

AGREEMENT

BETWEEN

SHEET METAL WORKERS' LOCAL NO. 4

AND

SIGNATORY EMPLOYER'S

Effective

July 1, 2007 through June 30, 2012

Table of Contents

	<u>Page</u>
Agreement	1
Article I	Scope of Agreement 1
Article II	Sub-Contracting and Recognition 1-2
Article III	Jurisdiction Classification 2
Article IV	Request for employees Forty-eight hour Clause 2
Article V	Union Security Clause 2-3
Article VI	Hour of Work 3
	Overtime 3
	Holidays 3
	Shift Work 3-4
	Make Up Day 4-5
Article VII	Travel Zone 5-6
Article VIII	Journeyman Wage & Fringes 6
	Payment of Fringes Benefits 6-8
	Distribution Rights 8
	Job Site Wage Scale 8-9
	Two Man Rule 9-10
	Wages Payment Date 10
	Show up Pay 10
	ITI, NEMI & SMOHIT 10-11
Article IX	Tools 11
	Automobile Use, Parking & Safety 11-12
Article X	Grievance Procedure 12-15
Article XI	Apprenticeship 15-17
Article XII	Classified Worker 17-18
Article XIII	Substance Abuse 18-19
Article XIV	Breaks, Foreman Pay, Layoffs 19
	Labor Management and Stewards 19-20
	Hiring Hall Rules 20-22
Article XV	SASMI 22-23
Article XVI	Integrity Clause 23
Article XVII	Term Journeyman 23
Article XVIII	Contractors Association 23-24
Article XIX	Dues Check-Off 24
Article XIX	Non Discrimination 24
Article XX	Jurisdictional Disputes 24
Article XXI	Term of Agreement 24-25
Appendix A	Apprentice Wage & Fringes 26-30
Appendix A-1	Classified Workers- Wage & Fringes 31
Appendix B	Substance Abuse Program 32-36
Addendum	R/Light Commercial 1-3

STANDARD FORM OF UNION AGREEMENT

SHEET METAL, ROOFING, VENTILATING AND AIR CONDITIONING CONTRACTING DIVISIONS OF THE CONSTRUCTION INDUSTRY

Agreement entered into July 1, 2007 by and between Sheet Metal Contractors Association of Memphis and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No. 4 of Sheet Metal Workers' International Association, hereinafter referred to as the Union for the jurisdiction of Sheet Metal Workers Local No. 4.

ARTICLE I

SECTION 1 This agreement covers the rates of pay and conditions of employment of all employees of the Employer engaged in, but not limited to, the (a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof, and all air-veyor systems and air handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; and (e) all other work included in the jurisdictional claims of Sheet Metal Workers' International Association.

ARTICLE II

SECTION 1 No Employer shall subcontract or assign any of the work described herein which is to be performed at a job site, to any contractor, subcontractor, or any person or party who fails to agree in writing to comply with the conditions of employment contained herein including, without limitations, those relating to union security, rates of pay and working conditions, hiring and other matters covered hereby for the duration of the project.

SECTION 2 Subject to other applicable provisions of this Agreement, the Employer agrees that when subcontracting for prefabrication of materials covered herein, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication, as established under provisions of this Agreement.

SECTION 3 The Employer agrees to make a good faith effort when purchasing material for installation or re-sale for the items to display the appropriate SMWIA Union Label if available. Material supplied by a customer of the Employer or if a customer does not desire the label to be displayed on material fabricated by the Employer then this section shall not apply.

SECTION 4 The Employer recognizes the Union as the exclusive representative for the purpose of collective bargaining with respect to wages, hours, and other conditions of employment for all employees covered under this agreement. Any rules, regulations or policies

promulgated by the Employer not specifically specified in this agreement which pertains to wages, hours or conditions of employment shall be agreed to first by both the Union and Employer.

ARTICLE III

SECTION 1 The Employer agrees that none but journeyman sheet metal workers, apprentices and classified workers shall be employed on any work described in Article I, and further, for the purpose of proving jurisdiction, agrees to provide the Union with written evidence of assignment on the Employer's letterhead for certain specified items of work to be performed at a job site prior to commencement of work at the site. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA and SMWIA, shall be provided to the Employer.

ARTICLE IV

SECTION 1 The Union agrees to furnish upon request by the Employer journeyman sheet metal workers, apprentices and classified workers in sufficient numbers as may be necessary to properly execute work contracted for by the employer in the manner and under the conditions specified in the Agreement.

SECTION 2 In the event the referral facility maintained by the Union is unable to fulfill requests for referrals within forty-eight (48) hours (excluding Saturdays, Sundays and Holidays), from the time of the Employer's request for employees, the Employer may obtain employees from any source.

SECTION 3 The Employer agrees, upon request by the Union, any employee hired as outlined in Section 2 of this Article shall be sent to the Union for referral and the Union shall refer such employee to the Employer.

ARTICLE V

SECTION 1 The Employer agrees to require membership in the Union, as a condition of continued employment of all employees performing any of the work specified in Article I of this Agreement, within eight (8) days following the beginning of such employment or the effective date of this Agreement, whichever is the later, provided the Employer has reasonable ground for believing that membership is available to such employees on the same terms and conditions generally applicable to other members and that membership is not denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership.

SECTION 2 If during the term of this Agreement the Labor Management Relations Act of 1947 shall be amended by Congress in such a manner as to reduce the time within which an employee may be required to acquire union membership, such reduced time limit shall become immediately effective instead of, and without regard to, the limit specified in Section 1 of this Article.

SECTION 3 The provisions of this Article shall be deemed to be of no force and effect in any state to the extent to which the making or enforcement of such provision is contrary to law. In any state where the making and enforcement of such provisions is lawful only after compliance with certain conditions precedent, this Article shall be deemed to take effect as to involved employees immediately upon compliance with such conditions.

ARTICLE VI

SECTION 1 The regular working day shall consist of eight (8) consecutive hours labor in the shop or on the job between six (6) a.m. and five (5) p.m., and the regular working week shall consist of five (5) consecutive, eight (8) hour days labor in the shop or on the job, beginning with Monday and ending with Friday of each week. All full-time or part-time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate. The foregoing provision of this Article describes the regular or normal work day and regular work week and is not intended to be construed as a guarantee of hours of work per day, hours of work per week or days of work per week. Except as otherwise provided pursuant to Section 4 of this Article, all work performed outside the regular working hours and performed during the regular work week, and Saturday shall be one and one-half (1.5) times the regular rate.

Employees required to work overtime after their normal work shift, their time will not revert to straight time for a period of twenty-four (24) hours from the end of their regular work shift without having eight (8) hours of time off. This provision shall not apply if an employee(s) voluntarily returns to work.

Employees shall be at the shop or project site at scheduled starting time each day, and shall remain until quitting time.

SECTION 2 New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and Friday after Thanksgiving or days locally observed as such, and Sunday, shall be recognized as holidays. All work performed on holidays shall be paid at two (2) times the regular rate of pay. If a holiday falls on Sunday, the following Monday shall be observed. If a holiday falls on Saturday, the preceding Friday shall be observed.

SECTION 3 It is agreed that all work performed outside the regular working hours during the regular work week, on Saturday, and on holidays shall be performed only upon notification by the Employer to the local union in advance of scheduling such work. Preference on overtime and holiday work shall be given to employees on the job on a rotation basis so as to equalize such work as nearly as possible.

Excessive tardiness and unexcused absenteeism will not be tolerated. It shall be the responsibility of the Employer to refrain from scheduling overtime to employees who habitually miss regular work days from working Saturday, Sunday and other scheduled and unscheduled overtime.

SECTION 4 Shift work may be established when considered necessary by the Employer. Shift hours and rates will be as follows:

***First Shift**— Eight (8) hours pay for eight (8) hours worked plus one-half (0.5) hour unpaid lunch period.

***Second Shift**— Eight (8) hours pay for eight (8) hours worked plus one-half (0.5) hour unpaid lunch period. In addition, employee shall receive \$1.00 per hour premium on the hourly wage.

***Third Shift**—Seven (7) hours pay for seven (7) hours worked plus one-half (0.5) paid lunch period. In addition, employee shall receive \$1.50 per hour premium on the hourly wage.

If overtime is worked the employee will receive overtime rate, including shift premium. If only two shifts are to be worked, the Employer may regulate starting times of the two shift operations.

No shift work shall be permitted unless the shift work shall run for a minimum of three (3) consecutive days in any one week, Monday through Friday two (2) shift minimum per day. First shift may be in the shop, provided it is worked between six (6) a.m. and five (5) p.m.

Prior to shift work being performed, the Employer shall notify the Business Agent of job location; starting and ending time of shift; and size of crew on each shift.

Shift work is permissible where work is not possible or practical in the daytime, all shift work under these conditions shall be approved by the Union prior to the commencement of such shift work and the applicable shift premium shall apply.

Employees when required to change their normal schedule shift will be allowed eight (8) hours off between the start of their new schedule shift.

In addition to shift work, it is recognized that the standard workweek may not be desirable or cost effective for some projects or Employer. Then, upon mutual agreement between the Union and Employer, alternate arrangements for hours of work may be considered to allow a regular workweek to consist of a four (4) consecutive workdays of ten (10) hours per day running consecutive Monday through Thursday.

All work performed outside of the regular work day or workweek for a four (4) day ten (10) hour per day work week shall be paid at the overtime rate outline in this agreement.

SECTION 5 In the event that time is lost on any contract job due to inclement weather, the Employer, at the discretion of the employee, may extend the workweek through Saturday for a five (5) day eight (8) hours per day workweek running Monday through Friday and Friday for a four (4) day ten (10) hours per day workweek running Monday through Thursday in order that the employee may have a forty (40)-hour work week and construction progress may be maintained. However, if Saturday or Friday has to be scheduled as an overtime day, then the makeup day shall not apply. If an employee is drawing overtime rate then all employees will draw overtime rate as long as work is performed on same project, not necessarily same location. Also an employee, at their discretion, may extend the workweek through Saturday or Friday for workweeks outlined above due to personal time lost during the regular week, excluding holidays, if work is available. If the Employer requires an employee to work then they shall receive overtime rate.

SECTION 6 Energy conservation: Retrofit work performed outside the regular work day in occupied buildings shall be performed under shift work conditions to be established by the local parties, or by the National Joint Adjustment Board on the request of either party if not locally provided.

ARTICLE VII

SECTION 1 When employed in a shop or on a job within the limits of a sixty (60) mile radius from the Business office of the Sheet Metal Workers Local No. 4, 663 S. Cooper Street, Memphis, TN 38104, employees shall be governed by the regular working hours specified herein and shall provide themselves necessary transportation within the said limits from home to shop or job at starting time and from shop or job to home at quitting time, and the Employer shall provide, or pay applicable government allowance per mile for all necessary additional transportation during working hours.

Riding time when outside the normal work day and normal work week shall be paid at the regular straight time rate of pay.

SECTION 2 When employed outside the limits specified in Section 1 of this Article, and within the jurisdiction of the Union, employees shall provide transportation for themselves which will assure their arrival at the limits specified in Section 1 of this Article at regular starting time, and the Employer shall provide or pay for all additional transportation for such jobs, including transportation from such job back to the limits specified in Section 1 of this Article which will assure arrival at such limits at quitting time. As an alternate to the foregoing method, travel expense may be paid as outlined below:

Beyond the sixty (60) mile free zone to the limit of the jurisdiction of Local Union No.4, one round-trip and motel room will be paid for and agreed upon by both Employee and Employer and twenty (\$20.00) dollars per day food allowance. Double occupancy where possible, per room, not beds. Beyond Local No. 4 jurisdiction, room and board and one (1) round trip to the job will be paid, unless called in by the Employer due to job progress or other reasons.

In addition, if the Employer furnishes transportation to and from a job site, in a vehicle supplied by the Employer, the free zone shall extend to seventy (70) miles from the east interchange of I-40 and I-240 and no riding time or subsistence shall be required.

Exception: For work successfully bid by the Employer on and after the effective date of this agreement the following cities shall be included as if within the free zone limits outline above.

Jackson, Tennessee and Oxford, Mississippi

If an employee's residence is located within twenty-five (25) miles of a job site, no subsistence will be required.

If an Employer sets up a permanent type shop in another city or area, within the jurisdiction of the Union, the free zone as set out above shall be in effect from that shop.

The parties agree to pinpoint specific jobs outside the free zone for relief from travel and subsistence requirement, in case where signatory Employers are competing with non-union competition. The decision as to the amount of relief to be granted in each instance shall be made by the Business Manager of the Union. The Employer shall make such request of relief from free zone and subsistence requirements for the job no less that one (1) week prior to the bid date.

ARTICLE VIII

SECTION 1 The minimum rate of wages for JOURNEYMEN SHEET METAL WORKERS covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be as follows:

<u>Wage and Fringes Effective</u>	<u>7/1/07</u>	<u>1/1/08</u>	<u>7/1/08</u>	<u>1/1/09</u>	<u>7/1/09</u>	<u>1/1/10</u>	<u>7/1/10</u>	<u>1/1/11</u>	<u>7/1/11</u>	<u>1/1/12</u>
Basic Taxable Wage	25.10	25.10	*.55	*.55	*.55	*.55	*.55	*.55	*.55	*.55
Health & Welfare	4.69	4.69								
Local Pension	4.60	4.81								
National Pension	.25	.28				*To Be Distributed				
Vacation **(Deduct)	** .78	** .78								
B & A **(Deduct)	** .14	** .14								
Apprenticeship Fund	.15	.15								
I T I	.17	.17								
SMWIA Scholarship Foundation	.01	.01								
SASMI	1.04	1.05								
Total Wages & Fringes	36.01	36.26	36.81	37.36	37.91	38.46	39.01	39.56	40.11	40.66
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15	.15	.15
Total	36.16	36.41	36.96	37.51	38.06	38.61	39.16	39.71	40.26	40.81

* (Wages to be distributed)

** (DEDUCT) From Basic Taxable Wage

The Union shall allocate or reallocate a portion of the wage and fringe-benefit package sufficient to cover fully any increases in contribution rates to the National Pension Fund if the Trustees of the fund provide one or more schedules which require an increase in contributions under Section 305 of the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006.

Also the Union shall allocate or reallocate a portion of the wage and fringe-benefit package sufficient to cover fully any increases in contribution rates to the Sheet Metal Workers' Local No. 4 Pension Fund if the Trustees of the fund provide a schedule which requires an increase in contributions under the Pension Protection Act of 2006.

Basic Taxable Wage includes Vacation and B&A (Building and Administration) Fund which are taxable on employees gross wages. When overtime is worked, Vacation Fund and B & A Fund shall be paid at overtime rate.

Health and Welfare, Local Pension Fund, National Pension Fund are Employer contribution and shall be paid for each hour worked and when overtime is worked, shall be paid at overtime rate.

Apprenticeship Fund is an Employer contribution and shall be paid for each hour worked, including overtime.

International Training Institute is an Employer contribution and shall be paid for each hour worked, including overtime.

Sheet Metal Workers' International Scholarship Foundation is an Employer contribution and the Employer agrees to contribute one cent (\$.01) per hour for each hour worked by each journeyman and apprentice covered by this Agreement, while within the employ of the Employer.

SASMI is an Employer contribution. SASMI is three (3) percent of Total Wages and Fringes, excluding Apprenticeship Fund and National Training Fund.

PAL (Political Action League) Check-off (\$0.02 per hour worked): Employee may elect to have \$0.02 for each hour worked, deducted by Fringe Benefits Fund Administrators from Vacation Fund contribution, upon voluntarily presenting fund Administration and Employer with approved authorization form.

Local PAC (Political Action Committee) Check-off (\$0.02 per hour worked): Employee may elect to have \$0.02 for each hour worked deducted by Fringe Benefits Fund Administrators from Vacation Fund contribution, upon voluntarily presenting Fund Administrator and Employer with approved authorization form.

Health and Welfare Fund, Local Pension Fund, Vacation Fund, Building and Administration Fund and Apprenticeship Fund shall be remitted on Combined Monthly Report form furnished by Sheet Metal Workers Local Union No. 4 or the National Benefit Fund.

National Pension Fund, SASMI, International Training Institute and Sheet Metal Worker's International Scholarship Foundation shall be remitted on Sheet Metal Workers uniform Fringe Benefit Remittance Report furnished by the National Benefit Fund.

Insofar as payment to the Funds are concerned time is of the essence. The Union and Employers recognize and acknowledge that the regular and prompt payment of amounts due by Employers to the Funds is essential to the operation of the Funds and the provision of benefits.

Payment to the Funds shall be made by two (2) checks, one payable to Sheet Metal Workers' Local No. 4 Fringe Benefit Funds and National Benefit Funds. Remittance and reporting forms

are due on or before the 20th of each succeeding month and shall be mailed to the address listed on the bottom of the form.

Each Employer shall furnish to the Trustees of the Funds, on demand, any and all books, records, papers and reports of said Employer as may be necessary to determine whether said Employer is making full payment to the Trustees of the amount required by the Collective Bargaining Agreement with said Employer. The Trustees shall have the right to permit these books, records, papers and reports to be examined by accountants and/or auditors chosen by the Trustees if, in their discretion, they deem it necessary to determine whether an Employer is complying with the Collective Bargaining Agreement. The Trustees or any authorized agent of representative of the Trustees shall have the right at all reasonable times during business hours to enter upon the premises of any Employer obligated to contribute to the Funds and to examine and copy such of books, records, papers and reports.

The intent of these provisions is to enable the Trustees to determine and calculate the amount of contributions owed by the Employer to the funds and any books or documents or records which are not reasonably calculated to lead to the discovery of matters related to this purpose shall not be produced, examined or discovered.

If an Employer is delinquent in its payments to a Fund or Funds, the Union may refuse to man a job or jobs or withdraw Employees from the job or jobs of a delinquent Employer and/or advertise to all Employees of a delinquent Employer that said Employer is delinquent in his contributions to the Fund.

If the Trustees refer the collection of delinquent payments to an attorney, the delinquent Employer shall be responsible for and shall reimburse the Trustees for all attorneys' fees, in addition to the delinquent contributions owed.

If the Trustees commence legal proceedings to collect delinquent payments, the Trustees shall be entitled to collect (a) all delinquent contributions owed, (b) reasonable attorney's fees and costs, (c) reasonable auditor's fees, (d) interest on the delinquent contributions, both before and after judgment, and (e) liquidated damages of twenty (20) percent of the amount owed (or a higher amount if permitted by state or federal law).

It is expressly agreed that matters and disputes regarding delinquencies are not matters or disputes covered by the grievance/arbitration provisions of the Standard Form of Union Agreement.

The Employer agrees to adopt and be bound by all terms and provisions of the Agreement and Declarations of Trusts of the Health and Welfare Fund, Local Pension Fund, National Pension Fund, Vacation Fund and Apprenticeship Fund.

The Union shall have the right to distribute all wages and fringes.

SECTION 2 On all work specified in Article I of this Agreement, fabricated and/or assembled by Journeyman sheet metal workers, apprentices and/or classified workers within the jurisdiction

of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other Local Union affiliated with Sheet Metal Workers International Association, whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the job site Union shall be paid to the Journeymen employed on such work in the home shop or sent to the job site.

SECTION 3 The provisions of Section 2 of this Article, Section 2 of Article II, and Section 1 of Article III, shall not be applicable to the manufacture for sale to the trade or purchase of the following items:

1. Ventilators
2. Louvers
3. Automatic and fire dampers
4. Radiator and air conditioning unit enclosures
5. Fabricated pipe and fittings for residential installations and light commercial work as defined in the locality
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air diffusers, grilles, registers
9. Sound attenuators
10. Chutes
11. Double-wall panel plenums
12. Angle rings

SECTION 4 The provisions of Section 2 of this Article shall not be applicable to AIR POLLUTION CONTROL SYSTEMS fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems. In addition, the provisions of Section 2 of this Article will not be applicable to the manufacture of spiral pipe and fittings for high-pressure systems.

SECTION 5 Except as provided in Sections 2 and 6 of this Article, the Employer agrees that Journeyman Sheet Metal workers hired outside of the territorial jurisdiction of this Agreement shall receive the wage scale and working conditions of the local Agreement covering the territory in which such work is performed or supervised.

SECTION 6 When the Employer has any work specified in Article I of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another union affiliated with the Sheet Metal Workers' International Association, and qualified sheet metal workers are available in such area, he may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employers home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeyman sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation,

travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of that local Agreement. If employees are sent into an area where there is no local agreement of the Sheet Metal Workers' International Association covering the area, then the minimum conditions of the home local union shall apply.

SECTION 7 In applying the provisions of Sections 2, 5 and 6 of Article VIII, the term "wage scale" shall include the value of all applicable hourly contractual benefits in addition to the hourly wage rate provided in said Sections.

SECTION 8 Welfare benefit contributions shall not be duplicated. When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this Agreement agree to arrange through the Health & Welfare Trust Fund to transmit health and welfare contributions made on behalf of the employee to the Health & Welfare fund in the employee's home local union.

The parties to this Agreement agree to establish a system for continuing health and welfare coverage for employees working temporarily outside the jurisdiction of the local collective bargaining agreement when health and welfare contributions are transmitted on their behalf by trust funds from other areas.

SECTION 9 Wages at the established rates specified herein shall be paid by cash or check, or by Direct Deposit on a voluntary basis, in the shop or on the job at or before quitting time within two (2) days after the end of the Employers payroll period, and no more than two (2) days' pay will be withheld. With prior approval from the Union the Employer may extend the time limit specified above to seven (7) days. However, employees when discharged shall be paid in full. Employer's payroll period as outlined above shall not extend beyond seven (7) days.

Employer to issue cash, check or direct deposit for wages, with permanent record of total hours, rate, wages, deductions, showing net amount at the time outlined above.

SECTION 10 Employees covered under this agreement who report for work by direction of the Employer, and are not placed to work shall be entitled to two (2) hours pay at the established rate. This provision, however, shall not apply under conditions over which the Employer has no control such as power failures, fire or acts of God.

SECTION 11 Each Employer covered by this Agreement shall employ at least one (1) Journeyman sheet metal worker who is not a member of the firm on all work specified in Article I of this Agreement.

SECTION 12 The Employers will contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry seventeen (\$0.17) cents per hour for each hour worked on and after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Three (\$0.03) cents per hour of the contribution to the International Training Institute shall be forwarded by the Trustees of the International Training Institute to the National Energy Management Institute Committee, and two (\$0.02) cents per hour to the Sheet Metal Occupational Health Institute Trust jointly administered trust fund. Payment shall be made on or

before the 20th day of the succeeding month, and shall be remitted to the office of the International Training Institute, P.O. Box 79321, Baltimore, MD, 21279-0321, or as designated by the Trustees of the Fund.

The parties agree to be bound by the separate Agreements and Declarations of Trusts establishing the International Training Institute for the Sheet Metal and Air Conditioning Industry, and the National Energy Management Institute committee and the separate Agreements and Declaration of Trusts of all other local or national programs to which it has been agreed that contributions will be made. In addition, the participants agree to be bound by any amendments to said trust agreements as may be made from time to time and hereby designate as their representatives on the Board of trustees such trustees as are named together with any successors who may be appointed pursuant to said agreements.

The parties authorize the trustees of all national funds to cooperatively establish uniform collection procedures to provide for efficient and effective operation of the various national trusts.

ARTICLE IX

SECTION 1 Journeyman sheet metal workers covered by this Agreement shall provide for themselves all necessary sheet metal hand tools as follows:

- | | | |
|---------------------|---------------|-------------------------------|
| Chisel | Hammer* | Aviation Snips M 1's and 2's* |
| Combination Square* | No. 5 Whitney | Bulldogs & Seventeen's |
| Set of Dividers | Prick Punch | Vice Grips |
| Tape Measure | Scratch Awl* | Crescent Wrench |
| Drift Pin | Screwdriver* | Toolbox (8x8x20) |
| Hack-Saw Frame | Hand Tongs* | Tool Pouch* |

Apprentices will be allowed time to accumulate the above tools during their apprenticeship but will be required to supply the basic tool pouch tools. Classified workers shall be required to provide for themselves the basic tool pouch tools.

***Basic tool pouch tools**

SECTION 2 Journeyman sheet metal workers apprentices and classified workers covered by this Agreement shall not be permitted or required as a condition of employment to furnish the use of automobile or other conveyance to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop Facilities for such transportation to be provided by the Employer. This provision shall not restrict the use of an automobile or other conveyance to transport its owner or personal tools from home to shop or job at starting time or from shop or job to home at quitting time.

SECTION 3 The Employer agrees to pay the reasonable cost for parking when free parking is not available for employees working on projects for the Employer.

SECTION 4 The Employer agrees to require each project or shop to be a safe environment for employees to work and supply all safety equipment required by the Employer, projects, customers and State or Federal law.

SECTION 5 The Parties shall establish a Joint (equal member) Safety Committee to address on going issues involving safety awareness and establish procedures to help insure a safe working environment and will meet quarterly.

All employees covered under this agreement must complete the "10 Hour O.S.H.A. training course" conducted by SMW Local No. 4 JATC by June 30, 2005. If a employee does not complete this course the employer has the option to withhold all scheduled wage increases thereafter until the employee produces evidence that they have completed the course. The Employer shall not discriminate with regard to this requirement. All new members of the Union and members traveling from other Local Unions to perform shall be allowed twelve months to complete the "10 Hour O.S.H.A. training course".

Retraining shall be required due to accidents or OSHA citation due to the fault of the employee. The re-training must be completed within 12 months.

ARTICLE X

The Union and the Employer, whether party to this Agreement independently or as a member of a multi-employer bargaining unit, agree to utilize and be bound by this Article.

SECTION 1 Grievances of the Employer or the Union, arising out of interpretation or enforcement of this Agreement, shall be settled between the Employer directly involved and the duly authorized representative of the Union, if possible. Both parties may participate in conferences through representatives of their choice. The Employer or local Employers' Association or the Local Union, on its own initiative, may submit grievances for determination by the Board as provided in this Section. The grievance procedure set forth in this Article applies only to labor-management disputes.

To be valid, grievances must be raised within thirty (30) calendar days following the occurrence giving rise to the grievance, or, if the occurrence was not ascertainable, within thirty (30) calendar days of the first knowledge of the facts giving rise to the grievance.

SECTION 2 Grievances not settled as provided in Section 1 of this Article may be appealed by either party to the Local Joint Adjustment Board where the work was performed or in the jurisdiction of the Employer's home local and such Board shall meet promptly on a date mutually agreeable to the members of the Board, but in no case more than fourteen (14) calendar days following the request for its services, unless the time is extended by mutual agreement of the parties or Local Joint Adjustment Board. The Board shall consist of representatives of the Union and of the local Employers' Association and both sides shall cast an equal number of votes at each meeting. Except in the case of a deadlock, a decision of a Local Joint Adjustment Board shall be final and binding.

Notice of appeal to the Local Joint Adjustment Board shall be given within thirty (30) days after termination of the procedures prescribed in Section 1 of this Article, unless the time is extended by a mutual agreement of the parties.

SECTION 3 Grievances not disposed of under the procedure prescribed in Section 2 of this Article, because of a deadlock or failure of such Board to act, may be appealed jointly or by either party to a Panel, consisting of one (1) representative appointed by the Labor Co-Chairman of the National Joint Adjustment Board and one (1) representative appointed by the Management Co-Chairman of the National Joint Adjustment Board. Appeals shall be mailed to the National Joint Adjustment Board.* Notice of appeal to the Panel shall be given within thirty (30) days after termination of the procedures prescribed in Section 2 of this Article. Such Panel shall meet promptly but in no event more than fourteen (14) calendar days following receipt of such appeal, unless such time is extended by mutual agreement of the Panel members. Except in case of deadlock, the decision of the Panel shall be final and binding.

In establishing the grievance procedure of the Standard Form of Union Agreement, it was the intent of Sheet Metal Workers' International Association and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. to establish a method for resolving grievances permitting appeals for out-of-area Employers from the grievance arbitration procedures established for the territory in which work is performed. An Employer who was not a party to the Labor Agreement of the area in which the work in dispute is performed may appeal the decision of the Local Joint Adjustment Board from that area, including a unanimous decision, as well as a decision of any alternative arbitration tribunal established for that area, and request a Panel hearing as set forth in Section 3 of this Article, providing such appeal is approved by the Co-Chairmen of the National Joint Adjustment Board. Such a right of appeal shall exist despite any contrary provision in the agreement covering the area in which the work is performed.

For the purposes of this Section, an Employer who is party to the Labor Agreement of the area in which the work in dispute is performed, but has no permanent shop within the area served by the Local Joint Adjustment Board that rendered the unanimous decision, shall also be entitled to appeal a deadlocked or unanimous Local Joint Adjustment Board decision, and request a Panel hearing.

SECTION 4 Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by such Board. Appeals to the National Joint Adjustment Board shall be submitted within thirty (30) days after termination of the procedures described in Section 3 of this Article. The Procedural Rules of the National Joint Adjustment Board are incorporated in this Agreement as though set out in their entirety. (Copies of the procedures may be obtained from the National Joint Adjustment Board.*)

SECTION 5 A Local Joint Adjustment Board, Panel and the National Joint Adjustment Board are empowered to render such decisions and grant such relief to either party as they deem necessary and proper, including awards of damages or other compensation.

*All correspondence to the National Joint Adjustment Board shall be sent to the following address:
National Joint Adjustment Board, P.O. Box 220956, Chantilly, VA 20153-0956
or 4201 Lafayette Center Drive, Chantilly, VA 20151-1209.

SECTION 6 In the event of non-compliance within thirty (30) calendar days following the mailing of a decision of a Local Joint Adjustment Board, Panel or the National Joint Adjustment Board, a local party may enforce the award by any means including proceedings in a court of competent jurisdiction in accord with applicable state and federal law. If the party seeking to enforce the award prevails in litigation, such party shall be entitled to its costs and attorney's fees in addition to such other relief as is directed by the courts.

SECTION 7 Failure to exercise the right of appeal at any step thereof within the time limit provided therefore shall void any right of appeal applicable to the facts and remedies of the grievances involved. There shall be no cessation of work by strike or lockout during the pendency of the procedures provided for in this Article. Except in case of deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

SECTION 8 In addition to the settlement of grievances arising out of interpretation or enforcement of this Agreement as set forth in the preceding sections of this Article, any controversy or dispute arising out of the failure of the parties to negotiate a renewal of this Agreement shall be settled as hereinafter provided:

(a). Should the negotiations for a renewal of this Agreement or negotiations regarding a wage/fringe reopener become deadlocked in the opinion of the Union representative(s) or of the Employer('s) representative(s), or both, notice to that effect shall be given to the National Joint Adjustment Board.

If the Co-Chairmen of the National Joint Adjustment Board believe the dispute might be adjusted without going to final hearing before the National Joint Adjustment Board, each will then designate a Panel representative who shall proceed to the locale where the dispute exists as soon as convenient, attempt to conciliate the differences between the parties and bring about a mutually acceptable agreement. If such Panel representatives or either of them conclude that they cannot resolve the dispute, the parties thereto and the Co-Chairmen of the National Joint Adjustment Board shall be promptly so notified without recommendation from the Panel representatives. Should the Co-Chairmen of the National Joint Adjustment Board fail or decline to appoint a Panel member or should notice of failure of the Panel representatives to resolve the dispute be given, the parties shall promptly be notified so that either party may submit the dispute to the National Joint Adjustment Board.

In addition to the mediation procedure set forth above or as an alternate thereto, the Co-Chairmen of the National Joint Adjustment Board may each designate a member to serve as a Subcommittee and hear the dispute in the local area. Such Subcommittees shall function as arbitrators and are authorized to resolve all or part of the issues. They are not, however, authorized to deadlock and the matter shall be heard by the National Joint Adjustment Board in the event a Subcommittee is unable to direct an entire resolution of the dispute.

The dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by the National Joint Adjustment Board. The unanimous decision of said Board shall be final and binding upon the parties, reduced to writing, signed and mailed to the parties as soon as possible after the decision has been reached. There

shall be no cessation of work by strike or lockout unless and until said Board fails to reach a unanimous decision and the parties have received written notification of its failure.

(b). Any application to the National Joint Adjustment Board shall be upon forms prepared for that purpose subject to any changes which may be decided by the Board from time to time. The representatives of the parties who appear at the hearing will be given the opportunity to present oral argument and to answer any questions raised by members of the Board. Any briefs filed by either party including copies of pertinent exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.

(c). The National Joint Adjustment Board shall have the right to establish time limits which must be met with respect to each and every step or procedure contained in this Section. In addition, the Co-Chairmen of the National Joint Adjustment Board shall have the right to designate time limits which will be applicable to any particular case and any step therein which may be communicated to the parties by mail, facsimile or telephone notification.

(d). Unless a different date is agreed upon mutually between the parties or is directed by the unanimous decision of the National Joint Adjustment Board, all effective dates in the new agreement shall be retroactive to the date immediately following the expiration date of the expiring agreement.

SECTION 9 Employers not contributing to the Industry Fund of the United States (IFUS) will be assessed a fee to be determined periodically by the Administrator of the National Joint Adjustment Board. Proceeds will be used to reimburse IFUS for costs of arbitration under the provisions of Article X.

SECTION 10 In addition to the settlement of disputes provided for in Sections 1 through 8 of this Article, either party may invoke the services of the National Joint Adjustment Board to resolve disputes over the initial establishment of terms for specialty addenda, if the provisions of Article X have been adopted in their entirety, and without modification.

Such a dispute may be submitted upon the request of either party any time that local negotiations for such an agreement have been unsuccessful. Such a dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by said Board. The unanimous decision of said Board shall be final and binding upon the parties. There shall be no strike or lockout over such a dispute.

ARTICLE XI

SECTION 1 All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of six (6) members, three (3) of whom shall be selected by the Employers, and three (3) by the Union. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices and the operation of an adequate apprentice system to meet the needs and

requirements of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as part of this Agreement.

SECTION 2 The Joint Apprenticeship and Training Committee designated herein shall serve for the life of this Agreement, except their vacancies in said Joint Apprenticeship and Training Committee caused by resignation or otherwise, may be filled by either party hereto, and it is hereby mutually agreed by both parties hereto, that they will individually and collectively cooperate to the extent that duly qualified apprentices be given every opportunity to secure proper technical and practical education experience in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

SECTION 3 It is hereby agreed that the Employer shall apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant apprentices on the basis of one (1) apprentice for each three- (3) journeymen regularly employed throughout the year. Provided, however, an Employer will not be entitled to a new apprentice if an Employer has an apprentice on layoff for lack of work. Furthermore, any signatory to this Agreement shall be entitled to one (1) apprentice provided he employs at least one (1) journeyman, other than as an owner-member, subject to the approval of the Joint Apprenticeship Committee. Such Employer shall not be allowed another apprentice until he employs six (6) journeymen.

SECTION 4 All applicants for apprenticeship shall be 18 years of age or above, and each apprentice shall serve an apprenticeship of four (4) years, and such apprentice shall not be in charge of work on any job and shall work under the supervision of a journeyman until apprenticeship terms have been completed and they have qualified as Journeymen.

SECTION 5 A graduated wage scale for apprentices shall be established and maintained on the following percentage basis of the established wage rate of journeymen sheet metal workers:

First Year	-First Half 50%	-Second Half 55%
Second Year	-First Half 60%	-Second Half 65%
Third Year	-First Half 70%	-Second Half 75%
Fourth Year	-First Half 80%	-Second Half 85%

The fringe schedule for apprentices shall be the same as for a journeyman sheet metal worker other than outline in Article XV of this agreement.

The basic taxable wage schedule for apprentices shall be as outlined in Appendix A of this agreement. Vacation and B&A Funds shall be a deduction from wages.

SECTION 6 Scholarship Loan Agreement—It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the International Training Institute and any Local Joint Apprenticeship and Training Fund (Local JATC) will not be used to train apprentices or journeymen who will be employed by employers in the Sheet Metal Industry not signatory to a collective bargaining agreement providing for contributions to the International Training Institute and a Local JATC. Therefore, the trustees of the International Training

Institute and Local JATC shall adopt and implement a Scholarship Loan Agreement Program which will require apprentices and journeymen employed by signatory Employers to repay the cost of training either by service following training within the union sector of the industry or by actual repayment of the cost of training if the individual goes to work for a non-signatory employer in the Sheet Metal Industry. The cost of training shall include the reasonable value of all International Training Institute and Local JATC materials, facilities and personnel utilized in training. If a Local JATC does not implement the Scholarship Loan Agreement, the Local JATC shall be prohibited from utilizing International Training Institute-materials and programs.

SECTION 7 The parties recognize that previous experience in the industry can be considered when evaluating and placing sheet metal workers into the apprenticeship program and the JATC shall work cooperatively with the parties in establishing standards for placing employees into the program.

SECTION 8 The parties recognize the need for qualified apprentice applicants therefore requires the JATC to develop an open enrollment so applicants shall be accepted throughout the year.

SECTION 9 The Union and Employers, do hereby agree to work together to develop and operate the best training program affordable for our current and future members. Such training programs will include but not be limited to apprentice program, journeyman upgrade program and safety awareness programs. The objective of these programs is to provide coordinated and continual improvement in all areas of training and produce the most highly trained sheet metal workers in the Industry in order for the Union and its signatory employers to not only service but to become the first choice of our customers for their sheet metal requirements.

SECTION 10 The Employer agrees during the term of this agreement to attempt to partner with other signatory employers to voluntarily rotate Apprentices to other employers which preferably performs a different phase of the sheet metal industry so apprentices will receive adequate training in all phases of the Sheet Metal Industry.

SECTION 11 It is hereby agreed that in order to insure proper work assignment in areas of skilled work for job training, the work requiring the greater skill, other than for journeymen, shall be assigned to the apprentice to further achieve their job training.

ARTICLE XII

SECTION 1 The Employer shall be entitled to two (2) classified workers for each apprentice employed by the Employer. If the apprentices are not available then the Employer shall be entitled to employ two (2) classified workers for each three (3) journeyman regularly employed by the Employer.

SECTION 2 Classified workers shall be eighteen (18) years of age or older and may perform any type of sheet metal work under the direct supervision of a journeyman. If he/she meets the criteria to apply for other classifications set forth in this agreement then they may make application for such classifications.

SECTION 3 Classified workers shall be members of the Union and abide by the guidelines set fourth in the SMWIA Constitution and pay the appropriate initiation fee and dues as established by the Union and make application for membership prior to employment.

SECTION 4 Classified workers may have up to two (2) years prior experience in the sheet metal industry unless other wise agreed to by the Union and shall be paid the wage scale and fringes as out lined in Appendix A-1 of this agreement.

SECTION 5 Classified workers shall not be paid above the maximum rate of pay as outlined in Appendix A-1 unless agreed upon by the Employer and Union.

SECTION 6 The Employer agrees to make contributions to the Sheet Metal Workers' Local No 4 Health and Welfare Fund and the Sheet Metal Workers' Local No. 4 Pension Fund on behalf of each classified worker employed by the Employer.

SECTION 7 Classified Workers hired on or after the effective date of this agreement shall be on probation for sixty (60) calendar days and shall not be covered under the terms set forth in this agreement, except for basic taxable wage and working conditions, during such period. The Employer agrees, upon completion of a Classified Worker probationary period and with proper authorization presented to the Employer by the Union, to deduct all money owed the Union for dues, initiation fee and other obligation and submit the same to the Union by check within ten (10) working days after completion of their probation period. This provision shall not pertain to a classified worker that has successfully completed a probationary period for any Employer signatory to this agreement. After the completion of the probation period all other deduction as outlined above shall be in accordance with Article XIX of this agreement.

ARTICLE XIII

SECTION 1 A Substance Abuse and Employee Assistance Program (hereinafter referred to as "Substance Abuse Program") may be utilized by all signatory Employers of SMWIA Local No. 4. It shall be administered by the Employers Association, and it shall be the program as outlined in the State of Tennessee Drug-Free Workplace Program with the guidelines as attached as Appendix B to this agreement.

The Employer and Employer Association agree that under the program:

- (1) No employee will be required to submit to a drug or alcohol test that requires taking a blood sample.
- (2) No random testing.
- (3) No searching of employees' personal property.
- (4) Testing policy shall not pertain to any activities of an employee while not employed by the Employer and off duty.
- (5) No discipline shall be imposed for an employee taking medication under the direction of physician or taking over-the-counter medication.

SECTION 2 The Employer and Employers Association agree to accept any and all liability for the adoption, implementation, and operation of the program and pay for all expenses for all

testing procedures, as set forth in Appendix A. If the test results are negative, the employee shall be paid by the Employer for the time spent taking such test

The Employer and Employers Association agrees that all information concerning an employee's test result will be treated as confidential and shall not be released to anyone without written permission of the employee, except as may be required by law.

SECTION 3 If an Employers Customer, General Contractor/Construction Manager requires substance abuse screening not outline in the current policy of this agreement the Employer shall be allowed to abide by such policy, under the guidelines set forth in Section 2 of this Article, to enable them to secure work for their company and man hours for employees covered by this agreement.

SECTION 4 The Employer and Employers Association shall defend, indemnify, and save the Union harmless against any and all claims, demands, suits or other forms of liability that shall arise out of complying with any provisions of this Article.

ARTICLE XIV

SECTION 1 Employee shall be at their particular work area, prepared for work at their starting time.

SECTION 2 There shall be a ten-(10) minute paid break allowed in the morning and a ten-(10) minute paid break allowed in the afternoon. Breaks shall be taken in the work area or a designative area. Time for breaks shall be determined by the Employer or his designative representative. Break time not taken will be lost. In addition there shall be an additional ten- (10) minute paid break allowed after each two- (2) hours of overtime worked.

SECTION 3 Whenever five (5) journeymen and/or apprentices or classified workers are employed on any one job, one (1) of the five (5) shall be a working foreman. Foreman shall be paid one dollar eight-five cents (\$1.85) per hour above the regular rate of pay. When eleven (11) or more employees are employed on one job, one (1) of the eleven (11) will be a General Foreman; General Foreman's shall be paid two dollars and seventy-five cents (\$2.75) per hour above the regular rate of pay. Thereafter any addition working foremen shall be one (1) for every five (5) journeyman employed on any one job and shall be paid as outline above.

Any shop employing two (2) or more sheet metal workers (members), one (1) of the two (2) shall receive working Foreman's pay.

SECTION 4 All layoffs to be made during working hours so far as possible. All employees laid off shall be allowed time needed to pick up their tools, not to exceed fifteen (15) minutes paid at the applicable rate of pay. Employer shall provide employee with separation notice and pay in full at time of layoff.

SECTION 5 There shall be a Labor-Management Committee. The Labor-Management Committee shall consist of three (3) members each from Labor and Management and shall meet

monthly for the purpose of discussing problems common to the Sheet Metal Industry and making recommendations to the Local Union and Employers or Contractors' Association.

SECTION 6 The Business Manager or Business Representative shall appoint such working Stewards as may be necessary to properly perform the functions and duties described in the Sheet Metal Workers' Constitution.

The Steward designated shall be a qualified journeyman and shall perform the work of his craft and will be paid at the applicable wage rate of a sheet metal journeyman.

The working Steward shall not be entitled to any preferential treatment by the Employer. The Employer agrees to give a twenty-four (24) hour notice, starting the next working day, to the Union prior to termination. The Employer will permit the Stewards sufficient time to perform the duties inherent to a Steward's responsibilities.

SECTION 7 All Employers employing five (5) or more journeymen sheet metal workers shall employ one (1) man over fifty (50) years of age, if available and qualified.

Employers employing over ten (10) journeymen sheet metal workers shall endeavor to employ additional members over fifty (50) years of age, if available and qualified.

SECTION 8 Hiring Hall Rules and Regulations. Local No. 4 shall maintain an out-of-work register of Applicants for employment established on the basis of the lists below. Each applicant for employment shall be listed, in chronological order of the dates they register their availability for employment, on the highest priority list for which he or she qualifies.

Journeyman Sheet Metal Workers:

"A" List

All applicants for employment who have four or more years experience in the trade, are resident of the geographical jurisdiction of Sheet Metal Workers Local No. 4 or have been employed by a signatory employer performing work covered by this agreement for two years, have been certified as Journeyman Sheet Metal Worker by any Sheet Metal Joint Apprenticeship and Training Committee from a Building and Construction Trade Local Union of the SMWIA, or who have satisfied the requirements for a Journeyman Sheet Metal Workers' by a Building and Construction Trade Local Union of the SMWIA, and who have, been employed for a period of four (4) years in the Sheet Metal Industry within the geographical jurisdiction of Sheet Metal Workers' Local Union No. 4.

"B" List

All applicants for employment who have four or more years experience in the trade and who have satisfied the requirements for a Journeyman Sheet Metal Workers' by a Building and Trades Local Union of the Sheet Metal Workers International Association or have been certified as a Journeyman Sheet Metal Worker by any Sheet Metal Joint Apprenticeship and Training Committee from a Building and Construction Trade Local Union of the SMWIA.

"C" List

All applicants for employment, who have two (2) or more years experience in the trade, are residents of the geographical jurisdiction of Sheet Metal Workers Local No. 4, and who have been employed for two (2) years in the Sheet Metal Industry within the geographical jurisdiction of Sheet Metal Workers' Local Union No. 4.

"D" List

All applicants for employment who have worked in the trade for more than one (1) year.

Apprentices

Shall be hired and transferred in accordance with the apprenticeship provisions of the agreement between the Sheet Metal Workers Local No. 4 and their signatory Employers.

1. Referral Procedure

(A) Applicants will be responsible for completing or filling out an out-of-work form so that their names can be placed on the out-of-work list. They must appear in person, if possible, at the Union Hall to sign an out-of-work form, or by mail if they live out of the Local Office area. Their name will be placed on the appropriate out-of-work list. The forms must be renewed every thirty (30) days in order to remain on the list.

(B) After an employer advises the Union of the number of journeymen needed, the Applicants shall be referred to the Employer first off of List "A", in the order of their place on the out-of-work list, and then referring applicants in the same manner successively from the out-of-work list on List "B", then List "C" and the List "D". Any applicant who is rejected by the Employer shall be returned to their appropriate place on the list and shall be referred to other employment in accordance with the position on the list.

EXCEPTIONS:

a) Employers may call for employees by name.

b) Employers agree to make a good faith effort in utilizing the Unions out of work list in its entirety to enable all employees equal opportunity for employment.

c) Employers may request people with special skills, such as shop man, welder, architectural man, etc., in which event the Union shall refer the first person on the list with the skill in question.

2. Lay Offs

(A) The Employees on List "D" shall be laid off first, if any are employed on this list. Next to be laid off are employees on List "C", if any employed on this list, then those on List "B", and then those on List "A".

EXCEPTIONS:

a) Workers with special skills needed to perform the remaining work.

b) Union Stewards.

3. Special Provisions

(A) Applicants shall have a right to retain their place on the list in the event that a referral results in eighty (80) hour or less work.

(B) An Applicant who is referred to a job being manned by another Local Union, located out of the Jurisdiction of Sheet Metal Workers Local No. 4, will retain his or her place on the list.

(C) An Applicant, who quits a job before he works eighty (80) hours to avoid being removed from the list, will automatically have his name removed to the bottom of the list.

4. Appeals Committee

(A) An Appeals Committee is hereby established composed of one (1) member appointed by the Union, one (1) member appointed by the Employers and a Public member appointed by these members.

(B) It shall be the function of the Appeals Committee to consider any complaint of any employee or applicant for employment arising out of the administration by the Local No. 4 of the Referral Procedure. The Appeals Committee shall have the power to make a final and binding decision on any such complaint, which shall be compiled with by Local No. 4. The Appeals Committee is authorized to issue procedural rules for the conduct of its business, but is not authorized to add to, subtract from, or modify any of the provisions of the Referral Procedure and its decisions shall be in accord with this Procedure.

5. Access to Referral Records/Posting of Procedure

(A) A representative of the Employer designated to the Union in writing shall be permitted to inspect the Referral Procedure records at any time during normal business hours.

(B) A copy of the Referral Procedure shall be posted on the Bulletin Board in the offices of the Local Union and in the offices of the Employers who are signatory to the Union Agreement.

ARTICLE XV

NATIONAL STABILIZATION AGREEMENT OF SHEET METAL INDUSTRY APPROVED STANDARD COLLECTIVE BARGAINING CLAUSE

The undersigned Employers and Local Union agree as follows:

Beginning on and after the effective date of this Agreement, the Employers shall make monthly payments of an amount equal to three (3) percent of the Gross Earnings of each journeyman and apprentice subject to this Agreement to the National Stabilization Agreement of and after the effective date of this agreement Sheet Metal Industry (SASMI) Trust Fund. Gross Earnings, for purpose of this Agreement, shall mean (a) total wages paid to an Employee by any Employer which are reportable by the Employee for Federal Income Tax purposes, and (b) any and all contributions paid by such Employer on behalf of the Employee to a pension and/or health and welfare fund.

The Employers agree to adopt the National SASMI Trust as presently constituted and the same

may be amended from time to time, to be bound by all Rules and Regulations of the Plan as adopted by the Trustees, as presently existing and as the same may be amended from time to time.

ARTICLE XVI - INTEGRITY CLAUSE

SECTION 1 In order to preserve and protect all work performed by employees covered by this Agreement, it is hereby agreed as follows:

When the Employer shall perform any work covered by this Agreement, under its own name or under the name of another, as a corporation, company or partnership, all the terms and conditions of this Agreement shall be applicable to all such work.

SECTION 2 All charges of violations of Section 1 of this clause shall be considered a dispute under this Agreement and shall be processed in accordance with Article X of this agreement.

ARTICLE XVII

SECTION 1 The term "journeyman", as used in this Agreement, shall mean: a skilled craftsman of the sheet metal industry who has at least four (4) years actual practical working experience in the sheet metal industry. That he or she has satisfied the requirements as to his or her skills and ability as a sheet metal worker to the satisfaction of the Union and/or has successfully completed his or her Joint Apprenticeship Training by any Sheet Metal Joint Apprenticeship and Training Committee from a Building and Construction Trade Local Union of the SMWIA.

ARTICLE XVIII

SECTION 1 Employers shall, on and after the effective date of this agreement, contribute \$0.15 for each hour worked by Journeyman and Apprentices to the Sheet Metal Industry Improvement Fund. Contributions will be made to the Sheet Metal Contractors Association of Memphis, 6799 Great Oaks Road Suite 120, Memphis, TN. 38138 through Southern Benefit Administrator, INC. or a specified administrator as designated by the Association.

SECTION 2 Contributions provided for in this Article will be used to promote programs of industry education, training, negotiation, and administration of collective bargaining agreements, research and promotion, business skills of Employers, stabilize and improve Employer-Employee relations, and promote, support, and improve employment opportunities for Employees, No part of any payments, however, shall be used for any other purpose except as expressly specified herein. It is distinctly provided, however, that no part of the trust fund may be used in any manner against or adverse to organized labor and particularly Sheet Metal Workers Local No. 4.

SECTION 3 The Association shall furnish, upon request of the Business Manager of the Union, a yearly audit of the fund, which outlines the use of the fund contributions.

SECTION 4 Grievances arising out of the activities of this fund will be directed to the National

Joint Adjustment Board for the Sheet Metal Industry. This Article shall not be subject to Section 8 of Article X of this Agreement.

ARTICLE XIX

SECTION 1 During the contract period, upon receipt of a signed individual authorization from any employee covered under this Agreement, the Employer shall withhold from such employee's earning, an amount equivalent to union dues, initiation fees and other uniformly applied obligations as may be specified by the Union. The authorization will be on forms furnished by the Union.

SECTION 2 The Employer shall deduct from each such employee's earnings, on the second pay period of each month, the amount owed to the Union by each such employee for an amount equivalent to union dues, initiation fees, and other uniformly applied obligations as specified by the Union in a listing of employees and monies owed furnished to the Employer no later than the Friday preceding the start of the second full pay period of each month. However, should any such employee have no earnings due him/her in the above specified pay day in any month, or should such employee's earnings be less than the amount such employee owes the Union for an amount equivalent to dues and other obligation, then, in that event, the Employer will deduct the above specified amount from the employee's earnings the next available pay period.

SECTION 3 A check for deductions shall be mailed to the union not later than the twentieth day of each month in which the money was collected together with an itemized list of all deductions withheld since the last remittance.

ARTICLE XX

SECTION 1 In applying the terms of this Agreement, and in fulfilling their obligations thereunder, neither the Employer nor the Union will discriminate in any manner prohibited by law.

ARTICLE XXI

SECTION 1 The Parties to this agreement agrees to recognize the plan for settlement of juridictoinal disputes as establish by the National Building and Constrution Trades Department for settlement in matters of this nature.

ARTICLE XXII

SECTION 1 This Agreement shall become effective on the 1st day of July, 2007, and shall remain in full force and effect until midnight the 30th day of June 2012, and shall continue in force from year to year thereafter unless written notice of reopening is given not less than sixty (60) days prior to the expiration date. In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party, provided, however, that, if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint

Adjustment Board or until the procedures under Article X, Section 8 have been otherwise completed.

SECTION 2 If, pursuant to federal or state law, any provision of this Agreement shall be found by a court of competent jurisdiction to be void or unenforceable, all of the other provisions of this Agreement shall remain in full force and effect.

SHEET METAL CONTRACTORS
ASSOCIATION OF MEMPHIS
6799 GREAT OAKS RD. SUITE 120
MEMPHIS, TN. 38138

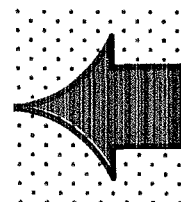
LOCAL UNION NO. 4 OF
SHEET METAL WORKERS'
INTERNATIONAL ASSOCIATION

By: David W. Sink, Jr.
David W. Sink, Jr.

Date: 8/3/07

By: Jimmy R. Clark
Jimmy R. Clark, Business Manager

Date: 8/3/07



APPENDIX A

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective July 1, 2007</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage	12.55	13.81	15.06	16.32	17.57	18.83	20.08	21.34
Health & Welfare	4.69	4.69	4.69	4.69	4.69	4.69	4.69	4.69
Local Pension	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60
National Pension	.25	.25	.25	.25	.25	.25	.25	.25
Vacation **(Deduct)	** .78	** .78	** .78	** .78	** .78	** .78	** .78	** .78
B & A **(Deduct)	** .14	** .14	** .14	** .14	** .14	** .14	** .14	** .14
Apprenticeship Fund	.15	.15	.15	.15	.15	.15	.15	.15
IT I	.17	.17	.17	.17	.17	.17	.17	.17
SMWIA Scholarship Foundation	.01	.01	.01	.01	.01	.01	.01	.01
SASMI	0.66	0.70	0.74	0.78	0.81	0.85	0.89	0.93
Total Wages & Fringes	23.08	24.38	25.67	26.97	28.25	29.55	30.84	32.14
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total	23.23	24.53	25.82	27.12	28.40	29.70	30.99	32.29

** (DEDUCT)

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective January 1, 2008</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage	12.55	13.81	15.06	16.32	17.57	18.83	20.08	21.34
Health & Welfare	4.69	4.69	4.69	4.69	4.69	4.69	4.69	4.69
Local Pension	4.81	4.81	4.81	4.81	4.81	4.81	4.81	4.81
National Pension	.28	.28	.28	.28	.28	.28	.28	.28
Vacation **(Deduct)	** .78	** .78	** .78	** .78	** .78	** .78	** .78	** .78
B & A **(Deduct)	** .14	** .14	** .14	** .14	** .14	** .14	** .14	** .14
Apprenticeship Fund	.15	.15	.15	.15	.15	.15	.15	.15
IT I	.17	.17	.17	.17	.17	.17	.17	.17
SMWIA Scholarship Foundation	.01	.01	.01	.01	.01	.01	.01	.01
SASMI	0.67	0.71	0.75	0.78	0.82	0.86	0.90	0.93
Total Wages & Fringes	23.33	24.63	25.92	27.21	28.50	29.80	31.09	32.38
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total	23.48	24.53	25.82	27.12	28.40	29.70	30.99	32.29

** (DEDUCT)

APPENDIX A

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective July 1, 2008</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
IT I								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective January 1, 2009</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
IT I								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPENDIX A

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective July 1, 2009</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
IT I								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective January 1, 2010</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
IT I								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPENDIX A

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective July 1, 2010</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
I T I								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective January 1, 2011</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
I T I								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPENDIX A

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective July 1, 2011</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
ITI								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPRENTICE WAGE AND FRINGE BREAKDOWN

<u>Wage and Fringes Effective January 1, 2012</u>	<u>50%</u>	<u>55%</u>	<u>60%</u>	<u>65%</u>	<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>90%</u>
Basic Taxable Wage								
Health & Welfare								
Local Pension								
National Pension								
Vacation **(Deduct)								
B & A **(Deduct)								
Apprenticeship Fund								
ITI								
SMWIA Scholarship Foundation								
SASMI								
Total Wages & Fringes								
SMIIF	.15	.15	.15	.15	.15	.15	.15	.15
Total								

**** (DEDUCT)**

APPENDIX A-1

The minimum wage shall be \$9.00 per hour for the duration of this agreement for newly hired classified workers plus Health & Welfare and Sheet Metal Workers' Local No 4 Pension Fund as determined by the Trustee's. Also the B & A Fund shall be a deduction from the basic taxable wage.

CLASSIFIED WORKER A

<u>Base Wage and Fringes Effective</u>	<u>7/1/07</u>	<u>1/1/08</u>	<u>7/1/08</u>	<u>1/1/09</u>	<u>7/1/09</u>	<u>1/1/10</u>	<u>7/1/10</u>	<u>1/1/11</u>	<u>7/1/11</u>	<u>1/1/12</u>
	***Wages to be distributed									
Basic Wage Increase	.20	.16	*.31	*.20	*.31	*.20	*.31	*.20	*.31	*.20
Health & Welfare	4.69	4.69	***	***	***	***	***	***	***	***
Local Pension	1.71	1.75								
B & A **(Deduct)	** .14	** .14								

CLASSIFIED WORKER B

<u>Wage and Fringes Effective</u>	<u>7/1/07</u>	<u>1/1/08</u>	<u>7/1/08</u>	<u>1/1/09</u>	<u>7/1/09</u>	<u>1/1/10</u>	<u>7/1/10</u>	<u>1/1/11</u>	<u>7/1/11</u>	<u>1/1/12</u>
	*Wages to be distributed									
Basic Wage Increase	.20	.16	*.31	*.20	*.31	*.20	*.31	*.20	*.31	*.20
Health & Welfare	2.75	2.75	***	***	***	***	***	***	***	***
Local Pension	1.71	1.75								
B & A **(Deduct)	** .14	** .14								

Classified Worker B Single Health & Welfare only, for employee's hired on or after the effected date or this agreement.

**** (DEDUCT)**

***** (As determined by the Trustees)**

Maximum Wage \$16.00 (Unless other wise agree to by the Union and Employer)

Fringes **(As outline above)**

*Classified Workers in the employ of the Employer shall receive an increase as outlined above on the date specified.

Classified workers receiving above the minimum wage rate shall allocate all or a portion of their increase in wages to the Health & Welfare Fund if required by the Trustee's. If such increase exceeds the amount of the annual increase for Classified Worker the addition amount shall be paid by the Employer.

APPENDIX B

SUBSTANCE ABUSE AND EMPLOYEE ASSISTANCE PROGRAM

This policy has been developed in a manner that recognizes and respects employees' dignity and privacy. However, any involvement with alcohol or drugs that adversely effects an employee's work environment cannot be tolerated. Therefore, employees are expected to report for work and to remain in a condition to perform their assigned duties, free from the effects of alcohol or drugs.

BASIC RULES

1. Reporting to work or working while under the influence of alcohol or any other drugs will be grounds for discipline, up to and including discharge, in accordance with the terms of this policy.
2. The use or possession of alcohol or illegal drugs at any time during working time or anywhere on the employer's premises will be grounds for immediate discipline, up to and including discharge.
3. An employee taking medication under the direction of a physician or taking over-the-counter medication shall not be disciplined under this policy.

DEFINITIONS

For the purpose of this policy:

"Substance Abuse" is defined as (1) reporting to work or working while under the influence of alcohol or any other drug, (2) dependency on alcohol or other drugs, (3) the use of alcohol or other drugs to the point that job performance or the safety of employees is adversely affected, or (4) the use of any illegal drugs.

A "drug" is any substance, other than alcohol, capable of altering the user's judgment, perception, or mood, or of impairing the user's physical or mental reactions. For purposes of this policy, nicotine is not considered to be a drug.

An "illegal drug" is any drug or substance not intended for human consumption (such as glue), or that is not legally obtained or used, including prescribed and over-the-counter drugs not legally obtained or not being used for the purpose or in the manner for which they were prescribed or manufactured.

A "controlled substance" means alcohol and/or any other drugs as defined in this policy.

"Under the influence" means the presence of a positive level of drugs in the urine as hereinafter set forth, or a blood alcohol content equal to or in excess of the standard mandated by Tennessee state law for driving under the influence.

A “reasonable opportunity for rehabilitation,” as used in this policy, means that an employee with a substance abuse problem will have at least one (1) opportunity to participate in a bona fide and approved alcohol/drug rehabilitation program prior to being terminated.

While under certain circumstances, the employee may receive more than one (1) opportunity for rehabilitation under this policy, the employer has no obligation to provide the employee with more than one (1) such opportunity. For violations of other Basic Rules defined in this policy, besides the “substance abuse” provisions, no offer of an opportunity for rehabilitation will be made prior to the imposition of discipline, up to and including discharge.

NOTE: Multiple violations of this policy will be considered to be cumulative regardless of whether different drugs are involved in the incidents, or if alcohol is involved in one incident and drugs in another incident.

EMPLOYEE TESTING

1. **Pre Hire:** The Employer, at its option, may request that employees referred by the Union submit to a drug/alcohol test at the time of referral. Employees shall not be placed to work until the test results are presented to the Employer and the Employer requests a referral from the Union.

Upon confirmation of a negative test result from an employee’s pre-employment drug test, which shall be administered by a certified laboratory, the employer may elect to accept the negative test results for a period of 12 months from the date the negative test results were issued.

This provision shall not apply if an Employers Customer, General Contractor/Construction Manager requires substance abuse screening prior to manning such project if all other employees on such project are required to perform the same screening procedure.

2. **Accident Causing Injury:** Whenever (1) an employee is involved in an accident that results in an on-the-job injury, or (2) any employee causes injury to an employee or any other person, either of which results in lost time, the employer may require the employee(s) involved with said accident to submit to a drug/alcohol test.

3. **Reasonable Cause:** An employee may be required to submit to a drug/alcohol test if the Employer has reasonable cause to believe the Employee is under the influence of drugs or alcohol. The term “Reasonable Cause” shall, for the purposes of this policy and section, shall be defined as follows:

Aberrant or unusual on-duty behavior of an individual employee which (1) is observed on-duty by the employee’s immediate supervisor or higher ranking employee and confirmed by the observation of another supervisory employee, managerial employee or guard trained to recognize the symptoms of drug abuse, impairment or intoxication, which observations shall be documented by the observers; (2) is the type of behavior which is a recognized and accepted symptom of intoxication or impairment caused by controlled substances or alcohol or addiction to or dependence upon said controlled substances; and (3) is not reasonably explained as

resulting from causes other than the use of controlled substances (such as, but not by way of limitation, fatigue, lack of sleep, side effect of prescription or over-the-counter medications, reaction to noxious fumes or smoke, etc.).

Reports of drug use or aberrant behavior which are not confirmed by supervisory observations shall not constitute reasonable cause.

TESTING PROCEDURES

All employees will be fully informed of the employer's testing program before any testing is administered. The employer shall inform all employees when the tests will be conducted, what the tests can determine, and the consequences of testing positive for drug use. All newly hired bargaining unit employees will be provided with this information on their initial date of hire. No employee shall be tested until this information is provided to him/her.

Employees who are requested to take a drug/alcohol test will be required to sign a chemical screening form consenting to the test and authorizing disclosure of the results to the employer. Refusal by an employee to sign such a consent form or to take a drug and/or alcohol test when requested to do so will be grounds for discipline, up to discharge. The type of test to be used for drugs shall be a urine test and for alcohol shall be a breath test. The employer shall arrange the time and place for such testing and pay for all expenses, except as set forth in paragraph 5 below, and pay employees for time involved in taking such test. No employee will be required to submit to a drug or alcohol test that requires taking a blood sample.

The following procedure shall apply to tests administered to bargaining unit employees.

1. The employer may request urine samples only. The employee, at his sole option, shall, upon request, receive a blood test in lieu of a urine test. Urine and blood specimens shall be drawn or collected at the laboratory, hospital or medical facility at which the specimen is to be tested. A union representative shall be allowed, if the employee requests, to accompany the employee to the test and observe the collection, bottling, and sealing of the specimen. The employee shall not be observed when the urine specimen is given. All specimen containers and vials and bags used to transport them shall be sealed with evidence tape and labeled in the presence of the employee.

2. The testing shall be done by a laboratory certified by the State of Tennessee as a medical and forensic laboratory and which is chosen jointly by the Union and the Employer.

3. The following standards shall be used to determine what levels of detected substances shall be considered as positive:

"Prohibited Levels" for alcohol means cut-off levels on screened specimens which are equal to or exceed the following shall be considered to presumptively positive:

Alcohol (.08) by weigh blood alcohol concentration for non-safety sensitive positions.

Alcohol (.04) by weight blood alcohol concentration for safety sensitive positions.

<u>Drug</u>	<u>Screening Test</u>	<u>Confirmation</u>
Amphetamines	1,000 ng/ml Amphetamine	500 ng/ml GC-MS
Marijuana Metabolites	50 ng/ml Delte-THC	15 ng/ml GC-MS
Cocaine Metabolites	300 ng/ml Metabolite	150 ng/ml GC-MS
Opiates	300 ng/ml Morphine	300 ng/ml GC-MS
PCP	25 ng/ml PCP	25 ng/ml GC-MS

Levels, which are below those set above, shall be determined as negative indications.

4. Any sample, which has been adulterated or is shown to be a substance other than urine shall be reported as such.

5. At the time the urine specimens or blood samples are collected, three samples shall be taken. Two samples will be sent to the laboratory to be tested at the employer's expense. In order to be considered positive, both samples must be tested separately in separate batches and show positive results on the GCMS confirmatory test. The third sample or specimen shall be collected in a separate container and shall be sealed in the presence of the employee and a witness with evidence tape, which tape shall be signed by the employee and witness. This third sample shall be made available to the employee for testing by a laboratory selected by the employee or the union. The cost of testing the third sample shall be borne by the employee, unless the results of the third test are negative, then the employer shall pay the cost of testing the third sample.

TEST RESULTS AND CONSEQUENCES

In the event an employee's test results are "positive," the results will be confirmed by the testing facility. Employees may be suspended without pay pending the results of the confirmatory test. If the test is "negative," the employee will be notified of the test results and, if suspended, will be reinstated and paid for his/her time off during the suspension.

If the test is "positive," the employee will be notified of the test results and, in the event of a first offense of this substance abuse policy, the employee will be given the option of receiving discipline up to and including a suspension of four (4) working days or of having a "reasonable opportunity for rehabilitation" by entering a bona fide and approved drug/alcohol rehabilitation program. If the employee enters such a rehabilitation program, he/she will not receive any discipline for this first violation of the substance abuse provisions of this policy, but will be required to adhere to the rules of such program and will be subject to the other Basic Rules of this policy.

If an employee previously has received a positive test result and rejected a "reasonable opportunity for rehabilitation" by declining to participate in an appropriate rehabilitation

program, then, upon receipt of a second positive confirmatory test result, the employee will be terminated, if the reason for the second test was accident related.

In all cases of confirmed positive test results, employees will have the opportunity to explain the result and to substantiate the explanation with medical evidence.

EMPLOYEE ASSISTANCE PROGRAM

In addition to electing to participate in a drug/alcohol rehabilitation program upon receipt of a first positive confirmatory test result, employees also may voluntarily request assistance for substance abuse problems at any time other than for accident. Should an employee make a timely request for assistance, said employee will be permitted to enter voluntarily a bona fide drug/alcohol rehabilitation program, within the terms and conditions of this policy. This voluntary request for assistance will be deemed to be timely only if it was made prior to an incident arising that could result in a second drug/alcohol test under this policy.

If the employee voluntarily enters a rehabilitation program, he/she will receive no discipline for a then current violation of the substance abuse provisions of this policy, but will be required to adhere to the rules of such program and be subject to the other Basic Rules of this policy.

The employer shall make a reasonable effort to accommodate the employee so that they may continue to work under the conditions established by the rehabilitation program. Any employee working while participating in a rehabilitation program will be required to follow and be subject to all the rules of this policy.

The opportunity provided to employees under the terms of this policy to participate in a bona fide and approved drug/alcohol rehabilitation program shall constitute the employee's "reasonable opportunity for rehabilitation."

CONFIDENTIALITY

Any and all information concerning an employee's test results will be considered medical records held confidential to the extent permitted by law and will not be released to anyone outside of management personnel of the employer or its representatives or an official representative of Sheet Metal Workers Local No. 4, without written permission of the employee, except as may be required by law.

**Residential/Light Commercial
Addendum To
The Standard Form of Union Agreement**

This addendum covers the rates of pay and benefits of all employees of the Employer engaged in the installation, repairing and replacing of all heating, air conditioning systems and architectural sheet metal as defined in this addendum. Unless specifically modified by this Addendum the Standard Form of Union Agreement between the parties shall be incorporated herein and set forth herein verbatim.

This addendum covers the work performed under Article I outlined below by the Employer in Fayette, Shelby and Tipton County, Tennessee, Crittenden County, Arkansas, Desoto and Marshall County, Mississippi.

ARTICLE I

SECTION 1: Residential shall be defined as applying to work on any single family dwelling or multiple family housing units where each individual family apartment is conditioned by a separate and independent unit or system and does not exceed four stories.

SECTION 2: Light commercial work shall be defined as single building not to exceed 5000 square feet or fifteen tons of air condition and that type of work falling into the following categories:

- 1) Tenant lease spaces in Strip shopping centers or Malls that does not exceed 5000 square feet or fifteen (15) tons of air condition.
- 2) Small stand alone office buildings that does not exceed 5000 square feet or fifteen (15) tons of air condition.
- 3) Office renovations work to existing building that the office does not exceed 5000 square feet.
- 4) Convenience Stores and Gas Stations.
- 5) Fast food restaurants not in excess of fifteen tons of air condition, excluding kitchen equipment and vent-a-hoods and exhaust for vent-a-hoods.
- 6) Motels less than three stories in height that are conditioned by separate and independent units or system and less than seventy-five rental rooms for over night stay. (Examples: Motel 6, Hampton Inn, Super 8 etc.)
- 7) Office space in existing warehouses where no other work is to be performed by the Employer other than work previous preformed and the lease work for the office tenant space is a separate contract and does not exceed 5000 square feet.

- 8) Pre-Manufactured Metal Buildings not to exceed 5000 square feet or fifteen tons of air condition or 30,000 square feet for Architectural sheet metal work.

SECTION 3: This addendum shall not apply to any project which has an established prevailing wage.

ARTICLE II

SECTION 2: Any abuse of this addendum by the Employer shall constitute a breach of the addendum and this addendum shall become null and void if the Employer employs an R/LC Mechanic on any work not outline in this addendum unless written approval from the Union is given in advance prior to the commencement of such work.

ARTICLE III

SECTION 1: If building trades journeymen or apprentices work on any project outline in this addendum they shall receive the wage and fringe package as outlined in the Standard Form of Union Agreement between the parties.

SECTION 2: Building and Trades journeymen who desires to be available for hire from the Union's out of work list and employed by the Employer on work covered by this addendum shall receive 85% of the journeyman basic taxable wages as set forth in the SFUA plus full fringes including SASMI. Journeymen under the previsions of this section shall not be called for by name and if employed shall stay employed for the Employer for a period of thirty (30) days, if work is available from the Employer, and will not be available for work referral under the hiring hall rules as set forth in Article XIV, Section 8 of the SFUA, until his or her completion of the time period set out above. The Employer agrees to abide by the hiring hall rules and regulations established by the Union for journeymen under this section.

ARTICLE IV

SECTION 1: The Employer may employ one (1) Residential/Light Commercial Mechanic to each 6 Journeyman employed by the Employer under the Standard Form of Union Agreement up to a total of four (4) R/LCM and each shall be included in the ratio of classified workers setout in the Standard Form of Union Agreement.

SECTION 2: Classified Workers working under this Addendum shall also be included in the ratio setout in the Standard Form of Union Agreement.

SECTION 3: Residential/Light Commercial Mechanic may be allowed to work on projects covered by this addendum with a classified worker without the direct supervision of a journeyman sheet metal worker.

SECTION 4: If the Employer advances a classified worker to the classification of a Residential/Light Commercial Mechanic the Employer shall notify the Union in advance and

such employee shall remain in the Residential/Light Commercial Mechanic classification until such classification is change by the Union.

SECTION 5: An Employer working less than six (6) journeymen as outlined above may employ one (1) R/LCM on projects covered by this addendum with approval from the Union. Such Employer must regularly employ three journeymen under the Standard Form of Union Agreement.

SECTION 6: The intent of this addendum shall not be construed to prevent the Employer from utilizing R/LCM within their ratio of journeyman, apprentice and classified worker setout in the Standard Form of Union Agreement.

ARTICLE V

SECTION 1: If the Employer expands their market share within the scope of work outlined in this addendum and within the scope of work outlined in the Standard Form of Union Agreement between the parties they may be allowed additional R/LCM upon written documentation supplied to the Union. The Union shall notify the Employer in writing if such additional R/LCM is allowed to perform work covered under this addendum.

ARTICLE VI

SECTION 1: The rate of wages and fringes for Residential/Light Commercial Mechanic covered by this addendum when employed on a job within the jurisdiction covered by this addendum shall be as follows:

<u>Wage and Fringes Effective</u>	<u>7/1/07</u>	<u>1/1/08</u>	<u>7/1/08</u>	<u>1/1/09</u>	<u>7/1/09</u>	<u>1/1/10</u>	<u>7/1/10</u>	<u>1/1/11</u>	<u>7/1/11</u>	<u>1/1/12</u>
			***Wages to be distributed							
Basic Taxable Wage	16.55	16.71	.31	.20	.31	.20	.31	.20	.31	.20
Health & Welfare	4.69	4.69	***	***	***	***	***	***	***	***
Local Pension	1.71	1.75								
B & A (Deduct)*	** .14	** .14								
Total Wages & Fringes	22.95									

* Deduct from basic taxable wage

Residential/Light Commercial Mechanic shall not be paid above the maximum rate of pay as outlined above unless agreed upon by the Employer and Union.

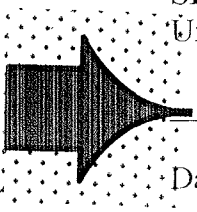
Classified Worker employed by the Employer on project covered by this addendum shall receive the wage and fringe package as outlined in the Standard Form of Union Agreement.

The Employer reserves the right to place a new Residential/Light Commercial Mechanic on a thirty (30) calendar day's probation period and they shall not be covered under the terms set forth in the Standard Form of Union Agreement or this addendum, except for basic taxable wage and

working condition, during such period. If the Residential/Light Commercial Mechanic has been employed by the Employer prior to his classification change the Employer shall pay the basic taxable wage and fringe package outlined above.

ARTICLE VII

SECTION 1: This addendum shall expire on the expiration date outline in the Standard Form of Union Agreement between the Union and Employer.



David W. Smith

Date: 8/3/07

Benj. M. Hood

Date: 8/3/07