

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("Agreement") is reached between SEIU Healthcare Pennsylvania and UFCW Local 1776 KS (the "Unions") and Berks County (the "Employer").

Whereas, SEIU Healthcare Pennsylvania and UFCW Local 1776 KS are the certified representatives of units of employees of Berks County working at the Berks Heim Nursing and Rehabilitation (the "Berks Heim"); and,

Whereas, the Employer is the employer of those employees and the owner and operator of the Berks Heim; and,

Whereas, the parties have agreed to certain collective bargaining agreements ("CBAs"), the Duration of which are from January 1, 2020 until December 31, 2024, in which the Unions have made substantial economic concessions to the Employer; and,

Whereas, in consideration of those Union concessions the Employer has agreed in those CBAs not to privatize, sell, transfer or assign the Berks Heim; and,

Whereas, the parties wish to set forth additional mutual and binding understandings with respect to those provisions of the CBAs.

Now, therefore, the parties agree to the following:

1. In the event that the Employer, contrary to its contractual commitment sells, transfers, assigns or privatizes the Berks Heim, the parties agree there should be a defined and agreed upon remedy for that breach. That remedy shall include the following provisions:

a. Successor and Assigns Clause

- i. This Agreement shall be binding upon the successors and assigns of the parties hereto. In the event of a sale, transfer or assignment, by whatever means or methods, of the Employer's operations at the Berks Heim or any part thereof, the Employer shall give advance notice to the prospective new owner, transferee or assignee ("successor") of the obligations of this Agreement, and shall, as a condition of such sale, transfer or assignment, require the successor to hire the employees represented by the Unions and to become a party to the CBAs then in existence by a written assumption document. It is understood that the Employer shall not use any leasing device to a third party to evade this commitment. The Employer shall be responsible for any and all monetary benefits that employees represented by the Unions have accumulated under their CBAs to the date of sale, transfer or assignment. Seniority of employees shall not be broken by such sale, transfer or assignment.
- ii. The Employer agrees to give the Unions no less than sixty (60) days written notice in the event that it intends to sell, transfer or assign the operations at the Berks Heim or part thereof, and agrees to provide the Unions with written documentation establishing the Employer's compliance with Paragraph 1.a.(i) of this Agreement no less than ten (10) days prior to such sale, transfer or assignment.
- iii. The obligations agreed to by the Employer in this Agreement shall be enforceable pursuant to the arbitration procedures set forth in the CBAs.

enforce any part of this Agreement, whether in the arbitration proceedings or in court.

b. Payments to Employees:

In addition, the Employer agrees that it shall provide payments to employees represented by the Unions at the time of any sale, transfer, assignment or privatization of the Berks Heim. These payments shall be distributed among the employees in accordance with a formula to be provided in the discretion of the Unions with the understanding that the total payments paid by the Employer to all employees represented by the Unions shall be equal to, and not exceed, 500% of the accumulated savings agreed to by the Unions in the current CBAs, which have been identified as concessions made by the Unions to the Employer to prevent the need for the sale, transfer, assignment or privatization of the nursing home and are listed in Exhibit A to this Memorandum. Such severance payments shall be made directly to the employees, subject to normal withholding, no later than 60 days after the effective date of any sale, transfer, assignment or privatization of the Berks Heim.

2. The parties agree that this Agreement shall be considered part of the existing CBAs.

3. This Memorandum of Agreement and the parties' obligations hereunder shall terminate as of December 31, 2024.

In witness whereof, and intending to be legally bound, the parties, through their duly authorized representatives, have signed this Agreement as follows:

Dated: 3/14/19 By: Carl M. R
SEIU Healthcare Pennsylvania

Print Name: Carlos M. Rivera

Dated: 4/11/19 By: Rendell W. Young IV
UFCW Local 1776 KS

Print Name: RENDOLL W. YOUNG IV

Dated: 4/2/19 By: George C. Harvie
Berks County

Print Name: George C Harvie
outside legal counsel
lead negotiator

Danielle Leazer 3/14/19
Danielle Leazier
Maryellen Nussleest 3/14/2019
Maryellen Nussbeuter 3/14/2019
Tracy D Beebe 3/14/19
Tracy D Beebe