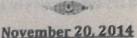


International Union United Government Security Officers of America UGSOA



PHONE: (303) 650-8515 FAX: (303) 650-8510

8670 Wolff Ct. Suite 210 * Westminster, CO 80031



Letter of Understanding

This is an Agreement by and between Vend Tech-SGI, LLC. (hereafter referred to as, ("the Company") and The United Government Security Officers of America International Union and its Local 20, hereafter referred to as, ("the Union").

WHEREAS, Local 20 currently has pending against Vend Tech-SGI, LLC. a Grievance #72,

WHEREAS, the company denies Local 20's allegations as contained in the Grievance; and

WHEREAS, Local 20, the International and the Company desire to settle fully and finally, without admission of liability, the Grievance;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained and to avoid unnecessary litigation, it is hereby agreed by and between the parties as follows:

FIRST: This Agreement and compliance with this Agreement shall not be construed as an admission by the Company of any liability whatsoever, or as an admission by the Company of any violation of any order, law, statute, duty, contract, collective bargaining agreement, or right of Local 20, the International or any other person.

<u>SECOND</u>: Except as specified in this Agreement, neither the Company nor Local 20 nor the International waives any rights that either party may have in regard to filing or defending against the filing of grievances in the future.

THIRD: the Company agrees to schedule a minimum of five (5) Officers off per day on Personal Time Off, if that time is requested by the Officers.

FOURTH: the Company agrees, if five (5) persons per day are not currently scheduled on PTO, the Company will approve PTO requests up to a total of five (5) persons per day on a first come, first serve basis.

FIFTH: The Employees will be allowed to use PTO time for illnesses in which case no advance notice is necessary.

SIXTH: Personal leave shall be used in not less than eight-hour increments and shall be paid when taken by the employee.

SEVENTH: Employee shall give no less than four (4) hour notice in advance.

EIGHTH: Except for the provisions of any collective bargaining agreement between the parties, this Agreement sets forth the entire agreement between the parties hereto and fully supersedes any and all prior agreements or understandings, written or oral, between the parties hereto pertaining to

the subject matter hereof.

Vend Tech-SGI, LLC.

Date

JGSOA International Union

Date

President, UGSOA Local 20

Date