction of Company property, physical violence directed at an employee or customer, and misconduct or carelessness resulting in a serious accident involving an employee or customer.

SECTION 8: GRIEVANCE PROCEDURE

Section 8.1. Definition. A grievance is defined as a complaint, dispute or difference of opinion against the Company arising during the term of this Agreement raised by an employee or the Union that there has been a violation, misinterpretation or misapplication of a specific, express provision of this Agreement. There shall be no suspension or disruption of work of any kind or manner, but such grievances shall be resolved exclusively through the grievance procedure hereinafter specified.

Section 8.2. Informal Resolution. Employees are encouraged to resolve through informal discussions with their supervisors any grievances as defined herein. When specifically requested by an employee, a Union steward may accompany the employee (at a mutually agreed time) to assist in the informal resolution of the grievance. Such informal discussions are not to be construed as a part of the grievance procedure.

Section 8.3. Procedure. If such informal discussions do not lead to a satisfactory resolution of a grievance as defined herein, the grievance shall be processed according to the following procedure.

(a) **First Step (Facility Manager):**

- (1) If the employee is unable to resolve a grievance informally, a written statement of the grievance shall be prepared by a Union representative or Union Steward and delivered to the Facility Manager or their designee within ten (10) calendar days after notice to the Union or implementation (whichever occurs first) of the contested action or inaction giving rise to the grievance. The written grievance shall specify the Section or Sections of this Agreement that are allegedly violated, misinterpreted, or misapplied, the full facts on which the grievance is based, and the specific relief requested.
- (2) Within ten (10) calendar days after the written grievance is submitted, a meeting shall be held with the Facility Manager or their designee to resolve the grievance at a time mutually agreed to by all the parties concerned, including a Union Representative and/or their designee.
- (3) The Facility Manager or their designee will answer the grievance in writing within ten (10) calendar days after such meeting.

(b) **Second Step (Operations Manager)**

- (1) If the Union is not satisfied with the decision at the First Step, a written statement of the grievance, including the Union's response to the Step One answer, shall be delivered by a Union representative or Union Steward to the Operations Manager or their designee within ten (10) calendar days after the decision is provided at the First Step, or within ten (10) calendar days of when such answer was due.
- (2) Within ten (10) calendar days after the Second Step written grievance is submitted, a meeting shall be held with the Operations Manager or their designee to resolve the grievance at a time mutually agreed to by all the parties concerned, including a Union Representative and/or their designee.
- (3) The Operations Manager or their designee will answer the grievance in writing within ten (10) calendar days after such meeting.

(c) **Third Step (Arbitration):**

- (1) If the Union is not satisfied with the decision at the Second Step, the Union shall provide the Operations Manager with written intent to refer the grievance to arbitration. Such notice of intent to refer a dispute to arbitration shall be sent by the Union within ten (10) calendar days after the decision is provided at the Second Step, or within ten (10) calendar days of when such answer was due.
- (2) Upon issuing a notice of intent to refer a grievance to arbitration, the Union shall request (and pay the applicable fee for) to the Federal Mediation and Conciliation Service ("FMCS") to submit a panel of arbitrators, and on the FMCS panels for the region including Minnesota and Wisconsin. Such

- request shall be submitted by the Union within twenty (20) calendar days after it provides its notice of intent to arbitrate to the Operations Manager. Each party retains the right to reject one panel in its entirety and request that a new panel be submitted. Both the Union and the Company shall have the right to strike three (3) names from the panel. The Union shall strike the first three names; the Company shall then strike three names. The person remaining shall be the arbitrator.
- (3) The arbitrator shall be notified of their selection and shall be requested to set a time and place for the hearing, subject to the availability of Union and Company representatives.
 - (4) The arbitrator shall conduct a fair hearing, carried on with all convenient speed, at which they shall receive evidence, both oral and documentary. Each party shall have the rights to be represented by counsel, to examine and cross-examine witnesses, to make and preserve a record, and to file a post-hearing brief within a reasonable period of time.
 - (5) The arbitrator shall submit their recommendation in writing within sixty (60) calendar days following the close of the hearing or the submission of briefs by the parties, whichever is later.
 - (6) More than one grievance may be submitted to the same arbitrator if both parties mutually agree in writing.
 - (7) The fees and expenses of the arbitrator and the cost of a written transcript for the arbitrator shall be shared equally. Each party shall be responsible for compensating its own representatives and witnesses, and purchasing its own copy of the written transcript.

Section 8.4. Limitations on Authority of Arbitrator.

(a) The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the provisions of this Agreement. The arbitrator shall consider and decide only the question of fact as to whether there has been a violation, misinterpretation, or misapplication of the specific, express provisions of this Agreement based on the specific issue submitted to the arbitrator by the parties in writing. Their decision shall cover only the particular issue(s) necessary to resolve the particular grievance without recommendation or comment on other matters.

(b) The arbitrator has no authority to decide any dispute that does not involve a grievance as defined by Section X.1 above. If no joint written stipulation of the issue is agreed to by the Company and Union, the arbitrator shall be empowered to determine the issue raised by the grievance as submitted in writing at the First Step. The arbitrator shall have no authority to make a recommendation on any issue not so submitted or raised.

(c) The arbitrator shall be without power to make recommendations contrary to or inconsistent with in any applicable laws or rules and regulations of administrative bodies that have the force and effect of law. The arbitrator shall not in any way limit or interfere with the duties and responsibilities of the Company under law and applicable court decisions. The decision of the arbitrator, if made in accordance with the jurisdiction and authority granted to the arbitrator pursuant to this Agreement, will be accepted as final by the Company, the Union, and the employee, and all parties will abide by it. No decision or remedy proposed by the arbitrator shall be retroactive prior to the date of notice or implementation of the contested action or inaction.

giving rise to the grievance. In discipline cases, any award of back pay shall be reduced by all interim compensation (including unemployment compensation) which has been received by the employee (or could have been received with reasonable, diligent efforts to mitigate damages) and shall take into account any interim period in which the grievant was or would have been unavailable for work or failed to search for work.

Section 8.5. Group Grievances. If a grievance involving two or more employees arises out of the same facts and alleges a violation, misinterpretation, or misapplication of the same specific terms of this Agreement, it may be submitted as a group grievance in accordance with the procedure set forth above, provided that any such grievance shall identify any employees, job classifications, or locations affected by the grievance, or if all bargaining unit employees are affected. The resolution of a group grievance shall be limited to those employees or employee groups who are identified by name in the grievance.

Section 8.6. Time Limits. No grievance shall be entertained or processed unless it is submitted within ten (10) calendar days after notice to the Union or implementation (whichever occurs first) of the contested action or inaction giving rise to the grievance. If a grievance is not presented within this time limit, it shall be considered "waived." If a grievance is not appealed to the next step within the specified time limit or an agreed extension thereof, it shall be considered settled on the basis of the Company's last answer. Failure by the Company at any step of this procedure to hold a meeting or communicate a decision on a grievance within the specific time limits shall permit the purportedly aggrieved party to treat the grievance as denied and to proceed immediately to the next step. The parties may by mutual agreement in writing extend any of the time limits set forth in this Section.

Section 8.7. Time Spent for Grievance Meetings and Arbitration.

(a) The investigation and processing of grievances as provided in this procedure shall take place outside of the scheduled working hours of the steward and other employee(s) involved. If an employee seeks to be relieved from duty to participate in the investigation or processing of a grievance, such employee must make such request to their Facility Manager or Assistant Facility Manager. Such requests will not be unreasonably denied, provided they do not interfere or disrupt work to be performed. Release time will not be considered time worked for any reason.

(b) The steward and the grievant (or a representative grievant in the case of a group grievance) shall be released from duty if necessary to attend any arbitration hearing. Additionally, any necessary witnesses shall be released for the period of time required to testify in such arbitration hearing. In no event shall any time spent by any employee be considered time worked by the employee.

Section 8.8. Union Control of Grievance Procedure. Only the Union, as the exclusive representative of the bargaining unit covered by this Agreement, shall have the right to take to arbitration any grievance which is arbitrable under this Agreement. If the Union refuses to process a grievance on behalf of an employee or if the Company and the Union settle any grievance on behalf of an employee hereunder, the employee who has filed such grievance or on whose behalf it has been filed shall be bound conclusively thereby, and the Union shall thereafter be estopped from reviving or further processing said grievance. Where the Union (or its representative) has the authority or discretion under this Agreement to act or not to act concerning a grievance or

dispute, no employee or former employee shall have any right under this Agreement to complain or make a claim because of such Union action or inaction.

SECTION 9: EMPLOYEE HANDBOOK, OPERATIONS MANUAL, AND STANDARDS OF CONDUCT

The Company shall maintain the sole discretion to issue, amend, and revise its Handbook, Operations Manual and Standards of Conduct pursuant to its Management Rights under this Agreement.

SECTION 10: WORK BY SUPERVISOR, NON-UNIT EMPLOYEES, AND OTHERS

It is fully understood that the Company's supervisors are "working" supervisors. Managers, supervisors, other non-unit employees (including, but not limited to, temporary and contractual employees), and other non-employees shall be permitted to perform any work (including work otherwise performed by employees in the bargaining unit) for the operation of the Company's business. Work by supervisors or other non-bargaining unit employees will not be used for the purpose of reducing the total facility headcount of bargaining unit members.

SECTION 11: SCHEDULING

Section 11.1. Posting. The Company will post all work schedules to identify Employees' assigned shifts at least two (2) weeks in advance of the first day of the period to which the schedule applies.

Section 11.2. Availability. Employees' must identify any days for which they are unable to work no less than four (4) weeks prior to the first day of the schedule period in which such dates of unavailability occur.

Section 11.3. Trades. Any changes initiated by Employees to the posted schedule must be approved by the Facility Manager or Assistant Facility Manager and reflected in the Company's scheduling application or other means of schedule posting identified by the Company prior to the start of the shift. Employees may be allowed to trade scheduled shifts with other qualified Employees who are willing and able to perform the work, so long as the change is approved by the Facility Manager or Assistant Facility Manager.

Section 11.4. Workweek. Full-time workers shall be available to work at least 40 hours per week, at least 5 days per week, and at least 4 hours per day. Full-time workers shall work an average of at least 36 hours per week, calculated quarterly, to maintain their full-time status and eligibility for full-time employee benefits.

SECTION 12: ATTENDANCE

The Company and the Union agree that punctuality and regular attendance are essential to the successful operation of Vertical Endeavors. Absenteeism and tardiness detract from services to customers and cause an undue burden for those employees who must fill in for absent co-workers. The Parties also recognize that employees may occasionally be absent from work. Good

attendance on the part of every employee is essential to the orderly, efficient, and quality operation of the facility.

To ensure consistency in dealing with absenteeism and tardiness, a common standard to measure attendance and controllable absences is applicable as described in detail below.

This process does not apply to absences covered by Family and Medical Leave Act (FMLA), State Legislative Leaves, Earned Safe and Sick Time, leave provided as a reasonable accommodation under the Americans with Disabilities Act (ADA), or any other scheduled or legally protected absence (holidays, site closures, etc.).

Procedure

It is the responsibility of the employee to notify the Manager on Duty at the facility at the earliest opportunity when illness or other circumstances prevent the employee from reporting to work. Failure to notify the appropriate person in a timely manner is a violation of this policy. In cases of illness, the expectation is that the employee will be able to provide notification at least one hour prior to the scheduled shift start time.

The person responsible for receiving the notification of an employee's inability to work will document the name of the employee, date, time, and reason for the member's absence.

Management will monitor employee's attendance on a regular basis and address unsatisfactory attendance in a timely and consistent manner. If a pattern of unscheduled absences and/excessive lateness is identified, they should discuss this concern with the employee and may be subject to an escalated level of discipline determined by Management.

Occurrences. The following grid applies when addressing the total number of occurrences in a rolling 12-month period. Occurrences are applied, regardless of the reason, unless on an approved leave.

<u>OCCURRENCES</u> 1 Absence = 1 Point 1 Tardy = 1/2 Point	Points	Discipline Step & Action
	2 Points	Step 1: Documented Coaching
	4 Points	Step 2: Documented Verbal Warning
	5 Points	Step 3: Written Warning
	6 Points	Step 4: Termination

<u>NO-CALL/NO-SHOW</u>	Occurrences	Discipline Step & Action
	1st Occurrence	Step 1: Written Warning
	2nd Occurrence	Step 2: Termination

For attendance discipline actions, the Company may issue discipline to the employee via email if in-person contact with the employee is not made by a Facility Manager or Assistant Facility Manager within 48 hours of the employee incurring the corrective action.

Employees will have the opportunity to earn points back. This can be achieved by picking up an unfilled shift. Employees will earn back 1/2 point per shift picked up if they haven't called off on

a shift in the same pay period. No employee will be allowed to go below “0” in points or build up a credit balance.

The shifts must be the same number of hours missed as picked up in order to buy back the occurrence. Each employee can earn back a maximum of 2 total points per calendar month.

Shift Managers who fail to timely open the facility or complete all security-related and monetary-related closing procedures shall be subject to immediate demotion at the Company’s discretion and assessed a No-Call/No-Show regardless of time worked on the date of occurrence.

Definitions

Occurrence: Documented as an unexcused absence, or a tardy. An “occurrence” may cover up to three consecutive calendar days when an employee is out due to their own illness or the illness of the employee’s child requiring the employee’s care and the employee does not have available Employee Sick and Safe Time Leave to utilize.

Excused Absence: Refers to an absence from work that was pre-approved by the supervisor with the use of a prior approved PTO; is on a prior approved leave of absence; is protected by local, state, or federal law; or occurs during a “No Travel Advisory” period issued by the Minnesota Department of Transportation covering the facility’s county during the scheduled shift time.

Unexcused Absence: a single failure to be at work for any reason that was not pre-approved by the employee’s supervisor and contact is made with the supervisor no later than one hour after the scheduled shift start time.

Tardy: When an employee fails to report for work and/or be ready to work within 10 minutes following the start of their scheduled shift, leaves work prior to the end of scheduled work time without prior supervisory approval or takes an extended meal or break period without supervisory approval.

No Call/No Show: Refers to an employee’s failure to report to work when scheduled without contacting the employee’s supervisor prior to the scheduled shift start time.

SECTION 13: BREAKS AND LACTATION ACCOMMODATIONS

Section 13.1. Meal Breaks. Employees scheduled for eight (8) or more continuous hours may take an unpaid meal break of at least 30 minutes. The Employee must clock out for this period. The timing of the break and length beyond 30 minutes is at the discretion of the Manager on Duty or the employee’s supervisor. The Employee’s Manager on Duty or other supervisor shall determine when the break will occur, but it shall begin no later than five (5) hours after the start of the Employee’s scheduled shift. If the Manager on Duty determines that a meal break would interfere with customer service demands, the Manager on Duty shall have discretion to require that the employee remain available during the meal break period and the employee may remain clocked in for their meal break period. Any meal break of a Manager on Duty shall only occur when another Shift Manager, Assistant Facility Manager, or Facility Manager is available to relieve the Manager on Duty regardless of when the meal break occurs within the individual’s shift. If another Shift

Manager, Assistant Facility Manager, or Facility Manager is not available during the employee's scheduled shift to take a meal break, then the Manager on Duty shall remain available at the facility during their meal break to assist employees as needed and remain clocked in. An Employee may voluntarily postpone or forego their meal break. Employees are completely relieved of duty during their unpaid meal break period.

Section 13.2. Rest Breaks. Employees scheduled for four (4) or more continuous hours may take a rest break of up to 15 minutes. Rest breaks are paid and an Employee does not clock out for such time. Rest breaks shall be taken at the discretion of the Manager on Duty or the employee's supervisor. Any rest break of a Manager on Duty shall only occur when another Shift Manager, Assistant Facility Manager, or Facility Manager is available to relieve the Manager on Duty regardless of when the rest break occurs within the individual's shift. If another Shift Manager, Assistant Facility Manager, or Facility Manager is not available during the employee's scheduled shift to take a rest break, then the Manager on Duty shall remain available at the facility during their rest break to assist employees as needed. Employees scheduled for eight (8) or more continuous hours shall be entitled to one (1) unpaid meal break and one (1) rest break.

SECTION 14: NURSING PARENT BREAKS

The Employer shall provide reasonable break times each day to an employee who needs to express breast milk for their infant child, in accordance with and to the extent required by applicable law or up to one year, whichever is greater. The break times must, if possible, run concurrently with any break times already provided to the employee. The Employer shall not reduce an employee's compensation for time used for the purpose of expressing milk.

The Employer will make reasonable efforts to provide a room or other location, in close proximity to the work area, other than a bathroom or a toilet stall, that is shielded from view and free from intrusion from coworkers and the public and that includes access to an electrical outlet, where the employee can express milk in privacy.

Employees shall advise the Employer if they need break time and areas for this purpose.

SECTION 15: HOLIDAYS

Section 15.1. Full-Time Employees Paid Holiday Benefit. The Company will provide paid holidays to full-time hourly employees who have completed their Introductory Period. Eligible full-time employees will not be scheduled to work and will receive holiday pay consisting of eight (8) hours of pay at their assigned hourly rate at the time of the holiday on each Company-observed holiday. The Company will observe three (3) holidays including Independence Day, Thanksgiving Day, and Christmas Day. The Company reserves the right to determine whether additional holidays are observed.

Full-time employees must work their full scheduled shifts before and after the holiday to qualify for holiday pay unless explicitly excused by the Facility Manager or Assistant Facility Manager or for absences covered by Minnesota Earned Sick and Safe Time. Holiday pay shall not be considered time worked for the purpose of computing overtime or premium pay.

Section 15.2. Part-Time Employees Accrued Holiday Pay Benefit

- (a) Definition of Eligibility. For purposes of this benefit, a “Part-Time Employee” is an employee who is regularly scheduled to work up to and not to exceed 30 hours or more per workweek. Only Part-Time Employees, as defined herein, are eligible to accrue and utilize the holiday leave benefit described below; Full-Time Employees shall have no rights under this Section.
- (b) Accrual of Paid Holiday Leave. Each eligible Part-Time Employee shall accrue paid holiday leave at the rate of one (1) hour of paid leave for every eighty (80) hours of actual time worked. Accrual shall commence on the first day of employment in a Part-Time status and shall be credited to the employee’s balance each pay period after payroll is processed. Employees shall not be able to maintain a total accrual of more than twenty-four (24) paid holiday leave hours at any time. Paid holiday leave accrued pursuant to this Section shall not count as hours worked for any purpose, including but not limited to the calculation of additional accrual under this Section.
- (c) Permissible Use. Paid holiday leave accrued under this Section may be taken only on Independence Day, Thanksgiving Day, or Christmas Day of each calendar year and up to eight (8) hours per holiday. Paid holiday leave may not be applied retroactively, may not be used to extend any other form of leave, and may not be used on any day other than the three holidays expressly identified herein.
- (d) Forfeiture Upon Separation. Unused paid holiday leave accrued under this Section is not payable in cash under any circumstances, including without limitation upon resignation, discharge, retirement, layoff, or any other separation from employment. Upon the effective date of an employee’s separation from employment, all unused paid holiday leave shall be irrevocably forfeited.
- (e) Non-Transferability. Paid holiday leave accrued under this Section is personal to the Part-Time Employee and may not be loaned, sold, assigned, transferred, or donated to any other employee.

Effect of Status Change. A Part-Time Employee who becomes a Full-Time Employee shall immediately cease accruing paid holiday leave under this Section. Any paid holiday leave previously accrued but not yet used shall remain available for use in accordance with subsection (c) so long as the employee returns to Part-Time status prior to separation from employment; otherwise, any such balance shall be forfeited without payout upon the employee’s transition to Full-Time status.

SECTION 16: PAID TIME OFF

Section 16.1 Full-Time Employees. The Company will provide paid time off to full-time employees. In the first year of service, paid time off will be frontloaded to comply with Minnesota’s Earned Sick and Safe Time (ESST) Law. In subsequent years, full-time employees’ will be frontloaded to comply with Minnesota’s ESST Law based on the annual allotment for the employee’s years of service described below.

Years of Service	Time Off
0-1 Year	48 Hours Per Year
1 Year and 1 Day Through 3 Years	80 Hours Per Year
3 Years and 1 Day and Greater	120 Hours Per Year

Paid time off for full-time employees does not accumulate year to year. After an employee's first accrual year, any unused paid time off of a current employee will be paid out. After subsequent accrual years, any unused paid time off is forfeited.

Section 16.2 Part-Time Employees. The Company will provide paid time off to part-time employees. An eligible, part-time employee's paid time off accrual begins on the employee's first day of employment. Employees may use paid time off for any reason, including reasons covered by Minnesota's ESST Law. Part-time employees will not receive a separate ESST leave benefit, and paid time off may be used for ESST purposes to comply with Minnesota's ESST Law.

A part-time employee accrues one hour of paid time off for every 30 hours worked up to 48 hours per year. Unused paid time off carries over from year to year on the employee's yearly accrual anniversary date up to 80 hours. The maximum number of hours an employee can carry at a given time is 80 hours. Once an employee drops below 80 hours of accrued time, the employee starts accruing again, unless they have already accrued 48 hours in the anniversary year.

Section 16.3 Scheduling Paid Time Off. Use of paid time off must be approved by the Facility Manager and is subject to business needs. Requests to use paid time off must be provided consistent with Section 11.2 Availability.

In the case of an unforeseen need to miss a scheduled work shift or to utilize ESST hours, notice should be given by the employee to the Manager on Duty as soon as practicable. For purposes of the need for foreseeable or planned time off for purposes of ESST only, the employee must provide a minimum of seven (7) days' notice. If an employee uses paid time off for ESST purposes, an Employee Time Off Request must also be filled out and given to the Facility Manager or Manager on Duty.

Employees may be required to provide reasonable documentation when an employee uses paid time off for ESST for more than three consecutive workdays. However, employees are not required to disclose details related to domestic abuse, sexual assault, stalking or the details of the employee's or the employee's family member's medical condition.

Section 16.4 Payout of Accrued, Unused Paid Time Off. Any full-time employee who resigns with at least two weeks' notice and works all hours scheduled at the time of their notice of resignation is submitted, they will be paid out any unused paid time off. Any employee who resigns without two weeks' notice or whose employment is terminated by the Company will not be paid out any unused paid time off.

Upon resignation or discharge, any part-time employee's accrued but unused paid time off is void and will not be paid out. If an employee separates from employment but is rehired within 120 days of separation, any previously accrued but unused ESST will be reinstated.

SECTION 17: OTHER LEAVES OF ABSENCE

Section 17.1 Other Leaves. The Company will provide bargaining unit employees with leaves consistent with its current employee handbook and the terms contained therein, including:

- Bereavement Leave;
- School Leave;
- Voting Leave;
- Jury Duty Leave;
- Military Leave; and
- Leave of Absence.

The Company shall have the right to modify, amend and revise these policies and such modifications, revisions, and amendments will apply to bargaining unit employees so long as they apply to other hourly employees of Vertical Endeavors.

Section 17.2. Family and Medical Leave. With respect to leaves of absence for FMLA qualifying reasons by employees eligible for FMLA leave, the Company shall have the right to promulgate and enforce any and all policies relating to notice requirements, medical certifications, eligibility for and payment for fringe benefits during leave, fitness for duty certification requirements prior to return from leave, and amount of leave available as permitted by the Family and Medical Leave Act (FMLA) and the Minnesota Paid Family Leave Act (PFMLA), once the PFMLA goes into effect. Employees shall be required to take any unused but earned sick time and paid time off concurrently with unpaid FMLA leave.

Section 17.3. Benefit Accrual During Leaves. The Company offers many benefits that are based on hours worked. Holiday and paid leaves will be counted as time worked for purposes of benefit accrual, while unpaid leaves will not be counted. No leave, paid or unpaid, will count as time worked for the purposes of determining overtime.

SECTION 18: PERSONAL APPEARANCE

Employees should wear comfortable and appropriate clothes for the job they are performing. Clothing must be clean, neat, and in good taste, and neither torn nor tattered. Employees must wear shoes. Clothing must allow the employee to perform all of the tasks normally required of the position, including bending, stooping, climbing, cleaning bathrooms, etc. Company supplied name tags must be worn and visible at all times.

Additionally, Employees should:

- Maintain good personal hygiene.
- Clothing, accessories, and visible tattoos must conform to the Company's Prohibited Discrimination and Harassment policy as outlined in the employee handbook. They must not reflect any form of discriminatory, abusive, offensive, or demeaning messages. Specific topics that are banned include sex, religion, politics, graphic violence and words or phrases that belittle others.
- Pants must be of a solid color (no plaid, patterns, etc.). Jeans and yoga pants in good condition are acceptable.
- Vertical Endeavors shirts must be worn as described in the Employee Handbook during working time. An employee performing job duties and responsibilities out of customers' view may wear a top other than a Vertical Endeavors shirt that complies with the other requirements of this Agreement.
- Footwear must be in good shape. Holes, ratty condition, etc. is not acceptable nor are dirty old tennis shoes. Vertical Endeavors encourages the use of climbing-specific footwear such as hiking, approach, or other types of outdoor shoes.
- Hats and headwear may be worn, but should not impede your ability to see or hear what is happening around you or make eye contact with others.
- Hair styles (including facial hair) should be kept neat and trimmed to provide a clean professional appearance.
- Shirts must cover the midriff. Sleeveless shirts and tank tops with 1" band or wider may be worn.
- Undergarments should not be visible. Private body parts should not be visible through the clothing.

SECTION 19: HEALTH AND SAFETY

The employees will abide by the Company's health and safety rules, and promptly inform their supervisor of any perceived health or safety risk.

The Company will make available, at its expense, all safety and protective equipment required or advisable for the performance of Employees' job duties and responsibilities with the exception of a climbing harness and climbing shoes that Employees must purchase and maintain, but including the route setting harnesses. All personal equipment any employee uses during working time must meet the standards set by the International Climbing and Mountaineering Federation, also known as the Union Internationale des Associations D'alpinisme ("UIAA"); ASTM International; and/or the Occupational Safety and Health Association, as applicable. The Company reserves the right to prohibit an employee's use of equipment that it determines in its

sole discretion does not meet controlling standards. To the extent multiple standards may control, the Company retains the discretion to determine the standard that shall apply and an employee's equipment must meet in order to be used during working time.

Employees with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with the Facility Manager or Assistant Facility Manager. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of retaliation.

Employees who sustain work-related injuries or illnesses must inform their Shift Manager, Facility Manager, or Assistant Facility Manager immediately. Employees are required to follow the Company's Worker's Compensation policy, which the Company shall have the sole discretion to modify from time-to-time as it deems appropriate, including, but not limited to, for the purpose of maintaining compliance with state law and its insurance policy.

No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. When an employee receives an on-the-job injury, the Shift Manager, Facility Manager, or Assistant Facility Manager may direct the employee to seek treatment. Any employee who refuses to seek treatment may be subject to disciplinary action, in appropriate circumstances. Pursuant to Minnesota law, the Employer maintains a worker's compensation policy that provides benefits related to costs for treatment for covered injuries.

Employees have the right to report any injury/illness and the Company will not discriminate against or retaliate against an employee for making such a report.

The Employer will provide workers with orientation and training to perform their jobs safely, including instruction in proper work methods, use of protective equipment, and safe maintenance, handling and use of materials and equipment. The Employer will provide notice to Union of any changes to orientation and training and opportunity for discussion, but the Employer retains discretion to implement changes to orientation and training it deems appropriate. If the Employer identifies an immediate need to change its orientation and training, it may implement the change prior to notice and discussion with the Union. The Employer agrees to pay workers to attend such orientations and training. The Employer will not ask or allow any worker to work or operate any equipment until the worker has received all relevant training that the Employer provides.

After each employee's first six months of employment, the Employer shall provide the employee practical safety refresher training at least once every six months. The Employer shall maintain discretion over the refresher training including every training's length, timing, and content. Employees can request specific topics for safety refresher training.

SECTION 20: VIOLENCE IN THE WORKPLACE

As part of its continuing efforts to maintain a professional and positive working environment, the Company and the Union agree to work together to prevent workplace violence. Consistent with this common goal, any and all acts, attempts or threats of physical violence, including physical intimidation, harassment, and/or coercion that involve or affect the Company,

and/or its employees, contractors, clients, and visitors, and/or that occur on Company or client property or any work-related premises, or any location during work time, will not be tolerated. Employees also shall not intentionally or recklessly damage or destroy Company property, buildings, or equipment. Any violation of this policy will result in disciplinary action, as the Company may determine in its sole discretion, ranging from verbal counseling to immediate dismissal.

SECTION 21: FITNESS EXAMINATIONS

If there is any question concerning an employee's fitness for duty, or fitness to return to duty following a layoff or leave of absence, the Company may require, at its expense, that the employee have an examination by a qualified and licensed physician or other appropriate medical professional selected by the Company.

SECTION 22: DRUGS AND ALCOHOL

Employees will be subject to Vertical Endeavors' policy on drug and alcohol use. The Employer shall have sole, exclusive discretion to modify and supplement its drug and alcohol policy.

SECTION 23: TRANSGENDER AND NON-BINARY EMPLOYEES

If any employee is transgender, non-binary, or intends to or is going through a transition in gender identity (with or without surgery or therapy) and makes a request, the Employer, upon request from the employee, will:

- Determine a way to notify co-workers of the worker's status or transition, if the employee so desires the transition be known;
- Designate all single person restrooms as gender neutral or unisex where the Employer has control and authority to make such changes at the facility;
- Create an expectation every employee in workplace to speak or refer to transgender workers by the names they choose and the pronouns they identify by prohibiting intentional misuse of name or pronouns preferred by the employee.

The Employer will change all non-legal and non-financial records so that all records use the names transgender employees choose and the pronouns they identify with to the extent allowed by law, unless the employee requests the Employer refrain from doing so. The Employer will also update any photographs unless the employee requests otherwise. Employees have a duty to inform the Employer of such preferences. The Employer will use the employees' preferred name unless otherwise legally required.

Any names and pronouns visible to all employees will be the covered employee's preferred names and pronouns. Employees have a duty to inform the employer of such preferences and to wear their nametags while on duty.

The Employer has a commitment to use the preferred names and pronouns for all employees covered by this Section, unless the employee requests the Employer refrain from doing so. The Employer will make all reasonable efforts to use preferred names and pronouns in all public facing mediums, including on name tags.

SECTION 24: SAFETY CAMERAS

The Company maintains video cameras to capture activities on the Company premises and in work areas. The parties recognize that the Company uses video cameras within the facility primarily to protect Company property, ensure and document customer and employee safety, and to ensure the security of the facility. Cameras will not be used for the sole purpose of surveilling employees. However, reasons for legitimate management review of safety cameras include, but are not limited to, verifying employee adherence to rules and requirements related to safety; completion of a shift manager's facility opening and/or closing responsibilities in a timely and complete fashion; and performance of job duties and responsibilities during working time by a Facility Manager or Assistant Facility Manager. The parties agree that images obtained from the cameras can be used as evidence when conducting investigations that may lead to discipline. Accordingly, the Company agrees to make available to the Union any evidence obtained from any video camera which the Company uses to justify the imposition of discipline, upon request. The Company maintains complete discretion to determine the number, location, and operation of video cameras.

SECTION 25: LABOR MANAGEMENT MEETINGS

Once every calendar quarter, the Employer and the Union shall meet for discussion. Each facility with bargaining unit employees shall be represented by one (1) bargaining unit employee assigned to the facility, one (1) Union representative, one (1) Facility Manager or Assistant Facility Manager at the facility, and one (1) representative of the Business Office. The Employer and the Union may agree to separate facility Labor Management meetings, in which case up to two (2) bargaining unit members may attend from each respective facility. The meeting shall take place on the third Thursday of January, April, July, and October unless otherwise mutually agreed by the Employer and the Union to meet on a different date. By no later than the second Thursday of January, April, July, and October, the parties shall exchange proposed topics for the meeting. Discussion items shall not include contract issues or ongoing grievances. If no topics are exchanged by this deadline, then the meeting shall be cancelled and attendance at the meeting shall not be required. Upon request prior to the April Labor Management Meeting, the Employer shall provide the Union with a copy of the Employer's OSHA 300 log and 301 form, consistent with federal law, for the previous year. Each facility meeting shall last no more than 60 minutes, which may be extended by mutual agreement, to address proposed issues.

Termination Effect. The Parties agree that the Employer's right to continue providing health care and retirement benefits on the same terms and conditions as for non-union employees, including the right to make modifications of those benefits for bargaining unit employees consistent with changes to non-union employee benefits, shall survive the expiration of this Agreement.

SECTION 26: PERFORMANCE REVIEW

Each employee shall receive an annual performance review between August 1 and November 30 each year. The Company shall not be required to complete an annual performance review for those employees who are completing their Introductory Period or are within six (6) months of completing their Introductory Period as of November 30. The Company shall maintain sole discretion to determine the content, timing, memorialization and method of the review. The review will be for the purpose of communicating the Company's evaluation of the employee's performance. The Company may identify performance expectations and an individual employee's performance deficiencies for which the Company expects improvement during the review. An employee's failure to correct performance deficiencies or meet performance expectations identified during a performance review may be grounds for future discipline consistent with Section 7 Corrective Discipline but the performance review itself is not disciplinary.

SECTION 27: NON-COMPETE AGREEMENTS

The Company and the Union acknowledge that Minnesota law (including Sec. 181.988 titled Covenants Not To Compete Void In Employment Agreements; Substantive Protections of Minnesota Law Apply) limits the entry by employers and employees into post-termination covenants not to compete. While this law remains in effect, the Company shall not require any new employee to enter into a non-compete agreement consistent with Minnesota law. If Minnesota law is modified or rescinded to allow for entry by employers and employees into post-termination covenants not to compete, this Section of the Agreement shall be null and void.

SECTION 28: SENIORITY AND LAYOFF

Section 28.1. Seniority Definition. Seniority shall be defined as the length of continuous employment with the Employer within the bargaining unit and shall begin with the employee's initial date of employment with the Employer or the Employer's predecessor. For seniority purposes, a "date of employment" shall mean a date the employee commences work on the job. Seniority only serves as a qualification for benefits expressly provided for in this Agreement and for no other purpose.

No employee shall acquire any seniority rights until they have been employed by the Employer for at least 90 days. After 90 days employment, the seniority shall revert to the original date start date. Time worked as a temporary, seasonal, or contractual employee shall not count towards seniority.

Section 28.2. Introductory Period. All new employees shall be considered introductory employees until they have completed an introductory period equivalent to ninety (90) calendar days. Days worked as a seasonal, temporary, or contractual employee will not be counted towards satisfaction of the introductory period. Time absent from duty or not served for any reason shall not apply toward satisfaction of the introductory period or any extension thereof. During an employee's introductory period, the employee may be disciplined, suspended, laid off or terminated without cause at the sole discretion of the Company.

Section 28.3. Termination of Seniority. Seniority for all purposes and the employment relationship shall be terminated if the employee:

- Quits;
- Is discharged and not reinstated;
- Retires;
- Is found to have falsified any information submitted on their employment application, resume, or other material at the time they sought employment with the Company;
- Is found to have falsified the reason for a leave of absence or is found to be gainfully employed or self-employed during a leave of absence without written permission from the Company (which shall be deemed a voluntary quit);
- Fails to report to work at the conclusion of an authorized leave of absence (which shall be deemed a voluntary quit)
- Is laid off and fails to report for work at the time prescribed in the notice of recall;
- Is laid off or for any other reason does not perform bargaining unit work for the Employer for a period of six (6) months (excluding any approved medical leaves);

Section 28. 4. Seniority List. The Employer shall provide the Union with a current seniority list in Microsoft Excel format on a quarterly basis. Such a seniority list shall include the employees chosen name, date of hire, and job classification(s).

Section 28.5. Layoff. The Company, in its discretion, shall determine whether layoffs are necessary, and which classification or classifications will be reduced. If it is determined that layoffs are necessary, employees covered by this Agreement will be laid off within classification as follows:

- (a) All introductory, temporary, and contractual employees within a classification will be laid off first (or terminated, as determined by the Company);
- (b) The Company may consider volunteers for layoff before further layoffs;
- (c) If any further layoffs are necessary:
 - i. If the Employer determines that it needs to retain employees with broader or particular qualifications, skills and/or availability, it shall have the right to retain employees within

the classification performing particular jobs and having the skill, qualifications, and demonstrated ability, as determined in good faith by the Company. If these factors are, on balance, substantially equal among those employees qualified and able to do the work, the Employee with the greatest seniority will be retained.

- ii. If the Employer determines that no special qualifications, skills, or availability are necessary, layoffs will be done within classification by seniority (with the least senior employee being laid off first).

Section 28.6. Promotions to and Transfers to Permanent Openings in the Bargaining Unit.

In the event that the Company desires to fill a permanent vacancy (defined as a position which the Company, in its discretion, seeks to fill for a period of more than six (6) months) in a job classification within the bargaining unit, employees in the bargaining unit who seek to fill such opening may apply for it and will be considered. The Company will select the applicant (whether inside or outside the bargaining unit) who the Company, in its sole discretion, determines to have the greatest skill, qualifications, experience, work record and ability to do the work (or has the greatest potential to succeed in the position). If two or more applicants have, on balance, substantially equal qualifications, skill, and availability, the Employee with the most seniority will be selected.

Section 28.7. Regular Full-Time and Regular Part-Time Employees. A "regular full-time" employee is one who is scheduled to work for 36 hours or more per week and completes the introductory period and is generally eligible for all benefits as provided in this Agreement (subject to all stated conditions). A "regular part-time" employee is one who completes the introductory period and is regularly scheduled to work less than the full-time work schedule. Availability of part-time work and hours are subject to change based on business needs..

Section 28.8. Seasonal, Temporary, and Contractual Employees. An employee who is hired to work a limited period is considered a "seasonal" or "temporary" employee. An employee who is placed through an agency relationship is a "contractual" employee. Seasonal, temporary and contractual employees are not part of the bargaining unit. They do not become eligible for wages or benefits under this Agreement.

SECTION 29: TRAVEL EXPENSES

Section 29.1. Travel. The Company shall authorize Team Coaches and Head Club Coaches to travel to competitions at which members compete subject to the following conditions:

A. For Qualifying Event competitions, the Company shall send:

1. At least one Team Coach or Head Club Coach from the Twin Cities facilities if the Company has at least eight (8) youth team members from the Twin Cities facilities who are registered to attend the event;

2. At least one Team Coach or Head Club Coach from the Duluth facility if the Company has at least four (4) youth team members from the Duluth facility who are registered to attend the event.

B. For Regional and Divisional Level competitions, the Company shall send:

1. At least one Team Coach or Head Club Coach from the Twin Cities facilities if the Company has at least six (6) youth team members who are registered to attend the event;
2. At least one Team Coach or Head Club Coach from the Duluth facility if the Company has at least three (3) youth team members from the Duluth facility who are registered to attend the event.

C. For National Level competitions, the Company shall send:

1. At least one Team Coach or Head Club Coach if the Company has at least two (2) youth team members who are registered to attend the event;
2. At least one Team Coach or Head Club Coach from the Duluth facility if the Company has at least one (1) youth team members from the Duluth facility who are registered to attend the event.

The Company may, at its sole discretion, authorize additional Team Coaches to travel to competitions at which youth team members compete. The Company shall select the Coach(es) to invite to attend any competition pursuant to this Section from the Company gym(s) at which participating competitors train. Whether a competition meets the definition of Qualifying Event, Regional, Divisional, or National competition shall be determined by USA Climbing.

Employees will be reimbursed for approved travel expenses in accordance with Company policy. The Company's travel reimbursement policy shall provide identical reimbursement rights for bargaining unit employees as those provided to other hourly non-represented employees of the Employer. Travel must be pre-approved and reimbursement requests must be submitted to the Facility Manager or Assistant Facility Manager within five (5) business days of trip completion for the employee to receive reimbursement. Employees may submit reimbursement requests to the Facility Manager or Assistant Facility Manager by e-mail.

Section 29.2. Meal Reimbursement. Coaches who are authorized to travel with competitors requiring overnight accommodations shall be eligible for reimbursement of meal expenses up to the following amounts:

Breakfast:	\$10.00
Lunch:	\$15.00
Dinner:	\$20.00

Reimbursement requests for meal expenses must be submitted to the Facility Manager or Assistant Facility Manager within five (5) business days of trip completion for the employee to receive

reimbursement. Employees may submit reimbursement requests to the Facility Manager or Assistant Facility Manager by e-mail. Employees may not seek reimbursement for meal expenses for which hotel accommodations include the meal with the reservation as long as it meets their dietary restrictions. The Company may request verification from a healthcare provider to support any claimed restriction.

Section 29.3. Mileage Reimbursement. Mileage reimbursement for the use of personal vehicles will be at the rate of \$.70 per mile. The Company reserves the right to require employees to use Company vehicles or other designated modes of transportation for business purposes.

Section 29.4. Competition Travel Time Compensation. Employees must receive authorization to incur travel time. Travel time will be compensated for non-exempt employees away from the home community to a competition location, excluding meal breaks. When travel time exceeds the estimate of an online mapping application by 10%, the Company may require documentation for extended travel time to be compensable. Employees must report travel time and work time by email or text to the Facility Manager or Assistant Facility at the conclusion of each day.

SECTION 30: PRIVATE LESSONS

For employees providing private lessons, as defined as a lesson scheduled directly with a customer on a flexible timetable, employees shall receive 35% of the total cost of the lesson as compensation for the employee's working time associated with the lesson.

SECTION 31: RETIREMENT

The Employer maintains a plan covering retirement benefits. The Employer shall not, during the term of this Agreement, terminate this plan. Represented employees' eligibility for Employer contributions to this plan shall be identical to contributions provided to non-represented hourly employees. The employer, however, reserves the right to alter or modify the plan, so long as such changes or modifications impact all hourly, non-represented employees. The Company shall provide notice and an opportunity for discussion with the Union prior to any changes to retirement benefits going into effect.

SECTION 32: HEALTH INSURANCE

Section 32.1. Health Insurance Benefits. The Company maintains insurance benefit plans including major medical and surgical coverage, medical health care and dental coverage, and dependent health care for which full-time employees are eligible to participate. Such insurance benefits shall be identical to benefits provided to other hourly non-represented employees of the Company. Employees shall be responsible for the full costs of premiums for coverage of spouses and dependents. The Company will provide the Union on a yearly basis all summary plan documents pertaining to insurance benefits.

The Union agrees that the Company may elect to change carriers, plans, modify benefit costs, including premiums, self-insure and/or change benefits, during the life of this Agreement so

long as such changes affect other hourly non-represented employees and providing it notify the Union of such changes.

Section 32.2. Company Contribution Toward Health Insurance Premiums. The Company shall be obligated to pay at least sixty percent (60%) of the total premium for health insurance coverage for eligible employees, consistent with the coverage provided to other hourly non-represented employees. This Company contribution shall apply to employee-only coverage and shall not extend to coverage for spouses or dependents, for which employees remain responsible for the full cost of premiums.

SECTION 33: CERTIFICATIONS

Employees who successfully receive and maintain the following certifications shall receive a pay increase of \$1.00 per hour for each certification after the certification is obtained:

USAC Route Setter Certification (Level 1)
USAC Route Setter Certification (Level 2)
Single Pitch Instructor

Employees will not be mandated to serve as an EMT.

SECTION 34: WAGES

Section 34.1 Wage Schedules. Employees covered by this Agreement shall be compensated in accordance with the wages set forth on the Wage Schedule attached hereto and incorporated herein as Appendix A. The base wage rates for all positions included in the bargaining unit are listed in Appendix A.

Section 34.2 General Wage Increase. Effective with the first full payroll period after this Agreement is ratified and fully executed, all current employees will receive the greater of a \$1.50 increase or raise to the minimum hourly wage rate assigned to their position for the first year on the wage scale below, whichever is greater. Effective with the first full payroll period after the anniversary date of the contract in each of the second and third years of this Agreement, all employees who are employed as of the date of ratification shall receive a wage increase of three and one-quarter percent (3.25%) to their base rate of pay. This percentage increase shall apply to premiums an employee receives for any certification(s) they maintain. Only those employees who are actively employed on the date of ratification shall be eligible for these increases.

Section 34.3. Company Discretion. The Company may set an employee's individual wage rate above the stated base wage rate where, in the Company's discretion, the employee's performance, previous experience, attendance and other legitimate non-discriminatory factors warrant such adjustment. Such wage adjustment shall not entitle the employee to any future wage adjustment other than any explicitly established by this Agreement.

Section 34.4. Demotions. Employees who are demoted or re-classified shall return to their last wage rate in their prior position or at the rate identified for their position on Appendix A, whichever is greater.

Section 34.5. Multiple Classifications. Employees who work in multiple classifications shall receive the highest of the rates of pay identified in Schedule A or their current hourly wage rate with the exception of each day(s) for which employees perform Outdoor Guide responsibilities. Employees at the VE Bloomington, VE Minneapolis, VE St. Paul, and VE Twin Cities Bouldering sites must maintain a rolling three-month average of working at least eleven (11) hours per week as a routesetter to continue to receive the Part-Time Routesetter or Full-Time Routesetter wage rate if a Routesetter rate is the highest classification rate claimed by the employee. Employees at the VE Duluth site must maintain a rolling three-month average of working at least eight (8) hours per week as a routesetter to continue to receive the Part-Time Routesetter or Full-Time Routesetter wage rate if a Routesetter rate is the highest classification rate claimed by the employee. Employees must maintain a rolling three-month average of working at least fifteen (15) hours per week as a maintenance employee to continue to receive the Part-Time Maintenance or Full-Time Maintenance wage rate if a maintenance rate is the highest classification rate claimed by the employee.

Employees who perform outdoor guide responsibilities (i.e. VEGA) shall be paid a daily flat rate equivalent to their regular hourly wage rate multiplied by 10 hours or the VEGA Outdoor Guides rate identified in Schedule A, whichever is greater. On such day(s), the employee shall receive compensation at the daily rate identified in the Wage Schedule.

Section 34.6 Pay Procedures. Payment of wages shall be by methods in accordance with the office procedure of the Company but not less than biweekly.

SECTION 35: MEMBERSHIPS

Full-time employees and their immediate family members shall be eligible for a complimentary membership to the Company's climbing facilities. Immediate family members is defined to include the employee's spouse or long-term partner and children. Full-time employees may change their immediate family member designation once every two years on their full-time employment anniversary date. Part-time employees shall be eligible for a complimentary membership to the Company's climbing facilities. Any and all complimentary membership benefit(s) associated with an employee shall immediately terminate at the time the respective employee ends employment with the Company.

SECTION 36: DISCOUNTS

The Company shall maintain current discounts for all bargaining unit employees for the life of the contract. If improvements are made to the current discount program for non-unit employees, those improved discounts shall apply to bargaining unit members.

SECTION 37: GEAR

The Company shall provide new employees with two Vertical Endeavors shirts at the start of employment without cost to the employee. Upon ratification, current employees shall receive one Vertical Endeavors shirt without cost to the employee.

SECTION 38: RATIFICATION BONUS

Section 38.1. Eligibility. Subject to the terms set forth in this Section, the Company shall pay a one-time, non-precedential ratification bonus of One Hundred Dollars (\$100.00) (the “Bonus”) to each employee who satisfies all of the following conditions: (i) has signed a membership authorization form by the date the Agreement is ratified (the “Ratification Date”); (ii) is actively employed in a regular, paid status on the Payment Date, as that term is defined in Section X.3; and (iii) the Agreement is ratified by 11:59 p.m. local time on September 30, 2025.

Section 38.2. Union Certification. Within fifteen (15) calendar days after the Ratification Date, the Union shall provide the Company with a complete and final list of Employees who meet the eligibility criteria in Section X.1(i). The Union’s certification shall be conclusive and binding on all parties. The Company shall have no obligation to verify, audit, or otherwise confirm the accuracy of the Union’s list, and the Union agrees to indemnify and hold the Company harmless from any claim, grievance, or liability arising out of or related to the Union’s certification or any allegation of inaccuracy therein.

Section 38.3. Payment Date and Method. The Bonus shall be paid in a lump sum, less applicable tax withholdings and lawful deductions, on the first regular payroll date that is at least fourteen (14) calendar days after the Company’s receipt of the Union’s certified list (the “Payment Date”). For purposes of this Section, “actively employed” means on the Employer’s payroll and performing work or on approved leave; Employees not in active status on the Payment Date are ineligible for the Bonus notwithstanding any subsequent return to active employment.

Section 38.4. The Bonus shall not be included in the calculation of any overtime, premium pay, 401(k), or other benefit, nor shall it be considered wages or earnings for any purpose other than required tax reporting. Payment of the Bonus shall not create a practice or precedent and shall not be considered by either party in any future negotiations or proceedings. An employee who voluntarily or involuntarily separates from employment for any reason prior to the Payment Date forfeits all entitlement to the Bonus.

SECTION 39: SEPARABILITY

Each and every clause of this contract shall be deemed separable from each and every other clause of this contract to the end that in the event any clause or clauses shall be determined to be in violation of any law, then in such event such clause or clauses only, to the extent only that any may be so in violation, shall be deemed of no force and effect and unenforceable without impairing the validity and enforceability of the rest of the contract, including any and all provisions in the remainder of any clause, sentence or paragraph in which the offending language may appear.

SECTION 40: PRECEDENCE OF AGREEMENT

If there is any conflict between the written terms of this Agreement and the terms of any individual contract of employment or any written Company policies, rules and regulations which may be in effect from time to time, the written terms of this Agreement shall be controlling. To the extent provisions of this agreement reference other policies whether in the Employee

SECTION 41: DURATION OF AGREEMENT

This Agreement shall be effective as of the day after it is executed by both parties and shall remain in full force and effect for three (3) years until 11:59 p.m. on September 30, 2028. It shall automatically be renewed from year to year thereafter unless either party shall notify the other in writing by certified mail not later than sixty (60) days nor more than ninety (90) days prior to September 30, 2028, or prior to any subsequent annual anniversary of said date that it desires to modify this Agreement, and of the specific changes desired, or to terminate the same. Notice shall be considered to have been given as of the date shown on the postmark. If either party gives notice that it seeks modification or termination, the other party is free to propose whatever changes it seeks at any time thereafter during reopened negotiations.

AGREED TO:

Dated: 9/30/2025

UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 663

M. ZHA

Name: MICHAEL LA COSTE

Title: SECRETARY TREASURER

Dated: 9/30/2025

UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 1189

Claire Van den Berghe

Name: Claire Van den Berghe

Title: Organizing Director

Dated: 9-30-2025

VERTICAL ENDEAVORS

Nathan B. Postma

Name: Nathan B. Postma

Title: President

APPENDIX A

WAGE SCHEDULE

The minimum hourly wage rates for employees shall be as follows:

Classification	First year of contract	1 year, 1 day through 2 years	2 years, 1 day through 3 years
Counter Staff	\$16.50	\$17.04	\$17.59
Team Coach	\$17.50	\$18.07	\$18.66
Lesson Instructor	\$17.25	\$17.81	\$18.39
PT Head Team Coach	\$17.50	\$18.07	\$18.66
FT Head Team Coach	\$19.50	\$20.13	\$20.79
VEGA Outdoor Guides	10 hours at employee's base pay rate	10 hours at employee's base pay rate	10 hours at employee's base pay rate
PT Shift Manager	\$17.75	\$18.33	\$18.92
FT Shift Manager	\$19.50	\$20.13	\$20.79
PT Routesetter	\$19.00	\$19.62	\$20.26
FT Routesetter	\$20.50	\$21.17	\$21.85
PT Maintenance	\$17.50	\$18.07	\$18.66
FT Maintenance	\$21.50	\$22.20	\$22.92
Yoga and Fitness Assistant Coordinator	\$18.50	\$19.10	\$19.72

PT = part-time

FT = full-time