AGREEMENT

between

KAEDING MANAGEMENT, LLC
DULUTH HOTEL VENTURES, LLC
d/b/a
RADISSON HOTEL DULUTH-HARBORVIEW

and

INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL 70, AFL-CIO

September 1, 2017 through August 31, 2020
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THIS AGREEMENT, made and entered into this 1st day of September, 2017, by and between Kaeding Management, LLC, Duluth Hotel Ventures, LLC d/b/a Radisson Hotel Duluth-Harborview, Duluth Minnesota, hereinafter variously referred to as "Employer", through the medium of its undersigned duly authorized representative, and International Union of Operating Engineers, Local No. 70, acting under charter of the AFL-CIO granting jurisdiction over persons operating or assisting in operating and maintaining steam boilers, steam engines, diesel engines, refrigeration devices and machinery, electric motors, dynamos, air conditioning devices and maintenance of same and any power developing machines, hereinafter referred to as the "Union", through the medium of its undersigned duly authorized representatives.

WITNESSETH

WHEREAS, the parties hereto, through process of collective bargaining, have agreed to wages, hours of employment, and certain other conditions of employment, and to the exclusion of all other claims and demands for the duration hereof;

NOW, THEREFORE, in consideration of the mutual covenants herein contained to be duly kept and performed, the parties hereto do hereby mutually agree as follows:

ARTICLE 1 – RECOGNITION

Section 1. It having been determined that a unit appropriate for the purpose of collective bargaining consists of all employees classified as maintenance engineers and engineer’s helpers, and it having been determined that a majority of the employees in said unit of employment have selected and designated the Union as their representative for the purpose of collective bargaining with respect to rates of pay, hours of employment, and other conditions of employment; the Employer, in accordance with the requirements of the National Labor Relations Act, recognizes the Union as the sole and exclusive representative of the employees in said collective bargaining unit.
Section 2. Scope. This Agreement shall be limited in its scope and application to only employees of the Employer in those job classifications and status in Article 1, Section 1 hereof as constituting the appropriate unit for the purpose of collective bargaining, and the Employer shall not enter into any other agreement with the said employees, individually or collectively, which conflicts with or is contrary to the terms and provisions of this Agreement.

Section 3. Engineer on Duty. A licensed engineer shall be on duty whenever required by law while there is operation of any steam boiler, steam engines, refrigeration or other power-making equipment.

ARTICLE 2 – MANAGEMENT RIGHTS

Section 1. Except as specifically abridged, delegated, granted, or modified by this contract, all of the rights, powers, prerogatives, and authority the Company has prior to the execution of this Agreement are retained by the Company and remain exclusively within the rights of management and are not subject to the grievance-arbitration procedures.

Section 2. The exclusive right to management to efficiently operate the business and to establish and enforce rules and regulations not contrary to the express terms of this contract is fully recognized and shall not be limited.

ARTICLE 3 – NO STRIKE OR LOCKOUT

Section 1. No Strike. During the term of this Agreement, the Union agrees on behalf of itself, and each of its members that there will be no authorized strike of any kind, boycott, picketing, work stoppage, slowdown or any other type of organized interference, coercive or otherwise with the Employer’s business.

Section 2. Liability. In the event any violation of Section 1 occurs which is unauthorized by the Union, the Employer agrees that there shall be no liability on the part of the International of Local Union or any of their officers or agents.
Section 3. Discipline. The Union shall not question the unqualified right of the Employer to discipline or discharge employee engaging in, participating in, or encouraging such action. It is understood that such action on the part of the Employer shall be final and binding upon the Union, and its members, and shall in no case be construed as a violation by the employer of any provisions of this Agreement. However an issue of fact as to whether or not any particular employee has engaged in, participated in, or encouraged any violation, shall be subject to arbitration.

Section 4. No Lockout. There shall be no lockout by the Employer during the term of this Agreement.

Section 5. Picket Line. Employees shall not be required to go through a picket line of a striking Union. However, the Union agrees that employees shall maintain refrigeration to prevent spoilage of perishables and a sufficient degree of heat to prevent damage to plant, properties or equipment by freezing and for fire protection.

ARTICLE 4 – UNION BUSINESS

Section 1. Union Shop. It shall be a conditions of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the date of execution of this Agreement shall remain members in good standing, and those who are not members on the date of execution of this Agreement shall, on the thirtieth (30th) day or such longer period as the parties may specify, following the date of execution of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its execution date shall, on the thirtieth (30th) day, or such longer period as the parties may specify, following the beginning of such employment become and remain members in good standing in the Union.

Section 2. Dues Check Off. Upon written authorization from the employee, Employer may withhold Union dues each month, and submit directly to the Union.
Section 3. Good Standing. If the employee does not continue his active membership in the Union, the Union will advise the Employer that such employee is not a member in good standing, and will, in writing, give to the Employer the reason therefore, and will demand the discharge of such employee. Upon receipt of such notice and demand for discharge, it shall be the obligation of the Employer to discharge such employee within thirty (30) days of the receipt of such notice. Such employee shall not, however, be discharged from the Union for reasons other than failure of the employees to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership and shall not be deprived of membership because of terms and conditions not generally applicable to other members of the Union.

This Union shop provision shall be applied and enforced according to the limitations and conditions imposed by applicable law.

Section 4. Visitation. The authorized representative of the Union are hereby granted the right to enter the Employer's plant when on Union business and the Employer or his agent shall give such representative passes whenever the Union deems such visits necessary. This shall not be applied in an unreasonable manner.

ARTICLE 5 – GRIEVANCE AND ARBITRATION

Section 1. Grievance Procedure. If there shall be any differences of opinion or question between the Employer and the Union as to the performance of an obligation imposed on either party by the terms or provisions of this Agreement which cannot be satisfactorily adjusted by negotiations or direct mediation between the parties or their representatives, it is agreed that either party may institute arbitration proceedings according to the following conditions and regulations.

Section 2. Arbitration Procedure.

A. Arbitration Board. The Arbitration Board shall consist of three (3) persons, one to be selected by the Employer, one to be selected by
the Union, and the third, who shall act as impartial Chairperson, to be selected by the representative of the Employer and the representative of the Union. In the event the representatives of the Employer and the Union fail to agree upon the selection of the impartial Chairperson of the Arbitration Board within three (3) working days of their first meeting on the matter, the Federal Mediation and Conciliation Service may be requested by either party to submit a list of five (5) person from which the impartial Chairperson shall be selected by mutual agreement of the Employer and Union representatives. In the event of failure to agree on any one of the names submitted, the Union and the Employer shall each strike off the names of two of the five names as being unacceptable and shall indicate the order of preference of those remaining. The Federal Mediation and Conciliation Service shall then be requested to appoint an arbitrator from the names remaining on the list with due consideration as to preference and availability.

B. The requirement of Subsection A with respect to the selection of one person by the Employer and one person by the Union to serve as members of the Arbitration Board may be waived by the parties by written agreement in any given case, in which case the impartial Chairperson shall constitute the Arbitration Board of one person, and his decision and award, subject to all other conditions herein, shall be final and binding on the parties.

C. Time Limit for Decision. No decision shall be made by the Arbitration Board without the participation of the representatives of both the Union and the Employer, unless in judgment of the Impartial Chairperson, either the Employer or the Union is unnecessarily delaying arbitration proceedings (and after due notice of such judgment by the Chairperson to both parties hereto), in which case decisions may be reached without the participation of the party causing the delay. In no event shall the procedure in arbitration, including the handing down of a decision, be later than fifteen (15) working days following the date of the Impartial Arbitrator takes jurisdiction in a case. This fifteen (15) day limitation of time may be extended only by agreement of the Arbitration Board.
D. **Back Pay.** In case of a grievance involving loss of time or wages, the parties may agree, or the Arbitration Board may order reinstatement and/or back wages in an amount not to exceed the amount actually lost by the aggrieved party except that retroactive wages lost shall not be awarded if the grievance was not submitted by the aggrieved party to the other party in writing within ten (10) working days of its occurrence. Wages, within the meaning of this Article, shall mean all wages lost by the employee due to the violation of this Agreement by the Employer, and shall include in its interpretation, vacation pay, and holiday pay if the question in arbitration involves such items.

E. **Fees and Expenses.** All fees and expenses of the Impartial Chairperson shall be shared equally by the Union and the Employer.

**Section 3.** All decisions of the Arbitration Board made within the scope of the submission and within the authority of the Board as defined herein shall be final and binding on all parties concerned. If the Employer fails or refuses to abide by such a decision of the Arbitration Board within a reasonable period of time after receipt of same, the Union may exercise economic sanctions against the Employer, including the calling of a strike, after first giving due notice to the Employer of such intent. Such action of the Union shall not be considered a violation of Article 3 of this Agreement.

**Section 4.** The Arbitration Board shall have no right to require of the Employer, the Union, or any employees of the Employer, any act it or he is not required by law or by this Agreement to perform.

**Section 5.** In the event of a failure of the Arbitration Board to reach a majority decision the written decision and award of the Impartial Arbitrator shall constitute a majority decision and award within the meaning of this Article.
ARTICLE 6 – SENIORITY

Section 1. Probationary Period. All new employees or those rehired after a termination (not layoff or leave of absence) shall be probationary for the first sixty (60) calendar days of employment. During said probationary period of employment, the employee may be terminated at the sole discretion of the Employer and such termination shall not constitute a breach of this Agreement or be subject to the grievance and arbitration procedure provided for herein.

Section 2. Seniority. In laying off and rehiring of employees for lack of work or for other reasons, seniority shall apply in the instance of all regular payroll employees, i.e., the last employee hired shall be the first laid off and the re-employment shall be in the reverse order; provided, however, that the employee or employees involved are fully qualified to perform the work available.

Section 3. Any employee who has been prevented from working because of illness or accident for a period not to exceed six (6) months shall be returned to employment when able to resume his/her duties as an employee without loss of seniority rights.

ARTICLE 7 – HOURS OF WORK AND PREMIUM PAY

Section 1. The regular straight-time work hours shall be not more than eight (8) hours in any one day and forty (40) hours in any one (1) week. Time and one-half (1-1/2) shall be paid for all hours worked in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week, whichever is greater.

Section 2. Seventh Day Premium. Employees who are required to work on the seventh (7th) consecutive day shall receive double time compensation for all hours worked on the seventh (7th) consecutive day or if mutually agreed, such employees may take two (2) consecutive days off the following week.
Section 3. Call Back. An employee who is called back to work after completing his/her shift and leaving the plant shall be guaranteed four (4) hours' work or four (4) hours' pay in lieu thereof at the regular overtime rate of pay.

Section 4. There shall be no split shifts.

Section 5. In the event that the necessities of business (i.e. Staff Training and vacations) require that an employee is displaced from his/her normal schedule of hours, such displacement will not exceed thirty (30) calendar days in length.

ARTICLE 8 – INSURANCE

The eligibility provisions for participation in the Hospitalization program and responsibilities of the Employer and employees are covered in Exhibit "A" and made a part hereof.

ARTICLE 9 – VACATIONS

Section 1. Benefits.
All regular payroll employees with one (1) year or more of continuous service with the Employer shall be granted one (1) weeks' vacation with pay.

All regular payroll employees with two (2) years or more of continuous service with the Employer shall be granted two (2) weeks' vacation with pay.

All regular payroll employees with nine (9) years or more of continuous service with the Employer shall be granted three (3) weeks' of vacation with pay.

All regular payroll employees with fifteen (15) years or more of continuous service with the Employer shall be granted four (4) weeks' vacation with pay.

Section 2. Pay. Vacation pay shall be computed on the basis of the employee's established straight time weekly hours of employment and at the employee's regular straight time hourly rate of pay as of the time the vacation is taken.
Section 3. Scheduling. Vacations are scheduled to suit the needs of the business and whenever possible shall be scheduled between May 15th and September 15th.

**ARTICLE 10 – HOLIDAY PAY**

Section 1.

A. Employees who are required to work on New Year's Day, Martin Luther King Jr. Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Christmas Day, shall receive two and one-half (2-1/2) times their regular straight time hourly rate of pay for all such hours worked. Regular full time employees not required to work on the said holidays shall receive pay for the holidays not worked at straight time wage rates provided such employees do not absent themselves of their own volition on the scheduled work day immediately preceding the holiday or the scheduled work day immediately following the holiday. If any of the named holidays fall on a Sunday, the following Monday shall be observed as the holiday.

B. In addition to the above-named holidays, each regular full time employee shall be entitled to one (1) floating holiday. An employee desiring to select a particular day as his/her floating holiday shall give the Employer at least a full week's notice. The employee's preference will be respected if it will not unduly interfere with the Employer's operation.

C. Employees working Christmas Eve will be compensated at one and one half (1.5) times their regular rate of pay for all hours worked after 4:00pm.

Section 2. Holiday hours not worked but paid for by the Employer shall be considered time worked for the purposes of computing weekly overtime pay.

Section 3. Regular full-time employees shall receive four (4) floating days off "without pay" adjoining a weekend when requested but according to business requirements.
ARTICLE 11 – WAGE RATES

Section 1. Minimum Rate. The following minimum rates of pay shall be established and maintained throughout the life of this Agreement.

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<th>9/1/2019</th>
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<td>Engineer 1</td>
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<td>$10.55</td>
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<tr>
<td>Engineer 2</td>
<td>$13.33</td>
<td>$13.48</td>
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<tr>
<td>Engineer 3</td>
<td>$18.18</td>
<td>$18.33</td>
<td>$18.48</td>
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*When an Engineer 1 is covering for an Engineer 2 shift he/she will be paid at the Engineer 2 rate for the years of service he/she has established.

Section 3. Engineer1 (replaces Engineer Helper) this position consists of basic skills and mechanical aptitude. The Engineer 1 may advance when they have worked through the steps and or has demonstrated the skill set, may apply when an opening occurs in the Engineer 2 and the position has been posted by the hotel management.

Engineer 2, this position is a basic non-licensed position that consists of mechanical knowledge of the equipment and systems within the facility. When an Engineer 2 has worked through the steps and an opening occurs in an Engineer 3 position, has been posted by hotel management, and the employee has achieved licenses and or certification required by the hotel or the state, he/she may apply for the position.

Engineer 3 is a licensed/certified position. Refrigeration and pool certifications or any other licensing/certifications that may be required by the State of Minnesota and/or hotel. All Engineers that meet these qualifications may apply for opened positions as posted by the hotel.
ARTICLE 12 – PENSION

Section 1. Pension. The Employer shall pay monthly into the Central Pension Fund of the International Union of Operating Engineers and Participating Employers the following amount for each hour paid in the preceding month for all employees covered by this agreement:

Effective: September 1, 2016 $0.98

Section 2. The Employer agrees to be bound by this Agreement and Declaration of Trust entered into as of September 1, 2000 establishing the Central Pension Fund of the International Union of Operating Engineers and Participating Employers and by any amendments to said Trust Agreement communicated to it.

Section 3. The Employer designates as his Employer representatives of said fund trustees as they are now named in said Agreement and Declaration of Trust, together with their successors selected in the manner provided in said trust agreement as the document now exists or may be amended from time to time.

ARTICLE 13 – GENERAL PROVISIONS

Section 1. Funeral Leave. Employees shall receive up to three (3) days funeral leave with pay (up to four (4) days for funerals occurring five hundred (500) or more miles from Duluth) for members of the immediate family. The three (3) day maximum shall include the day preceding, the day of and attend the day after the funeral, provided that the employee attends the funeral. The fourth (4th) day, where applicable, may be used either two (2) days preceding or two (2) days following the funeral, provided the employee is scheduled to work such days and attends the funeral. Members of the immediate family shall include spouse, father, mother, mother and father-in-law, step parents, children, step-children, brother, sister, grandparents, grandchildren and domestic partner. Domestic partner shall be defined as a person with whom the employee has a committed relationship for a year or more and with whom the employee shares a home and household expenses. In addition to paid funeral leave, the Employer agrees to grant up to an additional one (1) week
of unpaid bereavement leave to employees who request such time off. At the employee’s request, the Employer also agrees that an employee shall be allowed to use earned vacation pay during such leave.

Section 2. Uniforms. Where uniforms are required, any expense in furnishing and laundering shall be paid by the Radisson. Three (3) sets of uniforms will be provided by the Employer each year.

Section 3. Employee Furnished and Laundered. If the employee desires to furnish and launder his/her own uniform, the following schedule of reimbursement by Radisson shall apply: $4.50 per week or $0.90 per day.

Section 4. Radisson Furnished and Laundered. If Radisson furnishes the uniforms and the employee launders the uniforms, the following schedule shall apply: $3.50 per week or $0.70 per day.

ARTICLE 14 – TERM OF AGREEMENT

Section 1. The terms and provisions of this Agreement shall become effective September 1, 2017, unless otherwise specifically provided and shall continue in full force and effect through the thirty-first (31st) day of August, 2020, provided however that either party may open the Agreement by written notice to the other party sixty (60) days prior to August 31, 2020 for the purposes of negotiating the provisions of this Agreement. Absent such written opening notice, the Agreement shall continue in full force and effect through the thirty-first (31st) day of August, 2020, and from year to year thereafter unless reopened under the provisions of this Article; i.e., sixty (60) days prior to August 31st of the extended year.
IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized representatives the day and the year first above written.

For: Kapling Management, LLC
Duluth Hotel Ventures, LLC
d/b/a Radisson Hotel
Duluth-Harborview

Carl Kaeding, Principal

For: International Union of Operating Engineers,
Local No. 70, AFL-CIO

Dave Monsour, Business Manager

Michael Dowdle, President

Linda Powers, Recording Secretary

John Hane, Business Representative

Chris Cornelison, Union Steward

12-16-17
Date

11/30/2017
Date

JH/jcb/opeiu#12
Contracts/Duluth Radisson
EXHIBIT "A"

All full-time permanent employees working thirty (30) hours or more per week on a regular basis shall be eligible for coverage in the Radisson Hotel Health and Welfare and dental program upon completion of ninety (90) calendar days of employment.

The Radisson Hotel shall provide at no cost for the duration of this Agreement to the eligible full-time employees represented by Local 70, the same insurance coverage as provided for the rest of the employees who are participating in an insurance program presently underwritten by Clgna.

The cost of dependent coverage will be subject to change based upon the normal review of premium for all employees covered under the above referenced insurance program. Any increases in the premium cost for elective dependent coverage during the term of this Agreement shall be paid by the affected employees.
MEMORANDUM OF INTENT

This Memorandum of Intent by and between Kaeding Management, LLC Duluth Hotel Ventures, LLC, d/b/a Radisson Hotel Duluth-Harborview and the International Union of Operating Engineers, Local No. 70, AFL-CIO, shall become attached to and part of the Agreement dated September 1, 2017 through August 31, 2020.

If an employee has selected a vacation schedule at least two (2) months prior to the anticipated date of their vacation, their vacation request will be honored unless notice of postponement is given the employee at least four (4) weeks prior to their vacation, emergencies beyond the control of the Employer excepted.

For: Kaeding Management, LLC Duluth Hotel Ventures, LLC d/b/a Radisson Hotel Duluth-Harborview

Carl Kaeding, Principal

For: International Union of Operating Engineers, Local No. 70, AFL-CIO

Dave Monsour, Business Manager

John Hane, Business Representative

Chris Cornelison, Union Steward

12-6-17 Date

11-30-2017 Date

JH/jcb/opelu#12
LETTER OF AGREEMENT

**Radisson Hotel Duluth Harborview**, hereinafter referred to as the Hotel, and the International Union of Operating Engineers, Local 70, AFL-CIO, hereinafter referred to as the Union, agree to the following:

The parties are in a Collective Bargaining relationship in which the Hotel employs, and the Union represents, a bargaining unit of maintenance engineers and engineer helpers. The Hotel and the Union are also parties to a written Collective Bargaining Agreement.

The Hotel will be undertaking a building-wide bathroom remodeling project ("Project") commencing approximately November 01, 2017. The Project will include bathroom remodeling duties, such as demolition; removal and installation of wall tile, sinks, countertops, plumbing, lighting, outlets, mirrors, and wall coverings; painting; and other remodeling duties ("Project Duties").

The Hotel wishes to have the option of utilizing bargaining unit personnel for Project Duties and is willing to pay a wage premium for same, which the parties have negotiated and agreed upon.

Based on the foregoing, it is agreed:

1. The Hotel retains the discretion to determine which bargaining unit employees, if any, to assign to perform Project Duties, which Project Duties they will perform, and when they will perform them.

2. Bargaining unit employees will receive a wage premium of fifty cents ($0.50) for each hour worked performing Project Duties.

3. The premium pay will not be paid for other hours worked, such as hours worked performing regular, routine, normal, or usual repair or maintenance work, and other non-Project Duties.

4. The Hotel retains the discretion to subcontract some or all of the Project Duties at any time.
5. This Letter of Agreement will automatically expire at the end of the Project.

For: Kaeding Management, LLC
Duluth Hotel Ventures, LLC
d/b/a Radisson Hotel
Duluth-Harborview

Carl Kaeding, Principal

For: International Union of Operating Engineers,
Local No. 70, AFL-CIO

Dave Monsour, Business Manager

John Hane, Business Representative

Chris Cornelison, Union Steward

11/30/17
Date

11/30/2017
Date

JH/JCH/opelu#12