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Title: **Disneyland Resort Hotels and Hotel Employees and Restaurant Employees Union (HERE), AFL-CIO, Local 681 (2004)**

K#: **7973**

Employer Name: **Disneyland Resort Hotels**

Location: **Los Angeles CA**

Union: **UNITE HERE, AFL-CIO**

Local: **681**

SIC: **7996**

NAICS: **71311**

Sector: **P**

Number of Workers: **1500**

Effective Date: **02/01/04**

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K 7973

AGREEMENT

Between

**Walt Disney World Co.
dba Disneyland Hotel, Disney's Paradise Pier
Hotel, and Disney's Grand Californian Hotel**

and

**Hotel Employees and Restaurant
Employees (HERE) Union,
Local 681, AFL-CIO**

**4 Year Agreement
Effective 2/1/04 - 1/31/08**

The terms and conditions of employment contained in this Agreement shall cover employees working at the Disneyland Resort Hotels (Disneyland Hotel, Disney's Paradise Pier Hotel ("DPPH") and Disney's Grand Californian Hotel) ("DGCH"). This Agreement shall not pertain to employees working in the "Theme Park" in Disneyland, Disney's California Adventure or the Retail, Dining, and Entertainment Complex known as "Downtown Disney."

THIS AGREEMENT is entered into by and between Walt Disney World Co., dba Disneyland Resort Hotels, Anaheim, California (hereinafter referred to as the "Employer") and the HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES (H.E.R.E.) UNION, Long Beach and Orange County, California, Local #681, AFL-CIO (hereinafter referred to as the "Union"), acting on behalf of the employees of the Employer within the jurisdiction of the Union employed in the classifications hereinafter specified.

WAIVER

During the term of this Agreement or any extension thereof, the parties each voluntarily waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any matter, which has been raised and disposed of during the course of the collective bargaining, which resulted in this Agreement.

WITNESSETH

WHEREAS, the Union is affiliated with the Hotel Employees and Restaurant Employees Union International and the AFL-CIO; and

WHEREAS, The Union is authorized to represent all employees of the Employer working in the classifications hereinafter specified; and

WHEREAS, it is the expressed intent hereof that the parties shall operate their labor relations in accordance with the true intent and meaning of this Agreement;

NOW, THEREFORE, in consideration of the foregoing premises and mutual promises and agreement herein contained, the parties hereto do hereby agree:

ARTICLE 1 TERMS AND CONDITIONS

In consideration of the covenants set forth herein, the Employer agrees that all of its employees within the jurisdiction of the Union shall be employed under the terms hereof and the Union agrees that all employees represented by it hereunder will work according to the terms and conditions of this Agreement during the term thereof.

ARTICLE 2
RECOGNITION

A. The Employer recognizes the Union as the sole and exclusive bargaining agent with respect to wages, rates of pay, hours of employment and specific conditions of employment **in a unit consisting of all employees in the classifications of work listed in Appendix A, employed by the Disneyland Hotel, Disney's Paradise Pier Hotel, and Disney's Grand Californian Hotel** located in Anaheim, California, regardless of membership status or whether such employees are regular or temporary, part-time or full-time.

B. It is further understood and agreed that the Employer's recognition of the Union shall not constitute an agreement, express or implied, by any other employer, including but not limited to the following:

1. Any corporation, business, or asset that is currently or subsequently owned, purchased, acquired, developed, constructed, improved, operated, managed, owned, or otherwise run by the Employer and any/or parent, subsidiary, or related entity or corporation, or
2. Any third party Vendor or Concessionaire that employees at the Disneyland Resort Hotels, to recognize the Union. For purposes of this Agreement, other Disney entities such as Disney Quest, club Disney, ESPN Stores, etc., shall be considered third party Vendors or Concessionaires.

C. Also excluded are all other employees, supervisory employees as defined in the Act, and any other classification of employees excluded under the Labor management Relations Act of 1947, as amended.

D. Management and non-bargaining unit employees of the Employer will not perform bargaining unit work on a regular, re-occurring basis. However, it is recognized by the Parties that due to the nature of the Resort Hotel business, there are times when management and non-bargaining employees of the Employer may step in for short periods of time to ensure that Guest Service is maintained. For example, this may occur when Guest flow fluctuates dramatically at specific unit/locations or with changes in the weather leading to a potential decline in Guest Service. When staffing is short due to these types of events, management will make every effort to call in additional employees if doing so would alleviate the situation in a timely and efficient manner. The Employer will not intentionally schedule insufficient employees to create a short staffing circumstance.

In addition, when "unforeseeable circumstances" occur, it is recognized that management has a right and an obligation to do whatever it takes to get the job done. Examples of "unforeseeable circumstances" include natural disasters, major equipment failure, and injuries to guests or employees.

See the Disney's Paradise Pier Hotel Specific Language Section for more information.

ARTICLE 3
REPRESENTATION RIGHTS

1. The Union shall have the right to designate Shop Stewards. The Local Union shall, in writing, notify the Labor Relations office of the Employer as to the identity of the designated Shop Stewards. The Shop Stewards shall have the right to receive, but not promote complaints or differences and to discuss and assist in the adjustment of the same with the appropriate Supervisor. The Employer will not discriminate against the Shop Stewards in the proper performance of Union duties provided that such duties do not unreasonably interfere with regular work or with the work of other employees and the Shop Stewards shall not leave their work station without first notifying their appropriate Supervisor as to the intent, the reason therefore, where they can be reached and the estimated time they will be gone. For reasonable time spent dealing with grievances during their scheduled shift on any given day, Shop Stewards will be compensated at their hourly rate of pay, except for recognized non-paid times such as the lunch period. Time spent dealing with grievances outside of their scheduled shift on any given day shall not be compensated by the Employer, unless approved by management.

2. The President of the Union and/or the authorized Business Agents, designated in writing to the Employer, shall be permitted to enter the Disneyland Resort Hotels grounds to determine that this Agreement is being complied with by the Employer and for the presentation and handling of grievances. Such representatives, who shall not be more than six (6) in number, shall comply with the security regulations of the Employer, and shall not unnecessarily interrupt the performance of employee work assignments. The parties hereto recognize that circumstances may arise during the term of this agreement wherein the Union may require more than the above referenced six (6) authorized Union representatives to be present on the Employer's premises to administer this Agreement. In these instances the Employer, upon written notification from the Union, shall give such additional authorized Union representatives permission to enter the Disneyland Resort Hotels grounds. These additional Union representatives shall only be requested by the Union where special circumstances warrant and shall be limited to short durations of time only.

3. The contents of an employee's official personnel file, exclusive of pre-employment materials, shall be open to his/her inspection, when requested in writing by the employee on a form prepared by the Disneyland Resort.

4. The employee shall request in writing an appointment for the purpose of inspecting the employee's personnel file. Such requested appointments shall be made at least twenty-four (24) hours in advance and shall be scheduled during normal Personnel business hours.

5. Disciplinary notices and separation reports issued to employees shall contain specific information and reasons for which the notice was issued. Such notices shall be issued to an employee as soon as the Employer is aware of the event leading to his actions and has a reasonable period of time to investigate. The Employer agrees to act on a prompt basis following the completion of any such investigation.

6. Oral and Written warnings shall not be considered as a basis for further disciplinary action after twelve (12) months from the date of issue. The use of suspensions as a basis for further discipline shall be limited to eighteen (18) months from the date issue.

7. The time limits set forth in 6. above do not preclude an arbitrator, at his or her discretion, from considering an employee's entire work record in arbitrations for purposes of mitigation or lack thereof.

ARTICLE 4
UNION SECURITY/CHECK OFF

A. It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing and those who are not members on the effective date of this Agreement shall as of the thirty-first (31st) day following the effective date of this Agreement become and remain members in good standing of the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on and after the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing of the Union.

B. In the event any employee neglects, fails or refuses to comply with the provisions of (A) by the timely tender of the periodic work fees, dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union, the Employer agrees upon the written request of the Union to discontinue the employment of any such employees at the end of seven (7) calendar days.

C. The Employer agrees to a payroll deduction of uniform initiation or reinstatement fees and membership dues and work fees in the Union, provided the Employer has received from each employee on whose account such deductions are made a written assignment authorizing such deductions. Such assignment authorizing such deductions shall be irrevocable for one (1) year following the date upon which it is signed; if the employee does not revoke the authorization at that time, it shall be considered automatically renewed for an additional one (1) year period.

D. The Employer further agrees to deduct two dollars (\$2.00) per banquet or shift worked by temporary employees up to the maximum of the uniform monthly dues for the classification involved.

E. Until such an assignment is revoked, the Employer will remit to the Union the amount deducted pursuant to such assignment during each month not later than the end of each such months with a written statement of name and social security number of the employees for whom the deductions were made and the amount of each deduction.

F. The Union shall notify the Employer in writing at least thirty (30) days in advance of any change in initiation, and reinstatement fees, the monthly membership dues or work fees for temporary employees.

G. The Union will indemnify the Employer against claims and legal fees made against the Employer by reason of compliance with this article. Legal fees associated with the Employer's defense, by the Employer shall be subject to negotiation and/or arbitration with regard to the reasonability of such fees.

H. All procedures and/or practices shall be consistent with the National Labor Relations Act and/or rulings by the National Labor Relations Board.

I. The Employer will provide a listing of bargaining unit employees to the Union on a monthly basis. Such listing will include basic employee information such as, social security number, date of hire, job classification, rate of pay, address, etc., that is provided to other unions at the Disneyland Resort. In addition, the Employer will provide a listing of new hires and terminations on a monthly basis.

ARTICLE 5
HIRING

A. The Employer shall be the sole judge of the qualifications of all applicants and shall hire or not hire based on its discretion.

B. The Company will utilize its best efforts to notify the Union of available openings on a weekly basis. Applicants for employment may be referred by the Union to the Employer on a non-discriminatory basis and such referrals shall not be based on, or in any way affected by, Union membership or lack of such membership or by Union By-laws, rules, regulations, constitutional provisions, or any other obligations of Union membership, policies or requirements.

C. The Employer shall have the right to employ help from any source at the regular wage rate herein specified.

The Company will consider requests from the Union to provide the above referenced information in alternative forms, such as diskette and CD-ROM, and make a determination of its ability to provide such without incurring additional expense or administrative burden.

The Union agrees to accept such persons for membership upon terms and qualifications applicable at such time to other applicants to the Union.

ARTICLE 6
DISCRIMINATION

A. There shall not be any discrimination against any employee on account of membership in or activity on behalf of the Union provided such activities do not interfere with the regular duties of the employee.

B. Whenever in this Agreement the masculine pronoun is used, it shall be deemed to include the feminine.

C. The Employer and the Union agree there shall be no discrimination against any employee or prospective employee on any basis prohibited now or in the future by the laws of the State of California or the United States of America.

D. Both the Employer and the Union recognize their mutual obligation to comply and foster compliance with the Americans With Disabilities Act of 1990. Nothing in this agreement shall be construed as inconsistent with, or as requiring Employer to act in any way inconsistent with, such Act.

ARTICLE 7
MANAGEMENT'S RIGHTS

It is understood that the Employer reserves and retains the exclusive right and power to manage its operations, direct its employees, and to exercise the rights of management, except as such rights and powers are limited by the terms set forth in this Agreement. Such rights and powers include, but are not limited to the following: to determine the product, price, method of operation and supervision of the workforce; to establish standards of employment; to determine, select and direct the number of employees assigned to any classification of work; to establish and change work schedules and assignments; to establish and enforce rules for personal appearance, such as those in existence at the **Disneyland Resort Hotels**; to lay off employees due to lack of work; to discontinue all or any part of its operations; and to discipline, suspend or discharge employees for just cause. The Employer shall not exercise these rights or powers so as to defeat any provision of this Agreement.

See the Disneyland Hotel and Disney's Grand Californian Hotel Specific Language Section for more information.

ARTICLE 8
WORK STOPPAGES AND LOCKOUTS

A. NO STRIKE/NO LOCKOUT

During the term of this Agreement, neither Hotel Employees and Restaurant Employees (H.E.R.E) Union Local 681, AFL-CIO, nor its agents or any employee, for any reason, will authorize, institute, aid, condone or engage in a work slowdown, work stoppage, strike, refusal to cross a picket line, or any other interference with the work and functions or obligations of the **Disneyland Resort H.E.R.E. Local #681**, agrees to notify all of its officers, staff, and members of their obligation and responsibility to remain at work during an interruption which may be caused or initiated by others, and to instruct employees violating this Section to return to work. The Employer may terminate or otherwise discipline employees violating this provision, and the sole issue which may be submitted to the grievance procedure is whether the employee violated this provision, not the discipline imposed by the Employer.

In return for the above "No Strike" agreement by the Union, the Employer agrees not to "Lock Out" any employee specifically covered by the Agreement.

B. DISPUTES WITH CONCESSIONAIRES.

Disputes between the Union party hereto and any concessionaire operating at the Disneyland Resort shall be so handled as not to interfere with the Employer's business or the business of any other concessionaire not a party to such disputes. No picketing or concerted action against any or more of the concessionaires will be conducted at the **Disneyland Resort** or near or around the entrance or exits of the **Disneyland Resort**. "Concessionaire" as used herein includes a concessionaire and also a licensee, lessee, contractor, or sub-contractor.

C. DISPUTES WITH OTHER UNIONS

All jurisdictional disputes between the Union signatory hereto, or on whose behalf of this Agreement is made, or any other Unions affiliated with the AFL-CIO, shall be determined in the manner and by the procedure established by the American Federation of Labor and Congress of Industrial Organizations and no jurisdictional stoppages or slow-downs shall be imposed upon the Disneyland Resort.

ARTICLE 9 DISCHARGE

- A. Any employee who is to be discharged must be so notified at the end of his shift. If this is not done and he reports to work the next day and is not put to work, he shall receive a full day's pay for so reporting.
- B. Discharge shall be for cause only and in the event of a dispute, the matter shall be resolved under the provisions of Article 26 hereof.
- C. The Union shall not be obliged to notify any member of discharge or change of shift; this must be done by the Employer.
- D. An employee may request that a Union Representative (including Shop Steward) be present during an investigatory conference with management.

ARTICLE 10 HEALTH AND SAFETY

The Employer and the Union jointly recognize the importance of maintaining a safe environment. The Employer agrees to comply with all State and Federal OSHA requirements.

The Employer agrees to continue present practices regarding floor slats and mats, and to review all new facilities with regard to such present practices.

Employees receiving written safe work practices and/or training information or materials from the Company may be required to sign for receipt of such information and/or material in order to document that employees have been given said information and/or materials.

ARTICLE 11 LEAVE OF ABSENCE

- A. A Regular employee's request for leave of absence, not to exceed thirty (30) days, will be given consideration by the Employer and will be granted if there is good cause for it and the employee's services can reasonably be spared. All leaves of absence will be granted in writing. No leave of absence will be extended beyond thirty (30) days except for compelling reasons.
- B. A Regular employee who requests a leave of absence because of an occupational or non-occupational illness or injury, including pregnancy, will upon certification of the employee's

condition in writing by the employee's physician, be granted a leave up to sixty (60) days for the original illness or injury and thirty (30) days for each additional certified extension, before each extension, be granted an extended leave of absence in units of up to thirty (30) days but not in excess of twelve (12) consecutive months. An employee who by the end of the authorized leave of absence notifies Personnel Records of his or her availability for reassignment to work will be re-employed without loss of the last previous employment status provided both the employee's and the Employer's physician, in writing, releases the employee to perform all of the essential elements of the job classification and without jeopardizing the health and safety of the employee and/or others. Should the Employer's physician fail to release an employee to perform all of the essential elements of the job classification and without jeopardizing the health and safety of the employee and/or others, the Employer shall employ a neutral third physician to examine the employee, and if the neutral third physician releases the employee to perform all of the essential elements of the job classification and without jeopardizing the health and safety of the employee and/or others, the Employer's physician shall take into consideration the neutral physician's release to work. Should the Employer's physician fail to agree with the findings and not allow the employee to return to work, he shall contact the employee's personal physician and request that the employee be reinstated to disability benefits. Should the Employer wish to verify an employee's ability and/or inability to perform the work required due to medical reasons, the Employer may have the employee examined by the Employer's physician.

C. Notwithstanding anything contained elsewhere in this Article 11., no employee shall be eligible for leaves of absence that total more than fifteen (15) months in any twenty-four (24) month period.

D. An employee who has been released by his or her own physician to return to work after a medical leave of absence, is to call **Cast Health Services** to make an appointment. Employees who are unable to contact **Cast Health Services** for an appointment, may go to **Cast Health Services** on the days and times that the Employer's physician is on duty.

E. 1. The Employer shall provide Family Care Leave in accordance with the California Family Rights Act and Federal Family and Medical Leave Act.

2. Any leave of absence taken under CFRA or FMLA shall apply towards the maximum leave available under paragraphs B. and C. above.

F. **Cast Members may use up to four (4) Dependent Call-ins in a calendar year to care for a dependent without receiving documented points against their attendance record, provided the Call Dependent is consistent with applicable provisions of California State Labor Code §233.**

ARTICLE 12 PROBATIONARY PERIODS

A. All regular employees who are first employed or rehired after the effective date of this Agreement will be considered probationary employees until they have completed sixty (60) calendar days. The above referenced probationary period may be extended for thirty (30) days by mutual agreement of the Company and the Union. The Union will not unreasonably withhold agreement if requested by the Company. During this period an employee shall be subject to

termination at the sole discretion of the Employer and such termination shall not be subject to the grievance and/or arbitration procedure.

B. Casual/Temporary employees shall be considered probationary employees until they have completed seven (7) continuous months of service. During this probationary period, an employee shall be subject to termination at the sole discretion of the Employer and such termination shall not be subject to the grievance and/or arbitration procedure.

Continuous service for the purposes of this paragraph B. shall be defined as an employee working during a minimum of three (3) payroll weeks in each of seven (7) consecutive months. Any month in which a casual/temporary employee fails to work in three (3) payroll weeks shall constitute a break in continuous service.

C. Casual/Temporary employees who are converted to Regular status before completing the casual/temporary probationary period shall be considered probationary employees until they have completed the applicable probationary period as a Regular employee.

D. During their probationary period no employee shall be eligible for holiday pay.

ARTICLE 13 CLASSIFICATIONS

A. The scale of wages in the Agreement are minimum scales and shall not prohibit a superior employee from commanding a higher wage.

B. Except as hereinafter set forth, when an employee occupies a position combining two or more classifications in any schedule, he shall be paid at the rate of pay for the highest classifications worked that day as follows:

If the employee works in the higher paid classification for up to one-half (½) of his scheduled shift, he shall receive the higher rate of pay for one-half (½) of his scheduled shift.

If the employee works in the higher paid classification for more than one-half (½) of his scheduled shift, then he shall receive the higher rate of pay for his entire scheduled shift.

The provisions of this section shall not apply to employees who spend one (1) hour or less per day relieving workers in a higher paid classification for lunches or breaks.

C. The parties agree that the **Disneyland Resort Hotels** reserve the right to add job classifications from time to time, and determine the number of individuals, if any, which are to fill any given classification. In the event that a new classification is established, the initial wage rate shall be set by the Company, subject to the grievance and arbitration procedure. If a case is submitted to arbitration, the Arbitrator shall have the authority to determine the wage rate for the new classification.

ARTICLE 14
WORKWEEK

- A. The regular workweek shall begin with the third (3rd) shift (Graveyard) on Saturday and extend through the second (2nd) shift (Swing) on Saturday. The regular workweek and the payroll week may be changed by the Employer upon the giving of two (2) weeks notice to the Union.
- B. Regular employees are normally scheduled to work up to eight (8) hours per day on one (1) or more days of the workweek.
- C. Regular employees regularly scheduled to work five (5) days in each workweek are entitled to two (2) consecutive days off in the workweek, except where split days off are mutually agreed to by the employee and the Company.
- D. No employee shall be required to be on "standby" during his or her day off except by written authorization of the employee's Employer. All "standby" time shall be paid for at the employee's regular scheduled hourly rate for that day for each standby hour or fraction thereof.
- E. 1. The Employer agrees that it will endeavor to schedule at least eight (8) hours between the end of any employee's regularly scheduled eight (8) hour shift and the beginning of the employee's next regularly scheduled shift.
2. In the event that there are less than eight (8) hours between any two (2) regularly scheduled shifts, the affected employee shall receive time and one-half (1½) pay during the second shift, until eight (8) hours have elapsed from the termination of the employee's first regularly scheduled shift.
3. E.1. and E.2. shall not apply to any banquet employees or employees working a split shift during the same work day.
- F. Employees shall be paid weekly, every other week, or twice (2x) a month and their pay will not be delayed more than six (6) days from the end of each payroll period.
- G. The Employer will utilize its "best efforts" to post employee work Schedules by 6 p.m. on the Thursday preceding the next workweek.
- H. The Employer will utilize its "best efforts" to provide employees as much notice as possible with regard to the closure of any unit/location.

ARTICLE 15
REPORT FOR WORK

1. When the Employer schedules an employee to report to work and said employee is not put to work, he/she shall be paid for four (4) hours at his/her usual rate of pay for reporting.
2. Employees who report for work and are put to work, will be permitted to complete their regular scheduled shift for the day or be paid for the remainder of their scheduled shift.

3. Employees who voluntarily leave prior to the end of their shift shall only be paid for hours worked.

ARTICLE 16
OVERTIME

See Disneyland Hotel, Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel Specific Language Section for more information.

A. Where overtime work can be scheduled, the Employer shall first offer such overtime to the most senior employee(s) and continue to offer, on a descending seniority basis, until the Employer's need is met or until all employees have refused. If the Employer's needs are not met, the Employer may then require, on an ascending seniority basis, that least senior employee(s) work the required overtime.

B. Where overtime cannot be scheduled, the Employer may extend shifts by applying the principles of seniority to the employees working the affected shift where extensions are required or to the shifts before and after the affected shift, unless a specific employee(s) is needed due to special skills.

ARTICLE 17
TIPS, GRATUITIES, ETC.

A. Tips, gratuities or presents received by the employee shall not constitute or substitute for the wage provisions of this Agreement, but shall remain the sole property of such employee.

B. Bell and Valet Staff

1. A group or tour which does not request to handle its own luggage (including groups or tours booked through the Walt Disney Travel Company) shall be subject to an automatic gratuity. A group or tour which requires assistance from a Bellperson or persons (including groups or tours booked through the Walt Disney Travel Company) shall pay a portorage fee which shall be paid to the Bellperson or persons providing such service. **If a group has pre-negotiated, contracted and scheduled for the Bellpersons to handle their luggage, the portorage fee will be paid regardless of whether the service was utilized if the Company collected the portorage fees. (unless the service was not utilized due to the negligence of the Cast Member). Portorage fees shall be roundtrip per person at a rate of \$10.00. Groups that decline portorage service, but request luggage storage will be charged a storage fee of \$1.00 per person.**

Parking Valets who assist with luggage off-loading of vehicles will receive one dollar (\$1.00) of the \$10.00 Portorage Fees referenced above.

2. Payment of portorage charges shall be made no later than the payday for the payroll period in which services were rendered insofar as possible.

3. Any information relating to portorage charges shall be made available to a designated representative of the Union.

4. The Company shall make available and maintain an accurate record of employees assigned to each tour and the collection, assignment, and distribution of portage for such tour.

5. All gratuities and portage shall be considered the exclusive property of the bargaining unit employees and are payable only to the appropriate employee.

6. **Definitions**

a. **Portage:** defined as any service charge or pre-negotiated payment by a guest(s) for services rendered.

b. **Gratuity:** defined as any cash payment or gift given by a guest for services rendered.

7. When a group arrives at the **Disneyland Resort Hotels** that is not a pre-arranged group movement sold by the **Disneyland Resort Hotels**, a designated representative of the **Disneyland Resort Hotels**, shall ascertain if the guests desire their baggage handled in the established manner for group movements. If the Guests desire established handling, then the contractual handling guarantee shall apply.

8. In the event of a default of guest credit on a signed tip that was paid, the employer shall not seek to recover the paid out tip from the employees, except when the employee is proven to be willfully negligent.

9. The Company shall be responsible for maintaining an accurate record of employees assigned to each tour and the collection, assignment and distribution of portage for each tour.

10. **Bellpersons shall deliver and/or receive all packages/boxes for conventioners and/or exhibitors (excluding drayage companies and transient guests' packages/boxes) and shall receive payment for services as follows:**

**Upon Ratification \$3.00 per package/box
 \$20.00 per pallet**

11. **Bellpersons shall distribute informational, marketing materials and gift packages, except in the case of an emergency. The distribution charge is not applicable for faxes and business envelopes for any individual guests at the Hotels. In accordance with our existing practice, Bellpersons shall receive payment upon ratification as follows:**

Inside Room Distributions:

\$2.50 (of \$3.00 charge) per room/package/item for full house

\$3.00 (of \$3.50 charge) per room/package/item for partial house

Outside Room Distributions:

\$1.00 (of \$1.50 charge) per room/package/item for full house

\$1.50 (of \$2.00 charge) per room/package/item for partial house

If assembly is required, Bellpersons will receive \$1.00 per item/per package for assembly. If Bellpersons are required to deliver Vacation Planning packages/boxes, the Bellpersons will receive payment based upon the distribution rates. Bellpersons shall deliver all special occasion and holiday baskets, buckets and personal shopping items that do not require displaying, decorating or set-up of the items. Bellpersons shall not deliver itineraries, note cards, "Magic" (i.e. balloons, autograph pictures, cards, etc.) or any amenity or item that requires displaying, set-up or decoration within the room (i.e. Personal Shopping, Christmas Trees, Stockings, Birthday Decorations).

12. The Company agrees to have Bellpersons perform Guest room moves when the Guest is present, as the standard practice. However, for Guest service reasons (insistent Guest demand, necessary room repairs, etc.) the Company may determine that the Guest luggage and belongings need to be moved in an immediate manner while the Guest is away from their room.

The Company agrees that the Fairy Tale Wedding department will pay the Bellpersons a \$25.00 service fee for gift deliveries (to be paid to the Bellperson who renders such service to the wedding) for any weddings sold by Fairy Tale Wedding Department. Furthermore, the Company shall provide the Bell Services Captain a weekly report about which Guests have contracted for said service or have not contracted.

13. Pre-arranged, contracted and hosted banquet events shall include a \$2.00 charge per car, which shall be paid to the Valet(s) or persons providing such service. The \$2.00 charge will not be paid for events that include complimentary valet parking (i.e. Easter, Mother's Day, Service Award Events). The \$2.00 charge will only be included in all new banquet event contracts effective upon ratification and all pre-existing contracts will not include the \$2.00 charge.

C. Banquets

The Employer agrees to charge an automatic 15% service fee/gratuity on the full menu price for Disney Company Banquet events paid for by the Company.

See the Disneyland Hotel, Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel Specific Language Section for information.

ARTICLE 18 VACATIONS

A. Eligibility

1. Each Regular employee is eligible to accrue credits towards a vacation and shall receive a vacation in accordance with sub-section B, below.
2. An eligible Regular employee is one who has agreed to accept full or part time employment and who has completed his or her probationary period.

3. Effective 2/1/95, vacation pay for tipped classifications, defined in Appendix A (*), with more than one (1) year, but less than five (5) years of service, shall receive one hundred and twenty-five percent (125%) of their straight time rate of pay for vacation hours taken. Vacation pay for those tipped classifications with five (5) or more years of service shall receive one hundred and fifty percent (150%) of their straight time rate of pay. The above vacation tip premium shall not apply to vacation paid in lieu of time off.

4. Maximum vacation allowance will be based upon the appropriate formula credited straight time hours worked as well as vacation hours paid as set forth in subsection B, below. Payment will be at the straight time hourly rate plus any applicable shift or Lead premium being regularly received, (defined as regularly scheduled for Lead responsibilities at least sixty percent (60%) of the time), at the time the vacation is taken.

5. a. No employee shall accrue more than two (2) times their annual vacation hours. For example, if an employee is eligible for 80 hours of vacation, they may accumulate a maximum of 160 hours of vacation; if eligible for 120 hours of vacation, they may accumulate 240 hours of vacation; and if eligible for 160 hours of vacation, they may accumulate 320 hours of vacation.

b. When the maximum vacation accrual is reached, an employee will cease to accrue any additional vacation time until vacation hours are taken. An employee will again begin to accrue vacation once he or she is below their maximum. Vacation accrual is not retroactive to the beginning of the calendar year.

c. Upon the request of an eligible employee, the Employer shall provide payment of up to one-half ($\frac{1}{2}$) of an employee's total accrued vacation to a maximum of two (2) weeks (80 hours) on an annual basis. Such requests for payment of accrued vacation will be accepted from January 1st to February 1st of each year, and will be paid on or about March 1st of that year. In addition, all employees working in tipped job classifications may request pay in lieu of time off for all of their accrued vacation in excess of forty (40) hours on a yearly basis. Such requests for payment of accrued vacation will be accepted from January 1st to February 1st of each year, and will be paid on or about March 1st of that year.

B. Vacation Accrual by Calendar year

1. All eligible employees shall receive vacation based on the number of straight time hours worked as well as vacation hours paid from the anniversary of their date of hire to the end of the calendar year in which hired and for each succeeding calendar year in which hired and for each succeeding calendar year thereafter; however, an employee on authorized leave of absence for illness or injury shall not accrue additional vacation.

2. Vacation credits earned by an eligible employee in the first (1st) calendar year of service may not be used until nine (9) months of continuous service have elapsed from date of hire, or after the beginning of the calendar year following the year in which the employee became eligible to accrue credited vacation hours, whichever is later. Vacation credits thereafter shall be accrued on a calendar year basis.

3. At the end of each calendar year, the Employer will furnish to each Department for posting, a listing of the name and number of vacation hours accrued by each eligible employee.

4. a. TWO (2) WEEK VACATION ACCRUAL FORMULA

Eligible Regular employees shall accrue vacation benefits on the two (2) week vacation accrual formula beginning with the start of employment as a Regular employee through the end of the 4th year of service based upon formula "A" below.

b. THREE (3) WEEK VACATION ACCRUAL FORMULA

Eligible Regular employees shall accrue vacation benefits on the three (3) week vacation accrual formula beginning with the start of the 5th year of service through the end of the 14th year of service based upon formula "B" below.

c. FOUR (4) WEEK VACATION ACCRUAL FORMULA

Eligible Regular employees shall accrue vacation benefits on the four (4) week vacation accrual formula beginning with the start of the 15th year of service based upon formula "C" below.

Vacation hours accrued in a given year shall be available to be taken as of January 1 of the following year.

d. FIVE (5) WEEK VACATION ACCRUAL FORMULA

Effective 3/1/00, eligible Regular employees shall accrue vacation benefits on the five (5) week vacation accrual formula beginning with the start of the twentieth (20th) year of service based on formula "D" below:

Example: Regular employee hired on 1/1/93

<u>Year</u>	<u>Dates of Employment</u>	<u>Maximum Accrual</u>	<u>Maximum Hours Available to Take</u>
1	1/1/93 - 12/31/93	80 hrs	0 hours
2	1/1/94 - 12/31/94	80 hrs	80 hours
3	1/1/95 - 12/31/95	80 hrs	80 hours
4	1/1/96 - 12/31/96	80 hrs	80 hours
5	2/1/97 - 12/31/97	120 hrs	80 hours
6	1/1/98 - 12/31/98	120 hrs	120 hours
7-14	1/1/99 - 12/31/06	120 hrs	120 hours
15	2/1/07 - 12/31/07	160 hrs	120 hours
16	1/1/08 - 12/31/08	160 hrs	160 hours

FORMULA "A"
Two (2) Week Vacation Accrual Formula

<u>HOURS WORKED</u>	<u>PAID VACATION HOURS</u>	<u>EQUIVALENT DAYS OFF</u>
1800	80	10
1620	72	9
1440	64	8
1260	56	7
1080	48	6
900	40	5
720	32	4
540	24	3
360	16	2
180	8	1

FORMULA "B"
Three (3) Week Vacation Accrual Formula

<u>HOURS WORKED</u>	<u>PAID VACATION HOURS</u>	<u>EQUIVALENT DAYS OFF</u>
1800	120	15
1680	112	14
1560	104	13
1440	96	12
1320	88	11
1200	80	10
1080	72	9
960	64	8
840	56	7
720	48	6
600	40	5
480	32	4
360	24	3
240	16	2
120	8	1

FORMULA "C"
Four (4) Week Vacation Accrual Formula

<u>HOURS WORKED</u>	<u>PAID VACATION HOURS</u>	<u>EQUIVALENT DAYS OFF</u>
1800	160	20
1710	152	19
1620	144	18
1530	136	17
1440	128	16
1350	120	15
1260	112	14
1170	104	13
1080	96	12
990	88	11
900	80	10
810	72	9
720	64	8
630	56	7
540	48	6
450	40	5
360	32	4
270	24	3
180	16	2
90	8	1

FORMULA "D"
Five (5) Week Vacation Accrual Formula

<u>HOURS WORKED</u>	<u>PAID VACATION HOURS</u>	<u>EQUIVALENT DAYS OFF</u>
1800	200	25
1728	192	24
1656	184	23
1584	176	22
1512	168	21
1440	160	20
1368	152	19
1296	144	18
1224	136	17
1152	128	16
1080	120	15
1008	112	14
936	104	13
864	96	12
792	88	11

<u>HOURS WORKED</u>	<u>PAID VACATION HOURS</u>	<u>EQUIVALENT DAYS OFF</u>
720	80	10
648	72	9
576	64	8
504	56	7
432	48	6
360	40	5
288	32	4
216	24	3
144	16	2
72	8	1

5. Vacation - Short term. Employees, with at least six (6) months of continuous service, who voluntarily terminate or are discharged, shall, upon the termination of employment, be compensated in lieu of earned vacation. Such amounts are to be computed in accordance with the provisions of Section A above.

6. a. Vacations may, at the option of the employee, be scheduled for periods of one through eight weeks in one week increments, which may be taken at any time during the calendar year after he or she become eligible to take vacation, by mutual agreement of the employee and the Employer, subject to the Employer's determination of the need for the employee's services. In the event of conflict in the dates affecting two or more employees, the employee(s) with the greater length of service in job classification will be given the preference.

b. **Pre-approved vacation requests for the periods listed below must be submitted on a timely basis and the approved vacations (as determined by the Employer's need for the employee's services) will be posted by the dates listed below:**

<u>Pre-approved Vacation Time periods</u>	<u>Vacation Requests Due</u>	<u>Posted</u>
Feb. 1 – May 31	Dec. 1	Jan 15
June 1- Sept. 30	Apr. 1	May 15
Oct. 1- Jan 31	Aug 1	Sept. 15

Employees who fail to request a vacation as herein outlined will be granted vacation at a mutually agreeable time subject to the Employer's need for the employee's services.

The Employer shall post notices of the pre-approved vacation request period with the employees schedules approximately thirty (30) prior to final submittal dates.

c. Vacations shall be scheduled to commence on the day following the second (2nd) of any employee's regular days off.

d. Vacation pay shall be paid to employees in this Agreement in the same manner that it is paid to other employees at the Disneyland Resort.

7. An eligible employee may request that accrued vacation be utilized for the purposes of sick pay beginning with the second (2nd) and/or subsequent days off due to illness or injury. The Employer may require proof of illness or injury in any case if it desires and an employee not furnishing such proof will not be entitled to any vacation/sick leave pay. Any day of illness or injury compensated for by the use of accrued vacation shall count as an occurrence for the purposes of the absenteeism guidelines.

8. An eligible employee must utilize accrued vacation in excess of two (2) weeks while on Family Care leave, and may request that all accrued vacation be utilized while on Family Care leave.

ARTICLE 19 SENIORITY

Seniority shall be utilized in the following manner:

A. Company seniority, defined as the first day worked as a Regular employee for the Employer, shall be utilized to determine vacation eligibility.

B. Unit/Location seniority, defined as the first day worked, as a Regular employee in a specific job classification, in a specific unit, shall be utilized for preference in work schedules, layoffs, and recalls, within each unit and job classification. Each restaurant, bar, etc., is considered a separate unit for purposes of unit seniority. Where employees possess the same unit seniority, preference will be given to the employee with the greater company seniority. Where practicable, based upon filling guest needs and/or requirements, the Employer shall attempt to schedule maximum hours per shift and provide the opportunity for the more senior employees to bid for the greater hours unless by employee request, bid, preference, leaves of absence, holidays and/or vacations the more senior employees shall receive greater hours than less senior employees based on the principles of seniority; however, this shall not be considered a guarantee of a forty-hour (40 hr.) workweek.

C. In those units/locations* that have an established day and night crew and schedule, it is agreed that employees, regardless of seniority, may not claim a position on a different shift/crew until an opening occurs through attrition, the creation of an additional position/schedule, or any other bonafide on-going opening. When an available position occurs on any shift it shall be available to all employees within the unit/location on the basis of seniority where skill and ability are relatively equal as determined by the Employer. An employee who accepts a position on a different shift/crew shall initially fill the shift which is available but will thereafter be scheduled on the basis of their unit/location seniority if changes in the schedule occur.

The following units/locations have an established day/night crew and schedule:

D/L Hotel

Granvilles Front of House
Hook's Point Front of House
Goofy's Culinary
Room Service Culinary
Granvilles Culinary
Bake Shop
Custodial
Room Service

Paradise Pier Hotel

- Main Kitchen
- Stewarding
- Yamabuki's

D. In no event shall any employee, regardless of seniority, have the right to any specific assignment or schedule in the absence of an opening, except when returning from an authorized leave of absence or vacation or when there is a significant change in the nature of the operation within the specific unit. In the event of such a change the revised schedule, as determined by the Employer, will be open to affected employees and the principles of seniority will be observed where skill and ability are relatively equal as determined by the Employer.

Where requests are made simultaneously, vacation periods and leaves of absence will be awarded by seniority. Requests not to be scheduled on a holiday will be awarded by seniority. Every effort will be made to assure that the preferences are protected. This language is not meant to imply that the Employer must grant any request for time off when the needs of the business, as determined by the Employer, do not allow it.

A Casual-Temporary employee who is converted to Regular status shall receive a vacation accrual date which is identical with his most recent seasonal hire date.

E. Seniority will be lost under the following circumstances:

1. Discharge for just cause.
2. Resignation
3. Layoff and not recalled within six (6) calendar months.
4. Loss of unit seniority:
 - a. Transfer to new location
 - b. Change in job classification

F. Newly hired or rehired Regular employees shall be considered to be on probationary status during the first sixty (60) calendar days of employment with the Employer. During the probationary period, an employee shall be subject to termination at the sole and absolute discretion of the Employer and such termination shall not be subject to grievance and/or arbitration by either the Union or the employee. All other terminations shall be for just cause only.

G. The seniority principles outlined in Article 19. Seniority shall not apply where employees are being promoted from a bargaining unit classification to a temporary non-bargaining unit management position. When this occurs the employee shall maintain his or her classification for a period of fifty-two (52) consecutive payroll weeks for purposes of transferring back to such

classification. The above referenced fifty-two (52) weeks may be extended by mutual agreement of the parties.

H. An employee accepting a full-time position with the Union shall be entitled to return to their former position with no loss of seniority if they return to their former position within fifty-two (52) consecutive payroll weeks from the date of accepting such position with the Union.

See the Disney's Paradise Pier Hotel Specific Language Section for more information.

CROSS UTILIZATION

Each Resort Hotel may utilize employees from either of the other two (2) Resort Hotels when Regular employees are not available at straight time rates of pay. When utilizing employees from one Hotel to another, the Company will first look to the Hotels in the order in which they were built and/or acquired, i.e., DLH, PPH and GCH. Seniority will then be utilized in the job classification where additional labor is needed. The Company will first offer the additional hours/shift to available employees in seniority order who are available at straight time rates of pay. If more senior Regular employees choose not to work, the Company will schedule employees in reverse order until all needed hours/shifts have been filled. This provision shall not be used to circumvent seniority.

If Regular employees are not available at straight time rates of pay from the Hotel receiving the request for additional labor and mandatory overtime must be scheduled in the Hotel originating the request, the Hotel originating the request shall schedule its own employees for the mandatory overtime. Employees from the Hotel receiving the request for additional labor shall not be required to work mandatory overtime in the Hotel originating the request for additional labor.

ARTICLE 20 HOLIDAYS

1. The following days are considered holidays and are to be paid to Regular employees when no work is performed:

New Years Day, Martin Luther King, Jr. Birthday, President's Day, Easter Sunday, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas, Floating Holiday (requested by Cast Member and approved by management).

To be entitled to holiday pay a Regular employee must have completed their probationary period and also must have worked his last scheduled workday prior to the holiday, and their next regularly scheduled shift immediately following the holiday, unless excused by the Employer.

2. Any work performed on recognized holidays by eligible employees shall be paid for at two (2) times the employees regular rate of pay.

3. Any Regular employee who is regularly scheduled to work on recognized holiday and who does not work as scheduled shall not receive holiday pay in accordance with Section 1.

4. Eligible employees on Personal Leaves of Absence or layoff of five (5) days or more, with the exception of Workers' Compensation, shall not receive holiday pay if holiday falls within leave period or layoff period.

5. An eligible employee who fails to return to work immediately following a paid holiday, as scheduled, may qualify for holiday pay provided the employee proves satisfactorily to the Employer that the failure to return was caused by personal illness, injury or death in the immediate family and provided that the employee returns to work within thirty (30) calendar days following the holiday.

6. In each unit/location, by job classification and by descending order, regular status employees will be offered the opportunity to not work on a recognized holiday.

ARTICLE 21 UNIFORMS/COSTUMES

For purposes of this Article, "uniform" or "costume" means outer garments, excluding shoes, which are required to be worn exclusively while carrying out the duties and responsibilities of the position and which are substantially different from the design or fashion of the general population and which can be worn as normal attire. This definition includes items that serve to identify the person, functions performed, rank or name of Hotel.

See the Disneyland Hotel, Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel Specific Language Section for more information.

1. The employee to whom such uniform is supplied shall be responsible for payment of any loss thereof, or willful damage thereto, or damage due to negligence excluding normal wear and tear. At the time an employee is terminated, the employee shall return all uniforms to the Hotel prior to receipt of his/her final check. If this is not done, the Employer will deduct the replacement value of items not returned.

2. Any person held responsible for his laundry service shall be reimbursed by the Employer at the value placed on laundry service by the minimum wage orders of the California Division of Labor Standards Enforcement, as issued from time to time, but in no event less than one (\$1.00) dollar per week.

3. The Employer shall furnish rubber aprons and boots for any employee required to use steam or water hoses.

4. In the event the Employer deems it necessary to inspect an employee's locker/garment bag the following personnel shall be present when such inspection occurs:

(a) The employee and/or his or her duly appointed Union Representative.

(b) A member of management from other than the area of the inspecting Supervisor or the employee.

5. The employee assumes full responsibilities for items contained within his locker/garment bag, and the Employer shall bear no liability for any lost items.

ARTICLE 22
POSTING AGREEMENT

A. The Employer shall provide one bulletin board, under glass and locked, of a size approximately 60" x 40"; to be used by the Union (or Unions) which has/have labor Agreements with the Employer. The Union bulletin board is to be confined to the posting of official Union business. The Employer agrees to post such material received by the Union(s) within twenty-four (24) hours of receipt of the materials and reserves the right not to post such materials if so chooses and such failure to post shall be subject to the grievance and arbitration procedure within this or any other labor Agreement of which the Employer is party to.

B. The Employer reserves the right to select the location where the bulletin board shall be placed. The Union agrees that the bulletin board shall be the only location where Union information or materials may be posted on the premises of the Employer.

ARTICLE 23
ROOM ATTENDANTS

A. Room Attendants shall be required to do a maximum of fourteen (14) rooms on any eight-hour shift.

B. On a voluntary basis, Room Attendants may do more than the fourteen (14) rooms referenced above. If this occurs, a Room Attendant shall be paid a rate of five dollars (\$5.00) per room for each additional room. Suites shall count as the number rooms in the suite.

C. 1. If the required rooms are on three (3) or more floors, the room quota shall decrease by one (1) room.

2. For the purposes of this Article, two (2) or more towers is equivalent to three (3) or more floors.

3. If ten (10) checkouts are among the required fourteen (14) rooms, the room quota shall decrease by one (1) room.

4. If six (6) or more checkouts are among the required fourteen (14) rooms, the Room Attendants will receive Houseman support for three (3) of the checkout rooms. The Houseman support will be stripping of the beds, removal of linens and trash, from the rooms and the Room Attendant's cart. However, the current practice of support for more than three (3) of the check out rooms at Disney's Grand Californian will continue.

D. In addition to the cleaning and making up of rooms, the responsibilities of the Room Attendants shall include all duties consistent with the cleaning and making up of hotel room.

See the Disneyland Hotel, Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel Specific Language Section for more information.

ARTICLE 24
TRAINING/MEETINGS

1. If an employee is required to attend a meeting or training session during a non-scheduled workday, such employee shall be entitled to receive a minimum of four (4) hours pay at the straight time rate. When an overtime condition exists, the employee shall be paid this minimum four (4) hour pay in accordance with Article 16.

2. If an employee is required to attend a meeting or training session immediately preceding or following such employee's scheduled workday, compensation shall be on a straight time basis for the actual time of the meeting or training session except when overtime conditions exist. Overtime shall be paid in accordance with Article 16.

ARTICLE 25
MEALS

All employees shall be responsible for and required to pay for their own meals.

ARTICLE 26
GRIEVANCE AND ARBITRATION PROCEDURE

A. Any grievance filed by an employee under this Agreement, with the exception of vacation pay grievance, shall be filed within fifteen (15) working days after the alleged violation and any determination through the grievance and arbitration procedure shall not exceed thirty (30) calendar days retroactive computation prior to the violations.

B. Grievance Procedure:

Step 1.a. Any employee who believes he or she has a specific justifiable request or complaint in regard to wages, hours, conditions of employment or interpretation of this Agreement shall discuss the same with his immediate supervisor with, or without, a Union representative being present, as the employee may elect, in an attempt to settle the issue. Any solution or settlement shall be consistent with the terms and provisions of this Agreement. Any issue not raised within fifteen (15) working days after its occurrence, or after the aggrieved became aware or should have become aware of the alleged violation, shall be deemed waived or abandoned. If the issue is not settled within five (5) working days after its presentation to the supervisor, the employee or the Union representative may proceed to Step 2 of the grievance procedure within seven (7) working days.

b. In case of discharge, either party may unilaterally waive Step 1 and proceed directly to Step 2.

An employee notified of warnings, in writing, shall be expected to sign such notice as acknowledgment of receipt, but such signing shall in no way constitute agreement with the contents of such notice.

Step 2.a. Upon invocation of Step 2, any complaint not resolved under Step 1 shall be reduced to writing, setting forth the alleged violation, date, those involved and location and

presented to Human Resources/Labor Relations. The Employer representative and the Union Business Representative shall meet within seven (7) working days to attempt to settle the same. The answer to a grievance shall be reduced to writing and forwarded to the grievant's representative within seven (7) working days after the parties have met.

b. If a satisfactory solution was not arrived at in Step 2, then Step 3 may be invoked within seven (7) working days following receipt of the unsatisfactory written answer by notifying the personnel representative in writing.

Step 3.a. If an issue cannot be resolved in accordance with the procedures described above the moving party may elect to refer the matter to an impartial arbitrator by giving written notice upon the **Director of Labor Relations** or his designated representative indicating its desire to arbitrate. The Written demand for arbitration shall set forth the grievance to be arbitrated, the Article(s) of the Agreement alleged to have been violated, and the relief sought.

Representatives of the Union and the Employer shall attempt to select an arbitrator from the permanent panel of five (5) to hear and determine the specific grievance (Doug Collins, Howard Block, Bill Rule, Jonathon Monat, **Tom Roberts**). In the event an arbitrator cannot be mutually agreed upon within five (5) working days after the written demand for arbitration has been served, the Union shall first strike one (1) name from the list and the Employer shall then strike one (1) name, thus alternating until the remaining name shall be the arbitrator.

The arbitrator shall not have any authority, jurisdiction or power to alter, amend, change or modify, add to or subtract from any of the provisions of this Agreement.

The arbitrator shall have the power and authority to award appropriate relief and to remedy any violations of this Agreement and to preclude any such further violations, but he shall not have the power or authority to award punitive or exemplary damages. The award of the arbitrator shall be final and binding upon the Union, the employee involved, and the Employer.

b. All time limits may be extended by mutual consent of the parties. Noncompliance with the time limits or mutual extension thereof, on the part of the moving party, shall result in forfeiture of that party's position.

c. The fees and expenses of the Arbitrator shall be borne by the party against whom the Arbitrator makes a decision.

d. Calculations for any retroactivity regarding tips and/or gratuities shall be based on declared tips and/or gratuities.

e. Employees changing their personal status (name or social security number) shall not be subject to disciplinary action.

C. Should the Employer feel that there is a just complaint the matter shall be taken up with the Business Representative of the Union and if a satisfactory settlement is not reached, the Employer may proceed in an attempt to settle the issue in the same manner as outlined herein for the adjustment of an employee complaint.

ARTICLE 27
CONTRIBUTIONS OR DEDUCTIONS

No employee shall be required to subscribe to any form of insurance or to make any contribution or to suffer any deduction from his wages except as required by law or by this Agreement.

ARTICLE 28
HEALTH BENEFIT AND RETIREMENT PLAN

A. Health Benefit Plan.

1) The Long Beach and Orange County Hotel Employees and Restaurant Employees Health Benefit Fund as originally established January 8, 1953, and as subsequently amended is hereby continued for employees at the Disneyland Hotel, and the parties hereto shall continue to designate the Trustees pursuant to the Agreement and Declaration of Trust.

B. 1. While this Agreement is in effect, the Employer agrees to provide eligible employees at Disney's Paradise Pier Hotel and Disney Grand Californian Hotel, Disney Health & Welfare coverage on the same basis as provided to non-bargaining unit employees (including its salaried employees) of the Employer, including participation in the Employer's Flex Benefit Plan known as Signature, to all eligible employees. Eligible employees shall be defined as Regular employees whose regular employment status is to work five (5) days in each week, or a minimum of twenty-five (25) hours per week. Eligible employees coverage shall become effective the first day of the month following completion of thirty (30) days of continuous service as a Regular employee.

2. For employees at Disney's Paradise Pier and/or Grand Californian Hotel who are currently covered under the Disney Signature Health & Welfare Plan, such employees shall be afforded the opportunity to make a one-time election to be covered under the HERE Union Health & Welfare Trust, in lieu of the Disney Plan. Such election will be made prior to May 1, 2004. For those employees who choose to be covered under said Union Health & Welfare Trust, the Company will begin contributions on their behalf to the HERE Union Health & Welfare Trust as of June 1, 2004, for hours worked and/or paid in May 2004.

C. 1. Eligible Regular employees at Disney's Paradise Pier and/or Grand Californian Hotel who are hired on or after May 1, 2004 will be afforded a one-time opportunity to elect Health & Welfare coverage between the Union Health & Welfare Trust and the Disney Signature Health & Welfare Plan. The election will be made upon first meeting the eligibility requirements of the Disney Signature Health & Welfare Plan.

2. Eligible Regular employees referenced in C.1. above shall be defined as those employees who meet all of the eligibility requirements of the Disney Signature Health & Welfare Plan.

3. For Casual Temporary employees, Regular employees not eligible for the Disney Signature Health & Welfare Plan, and eligible Regular employees who have chosen to participate in the Union Health & Welfare Trust, the Company shall make contributions

to the Union Health & Welfare Trust for all hours worked and/or paid in the amounts listed below for all employees not participating in the Disney Signature Benefit Plan. The Company shall not be obligated to provide such payments to the Union Health & Welfare Trust for any employees who choose to participate in the Disney Signature Benefit Plan.

4. Such payments to the Union Health & Welfare Trust shall be as follows:

2/1/04	- \$2.23/hr
2/1/05	- \$2.35/hr
2/1/06	- \$2.45/hr
2/2/07	- \$2.55/hr

5. Casual Temporary employees and Regular employees who are not eligible at the time of hire for the Disney Signature Plan, and the Company is making contributions to the HERE Health & Welfare Trust at Disney's Paradise Pier Hotel and/or Disney's Grand Californian Hotel, will be afforded the opportunity to make a one-time election between the Union Health and Welfare Trust and the Disney Signature Benefit Plan, if and when they meet the eligibility requirements for the Disney Signature Benefit Plan .

D. Retirement Plan.

1. The Long Beach and Orange County Hotel Employees and Restaurant Employees Retirement Fund as originally established December 21, 1959, and as subsequently amended, is hereby continued and the parties hereto shall continue to designate the Retirement Fund Committee pursuant to the Trust Agreement and Retirement Benefit Plan.

2. The Employer contributions for the Retirement Fund have been or shall be as follows based on each hour worked or required to be paid for all employees:

2/1/98	fifteen cents (15¢)/hour.
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3. If at any time the actuarial soundness of the pension plan is jeopardized due to decrease in the number of participating employers the Trustees shall immediately adjust the eligibility or benefits to maintain actuarial soundness.

4. In the job classifications listed in this paragraph [Bellhelp, Room Attendants, and Cooks and Pantry Personnel (identified in Appendix A, Wage Rates with a (+)), the Company has agreed to make benefit contributions (Health & Welfare and Pension) on the basis of eight (8) hours for shifts of less than eight (8) hours in length.

E. Compliance

1. The Employer hereby agrees to accept, be bound by and comply with as fully as though he were signatory thereto, all the terms of the Agreement and Declaration of Trust establishing the Health Benefit fund and the Trust Agreement and Retirement Benefit Plan establishing the Retirement Fund, and as the same may be amended from time to time by the parties hereto, subject to the Memorandum of Agreement between Disneyland Hotel/Disney's Paradise Pier Hotels, and the H.E.R.E. Union, Local 681, dated April 1, 1994.

2. The Health Benefit Fund may act as collection agent for both Funds. The manner of transfer and the manner of computing the amount of such payments shall be determined by the Trustees in accordance with the terms of the Trust documents.

3. Contributions for both Funds shall be payable between the 1st and 15th of each month and shall be based upon hours worked or required to be paid for during the preceding month.

4. The foregoing contributions shall be paid on hours worked or required to be paid for an employee working in said classifications irrespective of membership or non-membership in the Union, and shall include but shall not be limited to full-time, temporary, and short-hour employees, and vacation hours required to be paid for.

5. If the Employer is delinquent in his reporting or the making of any contributions to both Funds, as determined by the procedure adopted by the Trustees, he shall be required to pay the additional administrative costs of processing, handling, administering and collecting such delinquent accounts. Upon investigation, it has been determined that such additional administrative costs are in an amount equal to ten percent (10%) of the amount owed by the Employer or twenty (\$20.00) dollars, whichever is greater. The parties hereby agree that said additional administrative costs shall be fixed at the amount specified in the preceding sentence. Such additional administrative costs shall be in addition to and not in lieu of any costs such as auditing costs, legal fees and court costs which are provided for in any Trust document.

F. 401(k) Plan

While this Agreement is in effect, the Employer agrees to provide the hourly 401K Plan on the following basis:

1. Eligible employees may contribute up to fifteen (15%) of their annual hourly straight time wages on a pre-tax basis, up to the maximum provided by Federal Law; currently \$13,000. The Company will make a matching contribution equal to one-half of the first four (4%) percent of the employee contribution, for a maximum Company contribution of two (2%) percent of straight time wages up to the IRS maximum. The Company matching funds are invested automatically in Disney stock and may not be transferred to another investment fund.

2. Eligible employees are defined as bargaining unit employees over the age of 18 who have completed one (1) year of service with a minimum of 750 hours.

Bargaining unit employees who, during their last period of continuous employment, have completed at least one (1) year of service of 750 hours prior to the effective date of the implementation of the 401(k) Plan, shall be deemed to have met the qualifying year and may elect to enter the Plan and begin employee contributions upon recognition of the Union.

Bargaining unit employees who have met the Plan eligibility requirements and have completed three (3) years of service prior to the effective date of the implementation of the 401(k) Plan, shall be deemed to have met the cliff vesting requirement referenced in paragraph three (3) below.

3. Three year cliff vesting shall apply. That is, eligible employees who have met the Plan eligibility requirements must complete three (3) years of service to become vested in the matching Company contributions from the 401(k) plan.

Eligible employees who participate in the 401(k) plan but terminate their employment prior to becoming vested shall retain their own employee contributions plus any investment return, but shall forfeit any matching Company funds, including any investment return on such Company funds.

4. Employees hired on or after June 1, 2000, shall not be eligible to join or participate in the Disneyland and Associated Companies' Retirement Plan, or be eligible for Company contributions into any Union Pension Plan or Trust.

Eligible employees hired prior to 6/1/00, will remain eligible for participation in the Disneyland and Associated Companies' Retirement Plan according to the Plan eligibility and requirements, or for contributions into a Union Pension Plan or Trust, where applicable by specific Union Agreement.

5. The Company reserves and retains the right to administer the Plan internally or through the use of an outside administrator, to change or modify the investment choices available to the participants of the Plan, to charge an administrative fee directly to participant accounts, to charge transaction fees directly to a participant account (for example, loan setup and ongoing processing fees), to modify the Plan as necessary to remain in compliance with applicable law, and to make any other design decision, change or modification to the Plan deemed appropriate by the Company, with the exception of vesting requirements, eligibility for participation and Company matching contributions.

ARTICLE 29 OTHER DUTIES

See the Disneyland Hotel, Paradise Pier Hotel and Disney's Grand Californian Hotel for Specific Language Section for more information.

A. 1. Job content, with regard to duties and responsibilities, shall determine the job, and the mere change or creation of a new and/or different classification shall not exempt such employees or classifications from the Agreement, or negotiations regarding wage rates for such classification.

B. 1. Waithelp - Those who serve the public food and beverage at counters, tables or booths. They shall be permitted to do "Drug Store" and "Side Work" pertaining to their craft, but they shall not do any porter work. Their duties shall include the self-banking of guests checks where assigned by management, as well as minor clean-up around their assigned station, and may combine the serving of the public with a small amount of the preparation of food or some miscellaneous work.

2. **Pantry - Prepares, measures, mixes (following recipes) and/or cooks basic appetizers (hot/cold), garnishes, salads, entrees, sandwich fillings and other food items. May wash, slice and peel vegetables and fruit. May carve and slice meats and cheese. Produces garde manger work for banquets and restaurants. Portions and arranges food on serving dishes and is responsible for portion control and plate presentation. May prepare sandwiches to individual order or on a production line basis. May cook, mix, and/or season ingredients to make dressings, batters, fillings and spreads. May bake, broil, cook, fry or**

steam food items as required to complete assigned production. Responsible for ensuring food is cooked to proper standards. Cleans kitchen equipment and practices all HACCP procedures. (This classification will replace the Pantry I and Pantry II classification at the Disneyland and Paradise Pier Hotels.)

3. **Dinner Cook** – Prepares, seasons, and cooks stocks, soups, sauces, meats, vegetables, desserts and other foodstuffs for consumption in hotels and restaurants. Reads menu to estimate food requirements and procures it from storage. Adjusts thermostat controls to regulate temperature of ovens, broilers, grills, roasters and steam kettles. Formulates and prepares complex recipes, including bakery/pastry recipes and high-end specialty desserts for banquets and fine-dining restaurants. May assist Pastry Chef/Head Baker with Cake Decorating. Measures and mixes ingredients according to recipe, using variety of kitchen utensils and equipment, such as blenders, mixers, grinders, slicers, and tenderizers, to prepare soups, salads, gravies, desserts, sauces, and casseroles. Bakes, roasts, broils, and steams meats, fish, vegetables, and other foods. Adds seasoning to foods during mixing or cooking according to personal judgement and experience. Observes and tests food being cooked by tasting, smelling, and piercing with fork to determine that it is cooked. Cleans kitchen equipment and practices all HACCP procedures. (classification will replace Banquet Cook at DLH.)

4. **Order/Grill Cook** – Prepares and cooks to order bacon, french toast, eggs (any style), sausage, hash browns, pancakes, waffles, sandwiches, as well as meats, fish, poultry and vegetables to be fried, broiled, or grilled. Prepares french fries in shallow or deep fat. Prepare exhibition omelets, pastas, sandwiches, and pizzas. May be assigned as attendant at a carving station. May be assigned complex garde manger work for banquets. Assist Dinner Cook with production of food for restaurants and banquets. May replenish food displays. Responsible for ensuring food is cooked to proper standards. Cleans kitchen equipment and practices all HACCP procedures. Uses the following equipment: Grill, Gas range, electric range, broiler, deep fat fryer, serving table, refrigeration, waffle iron, griddle, skillets and other standard kitchen equipment.

5. **Pastry Cook/Baker** – Provides basic production support. May prepare and bake cookies, pies, cakes, breads, pastries, brownies, rolls, muffins and biscuits according to recipe. Finishes desserts and pastries by glazing, dipping, topping. Fulfills responsibility of baker. May replenish bakery displays in family restaurants with buffets. May dish up desserts in table service restaurants. Checks production schedule to determine variety and quantity of goods to bake. Measures ingredients, using measuring cups and spoons. Mixes ingredients to form dough or batter by hand or using electric mixer. Cuts dough into uniform portions with knives or divider. Molds dough into loaves or desired shapes. Places shaped dough in greased or floured pans. Spreads or sprinkles topping, such as jelly, cinnamon, and poppy seeds on specialties. Places pans of dough in proof box to rise. Inserts pan of raised dough in oven to bake, using peel. Adjusts drafts or thermostatic controls to regulate oven temperature. Removes baked goods from oven and places on cooling rack.

6. **Pastry Chef/Head Baker** – Creates and design specialty desserts, show pieces. Leads cake decorating for weddings and special events. Acts as food stylist work for banquets and specialty restaurants. Able to present and discuss specialty pastry/cake designs with Banquet Event Clients. Role models technical skills required for baker/pastry culinary production. Creates complex formulations using innovative production techniques.

7. Receiver (Non-Inventory Control) - Assists Receiver (inventory control) by helping inspect, weigh, unload, and distribute all food and non food supplies. Assists Receiver (Inventory Control) in maintaining stock levels by dating, rotating and properly storing food and non food items. Cleans, stocks, and organizes all storage and refrigeration areas. Assists in completing production and spoilage records as required.

8. Receiver (Inventory Control) - Receives and signs for all food supplies. Verifies by inspection, weighing, and the quality and quantity of all products received. May unload and distribute all supplies. Maintains stock rotation and dates all items. Orders and maintains stock at appropriate levels. Completes all related paperwork and ensures timely distribution to appropriate locations. Maintains food costing system and completes food inventories. Cleans, stocks, and organizes all storage and refrigeration areas. May be responsible for maintaining food production and spoilage records.

ARTICLE 30
SUBCONTRACTING

See the Disneyland Hotel, Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel Specific Language Section for information.

ARTICLE 31
GENERAL SAVINGS

It is the intent of the parties hereto to abide by all applicable Federal and State statutes and regulations covering the subject matter of the Agreement. Should any provision or provisions of this Agreement be determined to be contrary to any such State and/or Federal law, all other provisions of this Agreement shall remain in full force and effect, and substitutions for the invalidated provision(s) shall be negotiated immediately.

ARTICLE 32
PROMOTIONS AND TRANSFERS

There will be no permanent changes in job classification or transfer to different units/locations without mutual consent between the Employer and employee, unless necessitated by business or operational needs (i.e., special skills or abilities, lack of qualified employees in a particular unit/location.) Under these circumstances, the Employer may unilaterally transfer people as needed, within their job classification. The decision to transfer employees would not be made in an arbitrary and capricious manner. The decision by the Company will be subject to the grievance procedure concerning whether or not the decision was arbitrary and capricious. Temporary transfers at Employers direction will not adversely affect seniority. In order to provide the employee with the opportunity to transfer from one department to another and to further provide for promotions, the Employer agrees to post available job openings within the bargaining unit for a period of five (5) days. **Lead opportunities shall be posted for seven (7) days.** During that posting period, the Employer shall not be limited from filling the available opening temporarily on an immediate basis or from any source on a first come first serve basis. Qualified employees shall be permitted to bid on available openings and where skill and ability are considered by the

Employer to be relatively equal, the Employer shall offer qualified employees on the basis of bargaining unit seniority, first; unit seniority, second; and where both seniorities are equal, Company seniority shall prevail.

In the event an employee transfers to another unit or job, the employee shall be considered probationary for a period of twenty (20) working days or forty-five (45) calendar days, whichever comes sooner. If the Employer determines that the employee is unqualified in the new position, the Employer shall return said employee to the previously held position immediately with no loss of unit seniority in the previous unit. If the employee requests a return to the previous position during the probationary period, that employee will be returned to the first available opening without loss of unit seniority. The Employer's determination as referenced above shall not be arbitrary or capricious in nature.

ARTICLE 33 JURY DUTY

A. Whenever a Regular status employee covered by this Agreement with one (1) or more years seniority is summoned for Jury Service and makes prompt application to his Department and is then excused from regularly scheduled work and reports for Jury Service and furnishes the Company with a certification of Jury Service, signed by an official of the court reflecting Jury pay received, he shall be paid the difference between Jury pay received and the amount he would have normally received for his regularly scheduled shift at his regularly scheduled straight time hourly rate as provided below.

B. Any employee who is called for Jury Service and loses time from work, but is not accepted, released or his services are terminated, must report to his job promptly provided that three (3) hours or more of work time remains in his regularly scheduled shift.

C. An employee who is working on either the second or the third shift at the time of receiving official notice to report for active Jury Service shall promptly notify his supervisor of the fact. The employee shall then as soon as possible be temporarily rescheduled to work on the first shift for the duration of his period of Jury Service. In the event that the employee is requested to be on Jury Service for less than five (5) days, the employee will be rescheduled to work on the first shift for those days only. When an employee is notified that his Jury Service obligation has expired, he shall promptly notify his supervisor of the fact. At least eight hours of non-work time shall elapse between the old and the new shift.

D. Jury Service pay shall not exceed twenty (20) working days in any one calendar year.

E. The Employer reserves the right to not excuse any eligible employee for Jury Service when such employee's services are needed by the Company because qualified replacements are not available or the employee's absence would result in a hardship to the Employer.

ARTICLE 34
TERM OF AGREEMENT

1. This Agreement shall become effective **February 1, 2004** and said Agreement shall **continue in full force and effect through January 31, 2008**. It shall remain in effect from year to year thereafter subject to the right of either party to terminate the Agreement upon the giving of written notice by either party to the other at least sixty (60) days prior to the expiration date of the Agreement or any extension thereof.
2. Either party to the Agreement may terminate it or reopen it for new negotiations on **January 31, 2008 by giving notice in writing to the other party of not less than sixty (60) days prior to January 31, 2008** and in the absence of notice in writing, the Agreement shall be renewed for another calendar year but may be terminated or reopened for negotiations by either party by giving not less than sixty (60) days notice in writing prior to any such annual anniversary date; and the Agreement shall be renewed automatically from year to year thereafter until terminated by one of the parties hereto in the manner provided on the annual anniversary date.

ARTICLE 35
GROUP CLASSIFICATIONS

1. It is recognized that the total number of hours of work in the workweek are divided into two (2) Group Classifications:

Regular:	Employees regularly scheduled to work forty (40) hours or less per week.
Casual Temporary:	Employees hired primarily to supplement the Regular personnel during the Christmas, Easter, and Summer seasons, or when Regular employees are not available at straight time rates.

2. The above defines the classifications of work but is not a guarantee of hours or employment.
3. Definition of Christmas, Easter and Summer seasons:
 - a. The summer season is deemed to begin with the week containing May 1st and ends on the last Sunday in September.
 - b. The Christmas season is deemed to begin on Monday two weeks preceding the week which contains Christmas Day (December 25th), and ends on the Sunday following New Year's Day (January 1st).
 - c. The Easter season is deemed to begin on the weekend (Friday, Saturday and Sunday) preceding Palm Sunday and ends on the next Sunday that follows Easter Sunday.
4. Casual Temporary employees shall not be used to eliminate or displace regular positions.

5. Casual Temporary employees are not entitled to sick pay, vacation pay and or holiday pay.

ARTICLE 36
DRUG AND ALCOHOL ABUSE POLICY

1. The Employer and the Union recognize that it must endeavor to provide safe and efficient operations for the protection and benefit of the general public, its guests and its employees. As part of its effort to achieve that goal, it must require that its work be performed by employees who do not use illegal drugs or misuse alcohol as follows. In implementing this Drug and Alcohol policy, the Employer and the Union encourage employees with a substance abuse problem to voluntarily come forward and seek medical treatment, as it is the goal of this procedure to offer employees the opportunity to seek treatment for substance abuse in order that they may avoid the necessity of discipline by the Employer for illegal use/misuse of drugs and/or alcohol. Notwithstanding this objective, the Employer retains the right to discipline employees who violate this policy, consistent with the above stated goals. For purposes of this Agreement, the terms "drugs" or "drug tests" shall include both drugs and alcohol, as appropriate.

2. Bargaining unit employees will be subject to drug testing under the following circumstances:

(a) Drug tests for bargaining unit employees may be required where there is an objective reasonable suspicion that an employee has an in-system presence of drugs on the job. For purposes of this Agreement, the terms "employee" or "bargaining unit employee" includes not only persons employed in positions covered by the collective bargaining agreement, but also persons being recalled into such positions.

(b) Drug tests for bargaining unit employees may be required as part of a post-mishap investigation in cases where:

1. The individual(s) subject to testing is directly linked to the mishap.
2. The mishap resulted in death, injury requiring medical treatment other than basic first aid, or property damage estimated to exceed \$5,000.
3. Testing associated with a mishap will take place as soon as possible, under the circumstances.

(c) In the event that any government agency duly concerned with Disneyland advises the Company that employees in specified classifications will be required to undergo job certification physical examinations, including drug tests as a condition of future employment, the Union shall be given immediate notice of any such requirement or proposed requirement. Such testing shall be conducted in accordance with the procedures established by this Agreement and shall not commence until the Union and the Company have had a reasonable opportunity to discuss the impact of the government directive.

3. An employee will not be tested under Section 2(a) above unless his conduct or other related circumstances provide an objective reasonable basis to believe that the employee may have ingested drugs or alcohol and/or is suffering from impairment of some sort while on the job site. (An objective reasonable basis would include, but not be limited to, slurred speech, unsteady gait, glazed eyes, dilated pupils, odor of alcohol, and/or erratic behavior.) Such observation will be confirmed by another member of management wherever possible.

4. Any employee directed for testing shall be entitled to request the presence of a Union representative in pre-test meetings with management. Provided a Union representative has been requested, no specimen will be collected until the Union representative can discuss the matter with management and/or the employee. The Union agrees that the procedures described in Sections 3 and 4 shall not operate in a manner that will impede timely collection of a biological specimen. Refusal to provide a biological specimen will result in immediate discharge without an opportunity at a later date to reconsider/retract the refusal.

5. Any employee who tests negative to any drug test under this Agreement (other than random tests as a follow-up to rehabilitation) shall be compensated for any scheduled hours lost, at the appropriate wage rate. Hours lost under such circumstances shall be treated as time worked for purposes of overtime premium eligibility.

6. Specimen collection for a drug test will be accomplished in a manner compatible with employee dignity and privacy. Specimen collection shall be accomplished at the laboratory facilities utilized by the Company, **currently CDT on-site mobile testing or St. Joseph Hospital**. There will be no strip searches or opposite sex observation. In the usual case, the Company will not observe specimen production, but the Union agrees that specimen production may be closely monitored in those cases where the Company has an objective reason to believe that the employee may attempt to contaminate a test specimen.

7. Test specimens shall be sent only to Laboratory facilities certified by an appropriate federal or state agency. If a dispute should arise over the selection of drug test Laboratories, such dispute shall be subject to the grievance and arbitration procedure. The Union agrees, in order to begin the program, that UCI or Medical Center of Garden Grove are acceptable test facilities, but reserves the right to withhold approval of UCI or Medical Center of Garden Grove with adequate notice, in the event that their status as certified drug Laboratories should change in the future. The Laboratory(s) selected must, upon request, identify the drugs tested for, the methods used, the manufacturers of the test, the analytical limits and levels used, the methods of reporting results and the chain of custody procedures used to produce forensically acceptable test results. To be qualified under this section, the laboratory must participate in a program of "blind proficiency" testing where they analyze samples sent by an independent party. The laboratory(s) selected will make such results available to an authorized representative of the Company and the affected employee. At the employee's request, the Manager of Labor Relations, will report test results to the Union Business Manager. All samples will be tested twice. The first test may be a screening test, but positive screen test results may be confirmed by the Gas Chromatography/Mass Spectrometry (GC/MS) or an equivalent scientifically accepted method of confirmation. All final positive tests results will be reviewed by a toxicologist or a physician prior to release and only confirmed results will be reported to the employer.

8. The standard drug test thresholds for positive screen and GC/MS confirmation tests shall be as follows:

<u>DRUG</u>	<u>EMIT SCREEN CUT-OFF</u>	<u>CONFIRMATION CUT-OFF</u>
Marijuana	100ng/ml	100ng/ml
Cocaine	300ng/ml	150ng/ml
Opiates	300ng/ml	300ng/ml
Amphetamines	1000ng/ml	500ng/ml
Phencyclidine	25ng/ml	25ng/ml

In the event that the Company elects to utilize tests other than the EMIT screen or the GC/MS Confirmation, the Company will give the Union written notice of the test methodology used and the threshold levels employed. Positive thresholds for any other test methodologies will be reviewed with the Union before they are applied. Any dispute over the acceptability of such alternative test methodologies or the positive test threshold to be applied shall be resolved through the grievance and arbitration procedure.

9. The laboratory shall preserve a sufficient aliquot specimen as to permit independent confirmatory testing by the Union and follow-up re-testing at the request of the Union or the employer. The laboratory shall endeavor to notify the employer and the Union of positive test results within two (2) working days after receipt of the specimen. The Union or employee may request a re-test within three (3) working days from notice of positive test result. Additionally, or as an alternative, the Union may have the sample tested at a certified laboratory of its choice. Should any test result be negative, the Company and the Union may jointly select a third certified laboratory and have the sample tested. The results of the various tests will be considered by the Company in determining the appropriate disciplinary action.

10. Initial tests and re-tests requested by the Company will be paid by the Company; costs of re-tests for reconciliation will be split between the employee and the Company. In the event the Company test is proven to be a false positive, the employee shall be reimbursed for cost of test procedures paid for by the employee.

11. The drug test laboratory and the specimen collection facility must: establish and maintain a forensically acceptable chain of custody.

12. Where employees are required under this policy to submit blood samples for alcohol testing, the samples will be taken in a appropriate medical facility. The medical facility and laboratory will use the same or equivalent chain of custody procedures and exercise the same or an equivalent level of professional care and scientifically accepted standards and procedures in the collection and testing of blood samples for the presence of alcohol as with urine samples for the presence of drugs. For the purposes of this policy, if a test reveals the presence of alcohol at a level of .08% or more by weight, it shall be presumed that the employee has violated this policy. If the test reveals the presence of alcohol in excess of .05% by weight, but less than .08%, it will not automatically be presumed that this policy has been violated. The results of the test will be considered along with all other relevant, information (e.g. employee conduct, speech, performance, etc.) in determining whether the employee is in violation of this policy. If a test reveals the presence of alcohol of less than .05% by weight, it shall be presumed that the employee is not under the influence of alcohol in violation of this policy.

13. Test results shall be communicated by the laboratory to the Employers medical officials or Manager of Labor Relations. The Company shall be responsible for maintaining confidentiality of test records and test results will be communicated to job site management strictly on a "need to know" basis. Employee drug test records shall not be released outside the Disneyland medical department unless required by administrative action initiated by the employee or the Union. The employee shall be entitled to written notification of positive drug test results. Copies of such reports will be provided to the Union when authorized by the affected employee.

14. When and if it becomes necessary to impose discipline for drug-related conduct or job performance, discipline will be judged by the contractual just cause standard and will be subject to

the grievance/arbitration procedure. Except to the extent the employee(s) withholds consent as to particular documents personal to him, the Company agrees to provide the Union with whatever documentation or information the Union reasonably requires to process the grievance and/or arbitration. By establishing this drug policy, neither the Company nor the Union waive any legal rights. The parties agree that this drug policy shall not diminish the rights of individual employees under state or federal law relating to drug testing.

15. The employer recognizes that employees have a right to privacy and that any adverse action taken against an employee for off-duty conduct shall take into account the employee's right to privacy, the impact of the employee's conduct on his job performance, and the Company's image and reputation. Any disciplinary action for such drug-related conduct will be subject to the grievance procedure with respect to any alleged off-duty related conduct. The Company will attempt to balance the employee's right to privacy in his off-duty time with other legitimate job-related concerns in weighing the contractual propriety of disciplinary action.

16. Subsequent to the circumstances set forth in 2a and 2b above, and 17 below, random drug testing of employees will be permitted only as a follow-up to rehabilitation or after disciplinary action has been imposed. Such random drug testing (not to exceed one (1) time per quarter) will be allowed for a reasonable period of time after rehabilitation or disciplinary action has been imposed, not to exceed one (1) year.

17. Any employee who voluntarily comes forward and/or admits to the use of drugs will not be subject to discipline, but will be referred to the Company's Employee Assistance Program (EAP) for rehabilitation. Said employee shall be placed on a leave of absence [not to exceed the time limits as outlined in Section 16 (Leave of Absence)] until his rehabilitation program is completed or until he provides medical documentation that his presence on the job will not jeopardize his own health and safety, or the health and safety of others.

ARTICLE 37 FOUR DAY/TEN HOUR WORKWEEK

During the term of this agreement the Company and the Union may explore the feasibility of establishing a 4 day, 10 hour per day, workweek and any agreement reached by the parties will be incorporated into the agreement by a sideletter of agreement.

ARTICLE 38 CULINARY APPRENTICE PROGRAM

The Employer and the Union hereby agree to the establishment of a Culinary Apprenticeship Program as set forth below. The parties shall work with the Orange Empire Chefs Association, or another culinary apprenticeship program approved by the American Culinary Federation Educational Institute that is mutually agreed upon by the Employer and the Union. The below stated requirements shall constitute the complete agreement of the parties and the Employer shall not be required to sign any other agreements or contracts or to be bound by other contracts or other requirements not set forth herein or elsewhere in this collective bargaining agreement.

A. Eligibility - In order to be eligible, an employee must meet the eligibility requirements set by the American Culinary Federation Education Institute and have six months of service with the Company as a Regular employee.

B. Job Classification - Employees selected to participate as an apprentice will be temporarily classified as a Culinary Apprentice. Such employees shall retain any seniority in their prior job classification should they return to their prior job classification.

C. Selection - Applicant's will be considered at any time during the year and their selection shall be based upon skill, ability and qualifications as determined by the Employer. Where skill, ability, and qualifications are relatively equal among applicants, as determined by the Employer, continuous service as a regular Culinary employee shall prevail.

D. Reimbursement - Selected employees shall pay any and all fees associated with the Program; however, such employees shall be eligible for reimbursement as outlined in the Company's Educational Reimbursement Program.

E. Scheduling - Apprentices must be scheduled in accordance with the Program's curriculum guidelines; however, no other employee shall suffer a reduction of hours in order to accommodate apprentices.

Additionally, the Employer may discontinue the number of apprentices in the program at any time for economic reasons. Seniority as an Apprentice shall govern in the event of layoffs. In lieu of layoff, an Apprentice may return to his/her prior job classification with no loss of seniority.

F. Park/Hotel Cross Utilization - In order to enhance exposure and training, Disneyland apprentices may work and be cross utilized at The Disneyland Hotel, and vice versa. Any employee will continue to be covered by the terms and conditions of their respective collective bargaining agreement.

G. Incentive Schedule - Apprentices shall suffer no reduction in hourly wage upon entering the program. Apprentices shall receive an hourly increase of fifty cents (\$0.50) upon successful completion of each level until completing the Program. Should an Apprentice discontinue participation in the Program, they shall return to the appropriate wage rate in their prior job classification.

H. Probationary Period - Either the apprentice or *the Company* may terminate the apprentice's participation in the Program, during the first 480 hours of apprenticeship participation, with or without cause. After completion of the probationary period the apprentice may be terminated from the program for reasonable cause with due notice to the apprentice and a reasonable opportunity for corrective action. In the case of termination from the program the employee shall return to their prior job classification. Apprentices remain subject to all Company policies during their apprenticeship.

I. Termination of Participation in Program - An Apprentice who voluntarily terminates from the Company within one year after completing the Program must refund to the Company the reimbursement they received for any course paid for by the Company. However, if a Dinner Cook, Banquet Cook, Head Pantry, or Pastry Cook/Baker position is not offered by the Company, then no reimbursement is required.

ARTICLE 39
SICK LEAVE

The Employer shall provide sick leave solely for employees at Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel that have elected to participate and who are actively participating in the Disney Medical Plan. Those qualified employees will receive sick leave as referenced below.

The Sick Leave plan referenced below will remain in effect as long as the Employer agrees to provide the Disney Health & Welfare Plan coverage to **Disney's Paradise Pier Hotel and Disney's Grand Californian Hotel** eligible employees, on the same basis as provided to non-bargaining unit employees of the Employer, including participation in the Employer's Flex Benefit Plan known as "Signature", as described in Article 28. Health Benefit and Retirement Plan, of this Agreement.

For employees who receive Sick Leave from the Company, the following shall apply:

1. Each Regular employee, will accrue credits toward sick leave and after six (6) months or more of continuous service accrual will be entitled to sick leave in accordance with the formula of straight time hours worked as described hereinafter. Upon completion of the aforementioned requirements, eight (8) hours of sick leave accrual shall be accrued for each two-hundred fifty-seven (257) hours worked, up to a maximum of fifty-six (56) hours in any twelve (12) month period. Said sick leave benefit may be used at any time after accrual without regard to the anniversary year.

2. Unused sick leave may be accumulated up to a maximum of two hundred (200) work hours. Subject to the amendment outlined in the next following paragraph, sick leave may be used only for absences due to illness or injury, except that upon termination an employee with unused sick leave credits will be paid all such credits at the employee's regular straight time rate. Employees will not be entitled to sick leave pay for illness occurring during vacation or on days on which they are not scheduled to work.

An eligible employee who accrues in excess of two hundred (200) hours of unused sick leave will, when requested, be granted additional paid vacation hours equaling the amount of excess hours. Sick leave credits will be accrued on a floating calendar year basis.

3. Sick leave will be paid for the number of hours in the employee's regularly scheduled shift at the time the sick leave was taken, except as set forth in paragraph 6 of this Section. "Continuous Service" for the purpose of this Section shall be computed in the same manner as for vacation.

4. The formula for computing sick leave is as follows:

FORMULA

After 1800 hours,	56 hours	Sick Leave
After 1542 hours,	48 hours	Sick Leave
After 1285 hours,	40 hours	Sick Leave
After 1028 hours,	32 hours	Sick Leave
After 771 hours,	24 hours	Sick Leave
After 514 hours,	16 hours	Sick Leave
After 257 hours,	8 hours	Sick Leave

5. In order to receive Sick Leave pay the employee must file a request therefore on the appropriate form and submit it to his or her Supervisor. If three (3) or more consecutive regularly scheduled shifts of sick leave are applied for, the Employer may request a physician's written statement certifying the nature and length of the illness and if so requested must accompany the request for sick leave pay. The Employer may require proof of illness in any case if it desires and an employee not furnishing such proof will not be entitled to sick leave pay.

6. In the event an employee incurs a non-occupational illness while at work and employee receives a written authorization from the Medical Department to not complete his or her shift, the employee may apply under the provisions of paragraph 5 of this Section for sick leave pay covering the unworked balance of his or her regularly scheduled shift, in units of one (1) hour.

7. Full sick leave benefits as outlined herein shall be paid to eligible employees until such time as State Disability or Worker's Compensation benefits begin. When State Disability or Worker's Compensation benefits begin, any accrued sick leave benefits shall be integrated with State Disability or Worker's Compensation benefits, paying the difference between State Disability or Worker's Compensation benefits, and the employee's full wages for time missed from work until such time as the employee has been released from Disability and returns to work or until such time as the sick leave benefits have been used up, whichever occurs first.

8. Eligible employees who have accrued a sick leave bank of ninety-six (96) hours (12 days or more), may take up to three (3) sick leave days per year as personal days off upon approval by their immediate Supervisor.

9. Eligible employees who miss scheduled work shifts to care for an ill or injured dependent may use up to three (3) sick leave days per year as personal time off. Upon request, the employee must provide a physician's written statement certifying the nature and length of the illness of the dependent. Employees who fail to provide such written notice will not receive sick leave pay.

10. Upon the request of an eligible employee, the Company shall provide for payment of up to all accrued Sick Leave in excess of ninety-six (96) hours on an annual basis. Such requests for payment of accrued Sick Leave will be accepted from January 1 to February 1 of each year, and will be paid on or about March 1 of that year.

ARTICLE 40
IMMIGRATION

The Employer and the Union have a mutual interest in retaining trained employees. To this end, if the employment of a non-probationary Regular employee is terminated solely because of the employee's loss of United States employment eligibility, such termination shall not in and of itself bar reinstatement of such employee's employment status provided that, within three hundred and sixty five days (365) days of such termination, such employee presents to the Employer acceptable evidence of current United States employment eligibility. Any such reinstatement shall include restoration of the seniority status accrued by such employee as of the date of termination; under no circumstances will seniority and benefits accrue or be deemed to have accrued during the period of termination.

For placement purposes, any employee whose employment status is reinstated under this provision will be placed in any classification, status or unit as would have occurred if the employee had been continually employed, less all seniority time which would otherwise have accrued during the period of termination; under no circumstances shall such employee have rights greater than he would have had if his employment had not been interrupted.

The Employer agrees to provide to the Union a copy of the written notification to an employee that his United States employment eligibility must be re-verified pursuant to applicable law or regulations, on or about the date the written notification is sent to the employee. An employee receiving such written notification may request the Employer to confirm in writing the contents of this provision in a letter to whom it may concern. Notwithstanding the foregoing, the failure of the Employer to provide such written notification and/or written confirmation shall not, under any circumstances, be a basis to rescind the termination of any individual's employment or to require the Employer to reinstate any individual's employment status.

The Employer will furnish to any employee terminated because he or she is not authorized to work in the United States, a personalized letter stating the employee's rights and obligations under this section.

APPENDIX A
WAGE SCALE

1. The Employer, at its discretion, may choose to pay any employee in the specific classification identified in the Agreement at a wage rate higher than those wage rates specified in the Agreement. Employees paid at rates higher than those wage rates specified in the Agreement shall receive increases equal in amount to those for their specific classifications

Present "Premiums" or "Incentives" may be discontinued at the Employer's discretion, but at no time shall the employees suffer a reduction in the wage rate they are receiving at the time of discontinuation.

2. Leads may be designated by the Company in any of the classifications set forth in Appendix A. A Lead is an employee who takes the lead and gives directions to employees in his group while performing the same duties as the employees. Lead assignments are designated at the discretion of the Company and the scheduling of Leads is not governed by seniority. **Lead opportunities shall be posted for seven (7) days. While the Lead position is posted, the Company retains the right to make temporary assignments until the position has been filled.**

The principles of seniority shall be considered in the selection of Leads. However the final selection and/or removal shall be at the discretion of the Company.

Employees working as Leads shall receive in addition to their specific wage rate for their specific classification an additional seventy-five (75¢) cents per hour.

3. Split Shifts – Where permissible in the past and when those classifications where split shifts were permissible, they shall be continued. Persons required to work split shifts shall be entitled to an additional **\$6.75** split shift worked.

4. Each employee shall receive a ten (10) minute rest period in each half of each employee's work shift. Such rest periods shall be as close to the midpoint of the half shift as is practicable. The actual schedule of the rest periods shall be determined by the Employer.

5. Any shift which begins at or after 10:00 p.m. and before 5:00 a.m. shall be paid a shift premium of **forty-five cents (45¢) per hour** in addition to the regular straight time rate.

6. Employees with fifteen (15) or more years of service shall be paid an additional twenty-five cents (25¢) per hour in addition to the regular straight time rate.

7. Employees selected and assigned by the Company to act as Trainers shall receive a premium of thirty cents (30¢) per hour to be paid in one (1) hour increments. Employees assigned as Trainers, that are receiving a Lead premium, shall not also be eligible for the Trainer premium. Also, Working Leads that are leading Trainers shall not receive the Trainer Premium in addition to the Lead Premium. (For DLH and PPH only, the Company will continue its current practice in locations as agreed to in the HERE 2000 Hotel negotiations)

Employees training as a Working Lead, Trainer, etc. (any position receiving a premium for additional responsibilities) shall not be eligible to receive the premium in question, until assigned to perform such responsibilities in full.

9. **No Cast Member shall be paid less than the Federal or California State Minimum Wage Rate.**

In witness whereof, the parties have executed this Agreement on the 8th day of June 2004.

Tony Bruno
Vice President
Disneyland Resort Hotels

Ada F. Torres
President/Business Manager
H.E.R.E., Local #681

Mary Niven
Vice President – Food and Beverage
Disneyland Resort

Tom B. Fox
Director, Labor Relations
Disneyland Resort

Disneyland Hotel Specific Language

ARTICLE 7 **MANAGEMENT'S RIGHTS**

It is further agreed that the Parties shall not be bound by any practice or conditions established prior to January 1, 1990, which are not expressed, limited or required by the terms and conditions of this Agreement.

ARTICLE 16 **OVERTIME**

A. Overtime shall be paid at the following rates:

One and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of forty (40) hours in the workweek or on the sixth (6th) day of the workweek.

One and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours in any one (1) day.

Two (2) times the employee's regular rate of pay for all hours worked in excess of twelve (12) hours in any one day or on the seventh (7th) consecutive day of the workweek.

ARTICLE 17 **TIPS, GRATUITIES, ETC.**

A. Restaurants –

1. Signed tips shall be paid out before the end of each shift.
2. In the event of a default of guest credit on a signed tip that was paid, the employer shall not seek to recover the paid out tip from the employees, except when the employee is proven to be willfully negligent.
3. Any non-predetermined tips received by bargaining unit employees, either in cash or signed for on the chit, shall remain the exclusive property of the Waithelp responsible for serving the guests. No management personnel shall solicit, suggest, impose or compel any compensation from the Waithelp.
4. The right to participate or refrain from participation in any tip pool is vested exclusively with the Waithelp.
5. In cases of emergencies, when management personnel must perform bargaining unit work, tips earned shall be distributed to the appropriate bargaining unit employee(s) only.

6. Any information relating to the amount of tip and the distribution thereof to bargaining unit employees shall be made available to a designated representative of the Union.

7. A gratuity/tip is defined as any payment voluntarily given by a guest for services rendered.

B. Room Service

1. Regular Deliveries:

a. An automatic service gratuity fee is added to each guest check. 100% of the first 15% of the automatic service gratuity fee belongs to the employees.

b. The breakdown of the employee gratuity is as follows: 75% to the individual server(s) making the deliveries, 13% to the Captains pool, 11% to the Bus Attendants pool, and 1% to the Cashiers pool.

c. The gratuities for Captains, Bus Attendants, and Cashiers are pooled by week depending upon the number of hours worked.

d. In the event of a default of guest credit on a signed tip that was paid, the employer shall not seek to recover the paid out tip from the employees, except when the employee is proven to be willfully negligent.

e. The Waithelp may choose to participate in, or refrain from participating in, a tip pool. However, all Waithelp will receive gratuities in the same manner as determined by a majority decision of the affected Waithelp.

2. Hospitalities:

a. An automatic service gratuity fee is added to each guest check. 100% of the first 15% of the automatic service gratuity fee belongs to the employees.

b. The breakdown of the employee gratuity is as follows: 75% to the individual server(s) working the hospitality, 13% to the Captain's pool, 11% to the Bus Attendant's pool, and 1% to the Cashier's pool.

c. The gratuities for Captains, Bus Attendants and Cashiers referenced in 2.b. above is combined with their respective weekly regular deliveries pool.

d. The scheduling of Servers is rotated among those employees trained in hospitalities. Once an employee works an event, turns an event down, or is ill, he is placed at the bottom of the rotation schedule. If any event occurs on their regularly scheduled day off, they remain in their normal rotation slot.

e. Any written-in gratuity, added to the check by the guest, is divided equally among the employees who actually work the event (on the floor). Should the guest present a cash gratuity directly to an individual, the gratuity shall remain the sole property of that employee.

f. In the event that one or more of the above classifications are not used in the hospitality, the gratuities shall be distributed in the specified percentages, as referenced in 2.b. above, to the classifications that work the hospitality.

g. Hospitality is defined as any pre-arranged private function served by Room Service, including Cocktail parties, which involves a set menu, one check and is held in a private room or office apart from the common dining room.

h. Signed tips/gratuities shall be paid out before the end of each shift.

i. In the event of a default of guest credit on a signed tip that was paid, the employer shall not seek to recover the paid out tip from the employees, except when the employee is proven to be willfully negligent.

C. Banquets

1. A fifteen percent (15%) automatic service gratuity fee is added to each Banquet event. This gratuity fee belongs to the employees as a gratuity (for Banquet COD's the fifteen percent (15%) will be built into the actual price). The Company shall retain any service gratuity fee added to each Banquet event above 15%.

2. The employees gratuity is pooled and divided among the hourly Union employees who worked the individual banquet events during the week.

3. The Hotel will make available to the employees a breakdown sheet of each event showing the financial distribution to each employee.

4. Any information relating to the amount of service charge distribution shall be made available to the designated representative of the Union.

5. Payment of service charges shall be made to the bargaining unit employees no later than the payday for the payroll period in which services were rendered insofar as possible. However in no event shall service charges be paid later than the succeeding payroll period following the event.

6. Definitions

a. **Banquet:** A banquet is defined as any pre-arranged private function, including cocktail parties, served by the Banquet Department involving a set menu, one check and held in a public space apart from the common dining room.

b. **Buffet:** A buffet is defined as any meal where the guest is served or serves himself from a display of food on a buffet table.

c. **Service Charge:** A service charge is defined as any pre-negotiated payment by a guest for services rendered.

7. Any corkage fee charged by the Hotel to a Guest shall be added to the total bill amount when calculating gratuities.

ARTICLE 21
UNIFORMS/COSTUMES

Uniforms shall be furnished, maintained and laundered by the Company.

ARTICLE 23
ROOM ATTENDANTS

One eight (8) hour Houseman shift per day will be added to Disneyland Hotel.

Disneyland Hotel night custodial work loads will be adjusted during slow periods based on occupancy and activity.

Room Attendants will be responsible for completing a maximum of forty-five (45) turndowns per shift.

ARTICLE 29
OTHER DUTIES

A. Any employees may perform the duties of any other employee receiving a lower rate of pay, provided that he/she shall be paid according to his/her regular rate. Cooks, pantry help and bartenders may not be required to do duties other than those duties of cooks for cooks' work, pantry help for pantry helps' work and bartender for bartenders' work. Tipped employees shall not be required to perform the duties of any other employee, except in an emergency and in that event only according to the principles of seniority.

Combination Bartender (Bartender) – one who serves the general public, cleans station and glasses, lines up bar and serves drinks in an establishment operating with a general "On Sale" license. Performs all the duties of Bartender and one who serves the general public and one or more waiters or waitresses.

Service Bartender – One who serves one or more waiters or waitresses from a bar set apart from a regular bar open to the public and does not serve the public.

Miscellaneous Kitchen Employee – Are considered to be dishwashers, pot washers, porters, yardman etc.

Assistant Cook – A person who works with a regular cook at all times, otherwise they are to be considered as filling the higher craft.

ARTICLE 30
SUBCONTRACTING

A. During the term of this Agreement, the Employer agrees that it will not subcontract work for the purpose of evading its obligations under this Agreement. However, it is understood and agreed that the Employer shall have the right to subcontract when:

1. Where such work is required to be sublet to maintain a legitimate manufacturer's warranty; or,
2. Where the subcontracting of work will not result in the termination or layoff, or the failure to recall from layoff, any permanent employee qualified and classified to do the work; or,
3. Where the employees of the Employer lack the skills or qualifications or the Employer does not possess the requisite equipment for carrying out the work.

Disney's Paradise Pier Hotel – Specific Language

ARTICLE 2 **RECOGNITION**

Non-Precedential Effect

Local 681 agrees that the Hotel's recognition of Local 681 as the bargaining agent for the affected Cast Members shall have no precedential effect whatsoever in determining any question regarding employee representation or non-representation, by Local 681 or any other union, with respect to any hotel, asset or other business operation that is purchased acquired, developed, constructed, improved, operated, managed, owned, or otherwise run by the Hotel and/or any Disney related business entities.

Local 681 further agrees that this recognition of Local 681 will not be used or offered by Local 681 as evidence in any proceeding, hearing or other forum (including but not limited to grievance meetings, arbitrations, lawsuits, NLRB charges, hearings or trials or any other adjudicatory proceeding) to determine whether Local 681 or any other union will or should represent employees of any hotel or business acquired, developed, constructed, improved, operated, managed, owned or otherwise run by the Hotel and/or any Disney related entities.

ARTICLE 16 **OVERTIME**

Overtime for Tipped Classifications

All Cast Members in classifications receiving tips or gratuities shall not be entitled to any overtime premium pay on the sixth day of work in any workweek. To be entitled to any overtime premium pay, a tipped classification Cast Member must work over eight (8) hours in a workday or over forty (40) hours in a workweek.

ARTICLE 17 **TIPS, GRATUITIES, ETC.**

Cast Members normally receiving tips or gratuities for Banquet events shall be entitled to those tips or gratuities that are automatically applied to a guest's bill, up to a maximum of fifteen percent (15%). Any gratuity applied by the Company in excess of fifteen percent (15%) of the guest's bill shall be retained by the Company. Any corkage fee charged by the Hotel to a Guest shall be added to the total amount when calculating gratuities.

The current practices utilized at the Hotel for the distribution and allocation of tips and gratuities for all tipped Cast Members, including but not limited to Banquets, Restaurants, Room Service and Bell Staff, shall remain in place during the term of the Agreement.

Room Service will deliver the Rice Krispies turn down amenity. A \$2.00 gratuity will be paid for the delivery of the Rice Krispies amenities to each room at Disney's Paradise Pier Hotel.

ARTICLE 19
SENIORITY

For all Regular Cast Members hired on or before escrow closed for the acquisition of the Hotel, their seniority date for employment and scheduling purposes shall be December 11, 1995. For those Cast Members with a seniority date of December 11, 1995, the Company will give consideration to their former Pan Pacific seniority date in their current job classification, for scheduling purposes only. The Company shall not act in an arbitrary or capricious manner when making final scheduling determinations for those Cast Members with the December 11, 1995, seniority date. For Regular Cast Members hired after December 11, 1995, their seniority date shall be their effective hire date, subject to successful completion of the applicable probationary period.

ARTICLE 21
UNIFORMS/COSTUMES

Uniforms shall be furnished, maintained and laundered by the Company.

ARTICLE 23
ROOM ATTENDANTS

One eight (8) hour Houseman shift per day will be added to Disney's Paradise Pier Hotel.

Room Attendants will be responsible for completing a maximum of forty-five (45) turndowns per shift.

The Company will assign public area jobs at Disney's Paradise Pier Hotel by seniority where skill and ability are relatively equal as determined by the Company.

ARTICLE 29
OTHER DUTIES

A. Any employees may perform the duties of any other employee receiving a lower rate of pay, provided that he/she shall be paid according to his/her regular rate. Cooks, pantry help and bartenders may not be required to do duties other than those duties of cooks for cooks' work, pantry help for pantry helps' work and bartender for bartenders' work. Tipped employees shall not be required to perform the duties of any other employee, except in an emergency and in that event only according to the principles of seniority.

ARTICLE 30
SUBCONTRACTING

The prohibitions pertaining to subcontracting set forth in Article 30 shall have no force or effect. The Hotel shall have the unrestricted right to subcontract or outsource bargaining unit work.

The Company agrees to limit the use of Agency Temporary employees (e.g. Apple One, Abigail Abbott, etc.) to the Laundry or for temporary needs which cannot be met utilizing existing employees. The Company will continue to utilize the existing four (4) regular positions in the Laundry as long as the Laundry is managed and operated by Disneyland Pacific Hotel management unless the Laundry is closed, not utilized, outsourced or sub-contracted to an outside vendor, consolidated to the Disneyland Hotel, or if four (4) positions are not needed on any given day.

Placement

To the extent that any Cast Members are laid off as a result of subcontracting, outsourcing, or consolidation of work to other locations, the Hotel will attempt to place said Cast Members in any open positions for which they are qualified at the Hotel. Nothing in this paragraph shall be construed as a guarantee of job placement in the event of layoff.

Consolidation

The Hotel may consolidate bargaining unit work to other business or work locations that are associated with the Walt Disney Company, in which case this Agreement shall no longer apply to such consolidated work. The parties further agree that work performed at other business or work locations associated with the Walt Disney Company may be assigned to the Hotel, and if so, shall be covered under the terms of this Agreement only to the extent that the job classifications covered by this Agreement shall be limited to those classifications listed in Appendix A (Wage Scale) of the collective bargaining agreement identified as the Disneyland Hotel Agreement.

Disney's Grand Californian Hotel Specific Language

ARTICLE 7
MANAGEMENT RIGHTS

It is further agreed that the Parties shall not be bound by any practice or conditions established at any Disneyland Hotel prior to the recognition of the Union at the Grand Californian Hotel, which are not expressed, limited or required by the terms and conditions of this Agreement.

ARTICLE 16
OVERTIME

A. Overtime shall be paid at the following rates:

1. For all employees in all job classifications, except all tipped job classifications, one and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of forty (40) hours in the workweek or on the sixth (6th) day of the workweek.

For all employees in all tipped job classifications, one and one-half (1½) times the employee's regular rate of pay for all hours worked in excess of forty (40) hours in the workweek.

2. One-half (1½) times the employee's regular rate of pay for all hours worked in excess of eight (8) hours in any one (1) day.

3. For all employees in all job classifications, except all tipped job classification, two (2) times the employee's regular rate of pay for all hours worked in excess of twelve (12) hours in any one day or on the Seventh (7th) consecutive day of the workweek.

For all employees in all tipped job classifications, two (2) times the employee's regular rate of pay for all hours worked in excess of twelve (12) hours in any one day.

ARTICLE 17
TIPS, GRATUITIES, ETC.

The Employer shall determine what tip distribution process should be utilized at the Grand Californian Hotel, either the Disneyland Hotel or Disney's Paradise Pier Hotel tip distribution system. The decision shall be made and communicated to the Union on or before the opening of the Grand Californian Hotel.

ARTICLE 21
UNIFORMS/COSTUMES

With respect to clothing furnished by the Company, employees may, at the sole discretion of the Company, be required to take their costumes home with them at the end of their shift. Further, the Company may designate all or some costumes to be cleaned or maintained (where

washable in a washing machine, not dry cleaned) by the employees who shall take normal and reasonable care in so doing. Nothing herein shall be construed as requiring the Company to provide lockers for employee use.

ARTICLE 23
ROOM ATTENDANTS

Housemen at GCH will be required to complete three (3) general room cleans per day. Suite rooms will count as two (2) rooms.

On Sundays only, the Room Attendants are required to do a maximum of thirteen (13) rooms on any eight-hour shift.

Room Attendants will be assigned fifty (50) turndowns per shift and required to complete all fifty (50) turndowns unless Do Not Disturb (DND) or No Service signs require less turndowns. Room Attendants will continue the practice of assisting other Room Attendants when completing less than the assigned fifty (50) turndowns.

ARTICLE 29
OTHER DUTIES

A. Any employees may perform the duties of any other employee receiving a lower rate of pay, provided that he/she shall be paid according to his/her regular rate

Therefore, it is agreed that the Parties shall not be bound by any past practice or conditions established at any Disney Hotel prior to the recognition of the Union at the Grand Californian Hotel with regard to the assignment of the appropriate job classification to perform the various duties and responsibilities in any particular Restaurant and/or food operation.

It is further agreed, that the mere use of a particular piece of equipment, in and of itself, does not constitute working in a higher job classification. All other factors need to be considered when making a determination such as the following; the type of work being done, the use of any special skill required to operate the equipment, and the amount of independent judgment exercised, if any.

Napa Rose Waithelp I: Assists Napa Rose Waithelp II's by distributing and describing ingredients and preparation style all appetizers, entrees, desserts and accompaniments to Guests in a four star fine dining restaurant. This position shall be considered an entry level waithelp position for the Napa Rose Restaurant. Qualifications include minimum two (2) years waithelp experience in a table service restaurant, preferably fine dining.

Napa Rose Waithelp II : Acts as primary waithelp for food and beverages to Guests in main dining room or Napa Lounge area of Napa Rose, a four star fine dining restaurant. Must be knowledgeable of food and wine pairings and service techniques utilized in a four star fine dining restaurant. Qualifications include minimum three years waithelp experience with at least one year in a four star fine dining restaurant. Cocktail waithelp functions will be assigned to the Waithelp II's with the lowest seniority.

Napa Rose Head Waithelp: In addition to serving food and beverage of a four star table service environment, leads Waithelp I, Waithelp II and Service Assistants in opening and closing of the restaurant. May be assigned to oversee the wine room during hours of operation. Shares knowledge of wines, spirits to Guests. Minimum qualifications include: Level One Sommelier certificate from the Court of Master Sommeliers and minimum three years (3) waithelp experience in a four star fine dining restaurant.

Napa Rose Specialty Cook: Leads Dinner Cooks and Order/ Grill Cooks at key production stations in the preparation of meats, fish, and poultry by braising, baking, roasting, (oven or rotating spit) and high-level skillet/sautee' work required in a four star fine dining restaurant. May prepare sauces "a la minute" using advanced sauce preparation techniques. Prepares confits and compotes. Creates seasonings, cures, and rubs. May bone, and clean shellfish, cut, trim, or grind meats, fish, or poultry. Must demonstrate advanced culinary technical skills required in food preparation and use of kitchen equipment for a four star fine dining restaurant. Must demonstrate ability to present and discuss menu item preparation with Dinner Cooks, Order/ Grill Cooks and Guests. Ensures station and equipment is clean and practices all HACCP procedures.

B. Only those job classifications listed in Appendix A. shall remain outlined in this Article 29.

ARTICLE 30 SUBCONTRACTING

A. With respect to any operation as set forth in Article 2 (Recognition), B. 1. and/or B. 2., of this Agreement, the Employer shall have the unrestricted right to subcontract or outsource this work or operation even if at some date subsequent to the effective date of this Agreement the Employer chooses to operate any of said facilities or operations under the terms of this Agreement.

B. 1. With respect to any operation initially operated by the Employer under the terms of this Agreement, the Employer shall have the unrestricted right to subcontract or outsource this work/operation, but will discuss with the appropriate union the impact of such a decision prior to engaging in such subcontracting or outsourcing of work. Within thirty (30) days of the final selection of a vendor, the Company will provide the union with a description of the work to be performed by the vendor and the reasons that the Company is planning on subcontracting or outsourcing work. The union may then propose alternative or additional vendors for consideration by the Company prior to the final vendor selection being made. However, the final selection of the vendor shall be at the discretion of the Company.

2. The process described in B.1., above shall apply only to work that is being permanently subcontracted or outsourced and not to work that is being subcontracted or outsourced on a temporary or seasonal basis, as well as for special events or one time events. Examples of such subcontracting or outsourcing include but are not limited to, temporary Food Stands or Carts utilized for Special Events such as Circus Fantasy, Seasonal Restaurant Locations or carts, the catering of Banquets and/or one-time Special Events, and the inventorying of products in the Warehouse and Hotel Restaurants. For this type of work or operation, the Company shall have the unrestricted right to subcontract or outsource to the vendor of its choice.

In the event the employer engages in the subcontracting or outsourcing of work as described in this paragraph B., the parties hereto agree that Section 19, L. of this Agreement shall provide any employees who are laid off at the Grand Californian Hotel the opportunity to return to

Disneyland Hotel or the Disney's Paradise Pier Hotel if they previously worked under the terms of the respective Agreements immediately prior to transferring to the Grand Californian Hotel. For employees who are laid off at the Grand Californian Hotel, and have not worked under the terms of the Disneyland Hotel or the Disney's Paradise Pier Hotel HERE Agreement immediately prior to transferring to the Grand Californian Hotel, the Company will utilize its "best efforts" to place such laid off employees in other positions of employment within the Employer's work force.

APPENDIX A
WAGE SCALE

8. Premiums

a. The work assignments referenced in this Appendix A., including but not limited to Working Lead, Trainer, etc., are not job classifications under this Agreement, but the assignment of additional responsibilities for which a premium is paid. These work assignments are not a function of seniority and shall be assigned and/or removed at the sole discretion of the Company.

b. Employees selected and assigned by the Company to the additional responsibilities referenced in paragraph a. above shall be paid the appropriate premium in one (1) hour increments

9. Wage Rates. The wage rates for employees at the Grand Californian Hotel are set forth on attached Appendix A hereto. Employees shall receive the minimum rates of pay listed in the appropriate job classification.

10. Overscale Employees. Employees who transfer to the Grand Californian Hotel same job classification, shall receive the Grand Californian job classification minimum rate of pay, or their current rate of pay in the same job classification, whichever is greater.

Sideletter of Agreement

This sideletter of agreement dated February 9, 2004, shall be between the **Walt Disney World Company, dba Disneyland Resort Hotels** ("Company" or "Employer"), and the **Hotel Employees and Restaurant Employees Union, Local 681** ("HERE" or "Union"). This sideletter pertains to the implementation of an automated scheduling process known as GEMS to the Disneyland Resort Hotels.

During the course of the 2004 HERE negotiations, both the Company and the Union made proposals pertaining to the utilization of an automated scheduling process known as GEMS, which is a tool to assist management in the assignment of employee's schedules. Based upon those proposals both the Company and the Union have reached the following agreement, subject to the ratification of the HERE Disneyland Resort Hotel Agreement.

- The employee's manager is responsible for developing workload to align with their business requirements.
- The employee's manager will continue to be responsible for addressing any employee issues and/or concerns relating to the schedule.
- The Company agrees to post schedules in order of seniority and job classification.
- Employee's schedules will continue to be posted each Thursday for the following workweek, and therefore will not be available for viewing on the Cast Portal.
- Shift preference and time off requests must be submitted no later than noon (12:00 p.m.) Thursday the week prior to the schedule being posted.
- The Company will continue to have satellite boxes in the locations where they currently exist in addition to providing satellite timestamp machines and time off request materials to be located at the following locations throughout Disneyland Resort Hotel property for the convenience of the Cast:

Disneyland Hotel (6)

Behind the Front Desk
Inside the Housekeeping Dept Office
Adjacent to the Sierra Tower Time Clock
Outside the Bell/Valet Manager Office
Marina Kitchen FOH/BOH
Cast Scheduling Office

Disney' Paradise Pier Hotel

Behind the Front Desk
Inside the Housekeeping Dept Office
Adjacent to the Back Stage entrance/
Time Clock

Disney's Grand Californian Hotel

Behind the Front Desk
Outside the Housekeeping Dept Office
Adjacent to the Bungalow Grill Time Clock

- The employee will continue to receive a copy of their submitted shift preference and authorized time off request. The employee should time stamp their request and keep the bottom (Yellow) copy for their records before dropping into the nearest request box.
- The employee's manager is responsible for taking all submitted time off requests to the scheduling office.
- The employee's manager is responsible for processing all shift changes after the schedule has been posted. Employees shall submit shift changes directly to their manager and not into the satellite drop boxes.

- The Company further agrees to discuss issues that may arise with respect to scheduling when requested by the Union.

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 DLH HERE Agreement, and the DPPH Addendum Agreement and the 2000 GCH HERE Agreement.

For the Company:

For the HERE Union:

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

**Disneyland Resort Hotels
Sideletter of Agreement**

This sideletter of Agreement dated February 16, 2004, shall be between Disneyland Resort Hotels, Division of Walt Disney World Company ("Company" or "Employer"), and the Hotel Employees and Restaurant Union, Local 681 ("Union"). This sideletter pertains to the Fall Protection for the window washing at the Disney's Paradise Pier Hotel.

During the course of the 2004 HERE negotiations, the parties discussed the issues pertaining to Houseperson's responsibility at Disney's Paradise Pier Hotel for window washing and the fall protection system while performing the window washing task. The Company will provide personal fall protection systems and safety training to Housepersons who performs the window washing task at the Disney's Paradise Pier Hotel in accordance with California Code of Regulations (CCR) Subchapter 7, General Industry Safety Orders Group, I, General Physical Conditions and Structures, Article 5. Window Cleaning (Sections 3281-3291).

"All personal fall arrest, personal fall restraint and positioning device systems purchased or placed in service after January 1, 1998, shall be designed and built to conform to either ANSI A10.14-1991 American national Standard for Construction and Demolition Use, or ANSI Z359.1-1992 American National Standard Safety Requirements for Personal Fall Arrest Systems, Subsystems and Components, which are hereby incorporated by reference."

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 Disneyland Resort Hotels HERE Agreement, subject to the right of either party to give ninety (90) days written notice of cancellation to the other.

For the Company:

For the HERE Union

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

**Disneyland Resort Hotels
Sideletter of Agreement**

This sideletter of Agreement dated February 16, 2004, shall be between Disneyland Resort Hotels, Division of Walt Disney World Company ("Company" or "Employer"), and the Hotel Employees and Restaurant Union, Local 681 ("Union"). This sideletter pertains to the Porterage service at the Disneyland Resort Hotels.

During the course of the 2004 HERE negotiations, the parties discussed the issue pertaining to Bellpersons and the payment of Porterage, which is defined as any service charge or pre-negotiated payment by a Guest(s) for services rendered. When a group requests a reduced rate for the Porterage service, the Company agrees to consult the Bell Captain on-duty to evaluate the reduced Porterage rate. The Bell Captain's decision will be final and shall not be subject to grievance or arbitration procedure.

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 Disneyland Resort Hotels HERE Agreement, subject to the right of either party to give ninety (90) days written notice of cancellation to the other.

For the Company:

For the HERE Union

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

Disneyland Resort Hotels
HERE Agreement
Sideletter of Agreement
2/17/04

This sideletter of agreement dated February 17, 2004, shall be between the Walt Disney World Company, dba Disneyland Resort Hotels ("Company" or "Employer"), and the Hotel Employees and Restaurant Employees Union, Local 681 ("HERE" or "Union"). This sideletter pertains to the delivery and sorting of mail by the Bell and Valet Staff at the Disney's Grand California Hotel.

During the course of the 2004 HERE negotiations, the Company and the Union reached the following agreement, subject to the ratification of the HERE Disneyland Resort Hotels Agreement:

- The Company agrees that tipped Bell and Valet Staff at the Disney's Grand California Hotel will not be assigned to deliver and/or sort mail. The Company will assign a non-tipped Cast Member to perform these duties at the Disney's Grand California Hotel.

This sideletter shall be effective upon execution by the parties through the expiration of the 2004 Disneyland Resort Hotels HERE Agreement, subject to the right of either party to give ninety (90) days written notice of cancellation to the other.

For the Company:

For the HERE Union

Tom B. Fox
Director - Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

Disneyland Resort Hotels
HERE Agreement
Sideletter of Agreement
1/26/04

This sideletter of agreement dated January 26, 2004, shall be between the **Walt Disney World Company, dba Disneyland Resort Hotels** ("Company" or "Employer"), and the **Hotel Employees and Restaurant Employees Union, Local 681** ("HERE" or "Union"). This sideletter pertains to the classification scheduled to work the morning and mid-shifts at Disney's Paradise Pier Lobby Bar.

During the course of the 2004 HERE negotiations, the parties discussed the classification and rate of pay compensated to a Cast Member who is scheduled to work the morning and mid-shifts in the Lobby Bar at Disney's Paradise Pier Hotel. The Company agrees to schedule both the morning and mid shifts as Host/Cashier, and compensate scheduled employees at the contractually negotiated rate of pay for that classification. The Union agrees that the scheduled employee will continue to prepare and serve alcoholic beverages at the guest request. **Cast Members working** during these shifts will **login to the Point-of-Sale System as "to-go"** and therefore not subject to tip allocation

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 DLH HERE Agreement and the DPPH Addendum Agreement, subject to the right of either party to give ninety (90) days written notice of cancellation to the other.

For the Company:

For the HERE Union

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

Disneyland Resort Hotels
HERE Agreement
Sideletter of Agreement
2/16/04

This sideletter of agreement dated February 16, 2004, shall be between the **Walt Disney World Company, dba Disneyland Resort Hotels** ("Company" or "Employer"), and the **Hotel Employees and Restaurant Employees Union, Local 681** ("HERE" or "Union"). This sideletter pertains to the removal of verbiage on Guest Checks in the Room Service departments at the Disneyland Resort Hotels.

During the course of the 2004 HERE negotiations, the Company and the Union reached the following agreement, subject to the ratification of the HERE Disneyland Resort Hotel Agreement:

- The Company agrees to remove the verbiage, *Gratuity Already Included*, from all Guest Checks in the Room Service departments at the Disneyland Resort Hotels

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 DLH HERE Agreement, the DPPH Addendum Agreement and the 2000 GCH HERE Agreement.

For the Company:

For the HERE Union:

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

Disneyland Resort Hotels
HERE Agreement
Sideletter of Agreement

This sideletter of agreement dated March 11, 2004, shall be between the **Walt Disney World Company, dba Disneyland Resort Hotels** ("Company" or "Employer"), and the **Hotel Employees and Restaurant Employees Union, Local 681** ("HERE" or "Union"). This sideletter pertains to the Resort Cast Commissary menu selection and pricing structure, and the Box Lunch Program at Disney's Paradise Pier Hotel.

During the course of the 2004 HERE negotiations, the Company and the Union reached the following agreement, subject to the ratification of the HERE Disneyland Resort Hotel Agreement:

Resort Cast Commissaries:

- The Company agrees to add a new mid-tier of entrée combination meals that will have a price point positioned between the current Max Meal and Taste of the Resort options. This tier will include over 20 new options that offer diverse selections. Additionally, the new menu will add a ¼ pound cheeseburger combination meal to the grill options daily.
- The Company agrees to add a non fat ranch dressing as a daily option.
- The Company will review dessert options and introduce a variety of options at lower price points.

Disney's Paradise Pier Hotel – Box Lunch Program:

- The Company will offer an entrée salad and soup of the day in addition to the current sandwich combo meal. Morning options will include a variety of hot and cold single serving cereals and fresh fruit. The portions and prices for these options will be consistent with pricing of similar items offered in the Cast Commissaries.
- Cast Members purchasing items for the Cast meal program at Paradise Pier Hotel may do so by obtaining the items from the PCH Grill kitchen and paying for the items at the Paradise Pier Hotel lobby bar between 7:00am and 7:00pm daily.

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 Disneyland Resort Hotels Agreement

For the Company:

For the HERE Union:

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____

**Disneyland Resort Hotels
Sideletter of Agreement**

This sideletter of agreement dated June 8, 2004, shall be between Disneyland Resort Hotels, Division of Walt Disney World Company ("Company" or "Employer"), and the Hotel Employees and Restaurant Union, Local 681 ("Union"). This sideletter pertains to the Portage Service and Storage Fees at the Disneyland Resort Hotels.

During the implementation of the 2004 H.E.R.E. Agreement, the parties discussed the issue of selling and negotiating Portage Service and Storage Fees. The parties hereby agree that effective on June 8, 2004 the Company, in addition to the current practice of attempting to sell portage to all groups; will attempt to sell portage service to the following two categories of groups regardless of the groups' mode of arrival to the Resort Hotels:

(A) Business, corporate incentive groups when room and tax are paid by the respective companies.

Examples: Bank of America, Washington Mutual, 24 Hour Fitness
Albertsons, Best Buy, Disney corporate group, Kaiser.

(B) Student, cheerleaders, and dance groups.

Examples: Cheerleaders, High school/college leadership group, Dance
Caravan, Showstoppers.

The Company will begin by attempting to sell the group portage service for the contracted ten-dollar (\$10.00) roundtrip amount. If the group declines the ten-dollar (\$10.00) round trip portage service amount, the Company agrees to consult the Bell Captain on-duty to evaluate reduced Portage rate (refer to Portage Sideletter Agreement dated February 16, 2004 for additional details) at the time of booking. Once a group has pre-negotiated, contracted and scheduled for the Bellpersons to handle their luggage, the portage fee will be paid to the Bellpersons regardless of whether the service was utilized if the Company collected the portage fees (unless the service was not utilized due to the negligence of the Cast Member).

If the groups listed above decline both the \$10.00 roundtrip portage and the portage at a reduced rate offered by Sales and a Bell Captain, the Bellpersons shall be paid a storage fee of \$1.00 in and \$1.00 out per person for services rendered. Regardless of whether the group has pre-negotiated for the service, the storage fee shall be paid when a Guest of a group listed above does not utilize normal Bell Services for luggage handling to and from Guest rooms, but rather physically drops off and picks-up their luggage from Bell Services or a storage area. Therefore, negotiation by Bellpersons with Guests will not be needed or permitted.

Furthermore, the parties agree that the Company will begin by attempting to sell the group portage service for the contracted ten-dollar (\$10.00) roundtrip amount to international wholesale tour companies, such as JTB, HIS, JPI, Kintetsu, Ana Halo, Trans Orbit, TransMapp, which sell tour packages to individual guests/tourists. If an international tour company declines the ten-dollar (\$10.00) round trip portage service amount during its annual contract renewal, the Company agrees to consult the Bell Captain on-duty to evaluate the reduced Portage rate (refer to Portage Sideletter Agreement dated February 16, 2004 for additional details). For all existing contracts, the Company agrees to contact the international tour companies without portage services in its current contracts and consult the Bell Captain on-duty in an effort to

negotiate lower portorage rates for the balance of the contract year. Therefore, negotiation on the floor will not be permitted for all going forward and past contracts.

This sideletter of agreement shall be effective upon execution by the parties through the expiration of the 2004 Disneyland Resort Hotels H.E.R.E Agreement.

For the Company:

For the HERE Union

Tom B. Fox
Director – Labor Relations
Disneyland Resort

Ada F. Torres
President
HERE Union, Local 681

Date: _____

Date: _____