

STANDARD FORM OF UNION AGREEMENT
Sheet Metal, Roofing, Ventilating and Air Conditioning
Contracting Divisions of the Construction Industry

Agreement entered into this first day of July, 2012 and ending June 30, 2015 by and between SMACNA of MICHIANA, INC. located at 3215-A Sugar Maple Court South Bend, Indiana 46628, and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No. 20 (South Bend Area) of Sheet Metal Workers' International Association, hereinafter referred to as the Union for the following counties in Indiana and Michigan: In Indiana are Elkhart, Fulton, Kosciusko, Marshall, and St. Joseph counties; in Michigan are Berrien, Cass and St. Joseph counties and the western end of Van Buren county.

ARTICLE I

SECTION 1. This agreement covers the rates of pay, and conditions of employment of all employees of the Employer and owner/members 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 of all HVAC systems, air veyor systems, exhaust 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; including all work pertaining to energy audits and management; (d) the preparation of all shop and field sketches, whether manually drawn or computer assisted used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) metal roofing; (f) all duct cleaning; and (g) all other work included in the jurisdictional claims of Sheet Metal Workers' International Association.

See Addendum I.

ARTICLE II

SECTION 1. No employer shall subcontract or assign any of the work described herein which is to be performed at a jobsite to any contractor, subcontractor or other 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 (where lawful and applicable), 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.

See Addendum II.

ARTICLE III

SECTION 1. The Employer agrees that none but owner/members journeyman, apprentice, preapprentice and classified sheet metal 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 jobsite 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.

See Addendum III.

ARTICLE IV

SECTION 1. The Union agrees to furnish upon request by the Employer, duly qualified journeyman, apprentice, preapprentice and classified sheet metal 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 this Agreement.

See Addendum IV.

ARTICLE V

SECTION 1. Subject to the provisions of the Labor Management Relations Act, 1947, as amended, and Section 3 below, it shall be a condition of their employment that all employees covered by this Agreement who are members of the Union in good standing on the date of execution of this Agreement shall remain members in good standing during the period of their employment; and those who are not members of the Union on the date of execution of this Agreement shall, on the 30th day following execution of this Agreement, become and remain members of the Union while employed by the Employer and covered by this Agreement. It shall also be a condition of employment hereunder that all employees covered by this Agreement shall, on or after the 30th day following the employee's first employment by the Employer become and remain members of the Union throughout the period of their employment with the Employer.

SECTION 2. If during the term of this Agreement the Labor Management Relations Act of 1947 shall be amended by Congress in such 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 time 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 provisions is contrary to law. In any state where the making and enforcement of such provision 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.

SECTION 4. Effective July 1, 2012, the Employer shall deduct Union dues, assessments or services fees (excluding fines and initiation fees) from the paychecks of all employees who have signed an authorization card permitting these deductions. Union is solely responsible for preparing the authorization cards, collecting the employees' signatures on the valid

authorization cards, and providing copies of the signed authorization cards to the Employer. For new hires, the Union shall provide the Employer with a copy of the employee's signed authorization card within 24 hours after the employee is hired. The Employer is not required to deduct Union dues from an employee's paycheck until the Union has provided the Employer with a copy of the employee's signed authorization card.

The Union agrees to defend, indemnify, and hold harmless the Employer from any and all claims, lawsuits, liability, expenses, damages, and/or attorneys' fees arising from or related to the Employer's compliance with this Article.

The Union will receive 48 hours notice prior to the hiring of employees.

See Addendum V.

ARTICLE VI

SECTION 1. The regular working day shall consist of eight (8) hours labor in the shop or on the job between six (6:00) A.M. and six (6:00) 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 specified in this Agreement. In the event of scheduled overtime, the contractor must establish a regular working day of eight (8) hours between the hours of six (6:00) A.M. and six (6:00) P.M. Any hours worked before or after the established working day shall be paid at the established overtime rate. A one (1) week notification to all employees and the Union is required prior to the change of the scheduled start time in the shop. Except as otherwise provided pursuant to Section 5 of this Article, all work performed outside the regular working hours and performed during the regular work week shall be in accordance with Section 2 below. Where conditions warrant, the regular work day may consist of ten (10) hours labor on the job and the regular work week of four (4) ten (10) hour days on a Monday through Thursday and/or a Tuesday through Friday basis, upon notification by the Employer to the Local Union Representative

A make-up day may be scheduled for work missed due to inclement weather, when mutually agreed between the Local Union and Employer. The make-up hours shall be paid at the regular hourly rate of pay.

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

SECTION 2. Overtime shall be paid at two times the regular rate with the exception of up to three (3) hours immediately before and/or after the regular working day on Monday, Tuesday, Wednesday, Thursday or Friday and any ten (10) hours between 6:00 A.M. to 6:00 P.M. on Saturday. Rates during these times shall be 1½ times the regular rate. Monday starts at 12:00 A.M.; Friday ends at 11:59 PM.

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

SECTION 3. New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day, and Sunday shall be recognized as holidays. Holidays falling on a Saturday shall be observed on the preceding Friday. Holidays falling on Sunday shall be observed on the following Monday. All work performed on holidays shall be paid at two (2) times the regular hourly rate. When a designated holiday falls on a Saturday and is observed on Friday, then both Friday and Saturday will be paid at two (2) times the regular hourly rate. (Example: A holiday occurs on Saturday. Friday is observed as the holiday. Work scheduled for Friday is paid at two (2) times the regular hourly rate. When work is scheduled for Friday and Saturday, Friday is paid at two (2) times the regular hourly rate and Saturday is paid at two (2) times the hourly rate.)

SECTION 4. It is agreed that all work performed outside of regular working hours during the regular work week and on holidays shall be performed only upon notification by the Employer to the 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.

SECTION 5. Shift work and the pay and conditions therefore shall be only as provided in written addenda attached to this Agreement. 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.

See Addendum VI.

ARTICLE VII

SECTION 1. When employed in a shop or on a job within the limits of (see Addendum VII) employees shall be governed by the regular working hours specified herein and shall provide for 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, for all necessary additional transportation during working hours.

SECTION 2. When employed outside of the limits specified in Section 1 of this Article, and within the jurisdiction of the Union, employees shall provide the 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 alternative to the foregoing method, travel expenses may be paid by a zone or other method of payment. If this alternative method is used, it will be as provided in a written addendum attached hereto. If an Employer sends an employee to perform work outside of the territorial jurisdiction of the United States of America or Canada, travel pay and/or subsistence arrangements shall be negotiated locally.

The parties intend travel pay to fairly compensate employees for travel, not to place contractors at a competitive disadvantage due to geographic location or to create artificial barriers against out-of-area contractors.

See Addendum VII.

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 (see Addendum VIII) per hour, except hereinafter specified in Section 2 of this Article.

SECTION 2. On all work specified in Article I of this Agreement, fabricated and/or assembled by journeymen, apprentices, preapprentice and/or classified sheet metal workers within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other collective bargaining areas or 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 jobsite Union shall be paid to the employees employed on such work in the home shop or sent to the jobsite.

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, and 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, except when such a provision is contained in the local union agreement or addendum to the SFUA.

SECTION 5. Except as provided in Sections 2 and 6 of this Article, the Employer agrees that journeyman, apprentice, preapprentice and classified 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 local union affiliated with the Sheet Metal Workers' International Association, and qualified sheet metal workers are available in such area, the Employer 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 Employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeymen 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 the 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 this 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 and Welfare Trust 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.

When sheet metal workers are temporarily employed outside the jurisdiction of their home local union, the parties signatory to this agreement shall arrange to transmit any 401(k) contributions required to be made to a 401(k) plan where the work is performed to a 401(k) plan established for the employee's home local union, and/or to the National Supplemental Savings Fund.

This obligation is conditioned upon a suitable reciprocity arrangement being agreed to by the trustees of such plans.

SECTION 9. Wages at the established rates specified herein shall be paid weekly in the shop or on the job at or before quitting time on Wednesday of each week and no more than two (2) days pay will be withheld. If a holiday(s) should fall on Monday, Tuesday or Wednesday of the week, wages may be paid on Thursday. However, employees when discharged shall be paid in full. The employer shall have the option of electronically sending the last check, provided the employee is currently enrolled in direct deposit. A hard copy of the check stub will be mailed the day of lay-off. Alternative payroll procedures, i.e., electronic and/or automatic deposit may be negotiated locally. However, employees when discharged shall be paid in full.

Upon the written consent of each employee, an Employer may pay by direct deposit or by U.S. Mail on or before quitting time on Wednesday.

In the event wages are not paid on or before quitting time on Wednesday of any week, or Thursday of any week with a holiday that falls on Monday, Tuesday or Wednesday, waiting time shall be paid at the overtime rate in effect at quitting time until payment is made. Such waiting time shall be paid by the Employer at the time payment is made.

SECTION 10. Journeyman, apprentice, preapprentice and classified sheet metal workers, 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.

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. However, it will be permissible for an owner-member to be the journeyman sheet metal worker.

SECTION 12(a). Contributions provided for in Section 12(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support, and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b). The employer shall pay the Sheet Metal and Air Conditioning Contractors' National Industry Fund of the United States (IFUS) the negotiated amount 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. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted to IFUS, 4201 Lafayette Center Drive, Chantilly, Virginia, 22021-1219, or for the purpose of transmittal, through SMACNA of Michiana, Inc.

(c). The IFUS shall submit to the Sheet Metal Workers' International Association not less often than semi-annually written reports describing accurately and in reasonable detail the nature of activities in which it is engaged or which it supports directly or indirectly with any of its funds. One time per year, the IFUS shall include in such written report a financial statement attested to by a certified public accountant containing its balance sheet and detailed statement of annual receipts and disbursements. Further specific detailed information in regard to IFUS activities or its receipts and/or expenditures shall be furnished to the Sheet Metal Workers' International Association upon written request.

(d). Grievances concerning use of IFUS funds for purposes prohibited under Section 12(a) or for violations of other subsections of this Section may be processed by the Sheet Metal Workers' International Association directly to the National Joint Adjustment Board under the provisions of Article X of this Agreement. In the event such proceeding results in a deadlock, either party may, upon ten (10) days notice to the other party, submit the issue to final and binding arbitration. The Arbitrator shall be selected by the Co-Chairmen of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he deems appropriate for violation of this Section, including termination of the Employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a deadlocked issue under this Section, (Section 12, Article VIII), and no other.

SECTION 13(a). Contributions provided for in Section 13(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support, and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b). The Employer shall pay to the SMACNA of Michiana Industry Fund (hereinafter referred to as the local industry fund), twenty-nine cents (\$0.29) 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. Payment shall be made monthly on or before the 20th day of the succeeding month.

(c). The local industry fund shall furnish to the Business Manager of the Union, not less often than semi-annually, written reports describing in reasonable detail the nature of activities in which it is engaged or which it supports directly or indirectly with any of its funds. One time per year, the local industry fund shall include in such written report, a statement attested to by a certified public accountant and containing its balance sheet and detailed statement of receipts and disbursements. Further specified detailed information in regard to local industry fund activities or its receipts and/or disbursements shall be furnished to the Business Manager of the Union upon his written request.

(d). Grievances concerning use of local industry fund monies to which an Employer shall contribute for purposes prohibited under Section 13(a) or for violations of other subsections of this Section shall be handled under the provisions of Article X of this Agreement. The National Joint Adjustment Board shall be authorized to impose any remedial order for violation of this Section, including termination of the Employer's obligation to contribute to the local industry fund.

SECTION 14. The Union and Employer recognize that the contributions provided in Sections 12(b) and 13(b) of this Article support activities that benefit the entire sheet metal industry. It is essential that the Employer support these activities, even though it may be performing sheet metal work under the provisions of a separate project agreement or maintenance agreement.

Therefore, hours worked for purposes of determining the contributions required under Sections 12(b) and 13(b) of this Article shall include all hours worked by each employee of the Employer under any project agreement or maintenance agreement, unless specifically excluded by the terms of a written addendum that is negotiated by the Contractors' Association and the Local Union that are parties to this Agreement.

SECTION 15. Effective as of the date of this Agreement the Employers shall contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) twelve cents (\$0.12) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the ITI, or for purposes of collection and transmittal electronically through Sheet Metal Workers National Benefit Funds.

Effective as of the date of this Agreement the Employers shall contribute to the National Energy Management Institute Committee (NEMIC), a jointly administered trust fund, three cents (\$0.03) per hour. Such amount shall be contributed for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of NEMIC, or for the purposes of collection and transmittal electronically through Sheet Metal Workers National Benefit Funds.

Effective as of the date of this Agreement the Employers shall contribute to the Sheet Metal Occupational Health Institute Trust (Institute) two cents (\$0.02) per hour. Such amount shall be contributed for each hour worked by each employee of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal electronically through Sheet Metal Workers National Benefit Funds.

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, the National Energy Management Institute Committee, the Sheet Metal Occupational Health Institute Trust, and the Industry Fund of the United States and the separate agreements and declarations of trusts of all other local or national programs to which it has been agreed that contributions will be made. In addition, the parties 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.

SECTION 16. In the event that the Employer becomes delinquent in making contributions to any national or local Fund, the Union may withdraw all employees from the service of the Employer within three (3) days notice of such delinquency by the trustees. The withdrawal of such employees from the service of the Employer shall not constitute a violation of any provision of this Agreement.

SECTION 17(a). The Employer shall comply with any bonding provisions governing local Funds that may be negotiated by the local parties and set forth as a written Addendum to this Agreement. The Employer shall likewise comply with bonding requirements established by the Trustees of the National Funds.

(b). When an Employer is performing any work specified in Article I of this Agreement outside of the area covered by this Agreement, and within the area covered by another Agreement with a local union affiliated with the Sheet Metal Workers' International Association, the Employer shall comply with uniformly applied bonding requirements of that local area that are reasonable and necessary to ensure the timely payment of any contribution that may be required to local and national Funds, but in no event shall such bonds be in excess of three (3) months estimated contributions to local and national funds.

(c). An Employer that has been delinquent in making contributions to any national or local fund shall, upon written notification of the trustees or local union, make the specified payment to such fund at weekly intervals. Such obligation shall continue until the Employer has not been delinquent in making contributions for a period of three (3) consecutive months.

SECTION 18. The Employer and the Union understand that, the Sheet Metal Workers' National Pension Fund ("NPF" or "Fund") has issued a Rehabilitation Plan under the Pension Protection Act of 2006 and may in the future issue a Funding Improvement Plan under the Act. In addition, the NPF's Rehabilitation Plan or Funding Improvement Plan may provide for schedules which must be adopted by new or existing parties of this Agreement. The parties agree to renegotiate this provision upon any substantial change in Federal ERISA laws and regulations governing defined benefit plans and defined contribution plans.

The parties agree that any schedule described above will be deemed to be adopted automatically if, in accordance with this agreement, the Union allocates or reallocates a portion of the wage and fringe-benefit package, or where the agreement provides for an automatic allocation or reallocation of the wage and fringe-benefit package, that is sufficient to cover fully any increases in contribution rates to the pension fund that has issued that schedule.

It is undesirable to pay a surcharge upon pension contributions, or face other undesirable consequences for failure to adopt a schedule. Accordingly, in the absence of a reallocation as provided above, at such time as the pension fund(s) furnishes the Employer and the Union with alternative schedules as provided above, either party may re-open this Agreement upon thirty days written notice to the other, for the purpose of reaching agreement upon the adoption of one of those schedules. During the negotiations, the parties shall give due recognition to the desirability of maintaining pension benefits in light of economic conditions in the local area.

The parties agree further that the schedule described above will become part of this agreement, and will be incorporated by reference herein, on the date the schedule is adopted or is deemed to have been adopted automatically in accordance with the terms above. The parties will not take any action or actions inconsistent with the NPF's Rehabilitation Plan or Funding Improvement Plan of which the schedules are a part, as modified or amended from time-to-time.

SECTION 19. The Employer and the Union recognize that, during the term of this Agreement, the Sheet Metal Workers' Local No. 20 South Bend Area Pension Fund will notify the parties of the Fund's status under the Pension Protection Act of 2006. It is anticipated that the Fund will be in critical status. Consequently, the Employer and the Union further recognize that a surcharge may be imposed upon contributions to the Fund, and that the Fund may adopt a rehabilitation plan, incorporating alternative schedules of benefits and contributions, during the term of this Agreement.

The parties agree that a schedule described above will be deemed to be adopted automatically if, in accordance with this agreement, the Union allocates or reallocates a portion of the wage and fringe-benefit package, or where the agreement provides for an automatic allocation or reallocation of the wage and fringe-benefit package that is sufficient to cover fully any increases in contribution rates to the Fund under that schedule.

It is undesirable to pay a surcharge upon pension contributions, with no resulting improvement in pension benefits. Accordingly, in the absence of a reallocation as provided above, at such time as the Trustees of the Fund furnish the Employer and the Union with alternative schedules as provided above, either party may re-open this Agreement upon thirty days' written notice to the other, for the purpose of reaching agreement upon the adoption of one of those schedules. During the negotiations, the parties shall give due recognition to the desirability of maintaining pension benefits in light of economic conditions in the local area.

The parties agree further that the schedule described above will become part of this agreement, and will be incorporated by reference herein, on the date the schedule is adopted or is deemed to have been adopted automatically in accordance with the terms above. The parties will not take any action or actions inconsistent with the Fund's Rehabilitation Plan or Funding Improvement Plan of which the schedule is a part, as modified or amended from time-to-time.

See Addendum VIII.

ARTICLE IX

SECTION 1. Journeyman, apprentice, preapprentice and classified sheet metal workers covered by this Agreement shall provide for themselves all necessary hand tools. The Union and the Employer shall establish a standardized tool list, which shall be set forth as a written addendum attached hereto.

SECTION 2. Journeyman, apprentice, preapprentice and classified sheet metal 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 and personal tools from home to shop or job at starting time or from shop or job to home at quitting time.

See Addendum IX.

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 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, may 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.

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. Any party that unsuccessfully challenges the validity of an award in a legal proceeding shall also be liable for the costs and attorneys' fees of the opposing parties in the legal proceedings.

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.

***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 20151-1219**

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, telegram, 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 NJAB to resolve disputes over the initial establishment or amendment 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, or amendment thereof, have been unsuccessful. Such a dispute shall be submitted to the NJAB 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.

SECTION 11. In administering and conducting dispute resolution activities under the arbitration procedures of the Standard Form of Union Agreement, the National Joint Adjustment Board, the Sheet Metal Workers' International Association, the Sheet Metal and Air Conditioning Contractors' National Association, Inc., and their representatives, are functioning as arbitrators and not as the representative of any entity that is party to such dispute. Therefore, they shall enjoy all of the rights, privileges, and immunities afforded to arbitrators under applicable law.

See Addendum X

ARTICLE XI

SECTION 1. All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of an equal number of trustees, half of whom shall be selected by the Employer, and half by the Union. There shall be a minimum of 4 trustees. 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 that 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 experiences in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

(a). The parties will review the needs for specialized and skill-upgrade training and cooperate to establish necessary programs which will then be supervised by the Joint Apprenticeship Training Committee.

SECTION 3. 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 or classified workers 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 and classified workers 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 Program, the Local JATC shall be prohibited from utilizing International Training Institute materials and programs.

SECTION 4. 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 the Employer has an apprentice on layoff for lack of work.

SECTION 5. All applicants for apprenticeship shall be at least eighteen (18) years of age and each apprentice shall serve an apprenticeship of five (5) years and such apprentices 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 journeyman. Apprentices in the fifth year may work under indirect supervision.

SECTION 6. 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:

Indentured Prior to July 1, 2012

1st Year, 1st & 2nd Period – 50%
2nd Year, 3rd Period – 55%
2nd Year, 4th Period – 60%
3rd Year, 5th & 6th Period – 65%
4th Year, 7th Period – 70%
4th Year, 8th Period – 75%
5th Year, 9th Period – 80%
5th Year, 10th Period – 85%

Indentured after July 1, 2012

1 st Year, 1 st Period – 45%	2 nd Period – 50%
2 nd Year, 3 rd Period – 55%	4 th Period – 55%
3 rd Year, 5 th Period – 60%	6 th Period – 60%
4 th Year, 7 th Period – 70%	8 th Period – 75%
5 th Year, 9 th Period – 80%	10 th Period – 85%

SECTION 7. The parties will establish on a local basis the SMWIA Youth-to-Youth program (the program) and the procedures to enable all apprentices to participate in the program. The activities of the program that deal with organizing and other traditional union activities shall be funded by the Local Union through a check off in compliance with the provisions of Section 302(c) of the Labor-Management Relations Act of 1947. Activities that may be funded by Employer contributions shall be so funded if, and to the extent, the parties shall agree locally to sponsor and implement the same. *See Addendum VIII, Reference Article VIII, Section 1(a).

SECTION 8. 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. The parties shall also address the need to provide continuity in health care for those workers entering the program with prior experience in the industry.

SECTION 9. The parties agree that career-long skill upgrade training is necessary for an effective workforce and agree to undertake those measures available to them to encourage continuing training for sheet metal journeymen.

See Addendum XI.

ARTICLE XII

SECTION 1. Sheet metal workers shall complete OSHA 10/OSHA 30 training, as well as any mandatory refresher course, as a condition of employment in the sheet metal industry. Such training shall be completed on the employee's time.

The parties to this Agreement shall take appropriate steps to provide that the cost of any materials used in such training, as well as the costs associated with providing instruction, shall be paid for by the Local Joint Apprenticeship and Training Fund.

SECTION 2. The parties are committed to maintaining a workplace that is safe, productive, and free of alcohol and illegal drugs. Therefore, they shall establish a substance abuse program which will include, as a minimum, the following components: owner mandated, reasonable suspicion, post accident, and random drug and alcohol testing. In the case of random testing, the procedures shall be established and administered in a manner so that such testing is conducted in a manner that is truly random. Any testing program shall be conducted on an industry wide basis, and in conformity with all applicable laws. The parties shall establish an appropriate means of funding such testing activities on an industry wide basis.

See Addendum VIII.

ARTICLE XIII

SECTION 1. It is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant preapprentices on the basis of one (1) preapprentice and/or classified worker for each three (3) apprentices employed by the Employer. Provided, however, that an Employer who employs one (1) or more apprentices and at least three (3) sheet metal journeymen shall be entitled to at least one (1) preapprentice or classified worker. Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to a preapprentice . Thereafter, the same conditions and ratios shall apply.

In the event the Employer is entitled to employ a preapprentice and the Union fails to comply with the Employer's written request to furnish a preapprentice within forty-eight (48) hours, the Employer may hire such employees and refer them to the Joint Apprenticeship and Training Committee for enrollment.

Preapprentices shall be enrolled as applicants for future openings in the apprenticeship program. The Joint Apprenticeship and Training Committee shall evaluate the qualifications of preapprentices for such openings during the first year of employment. No preapprentice shall be retained beyond one (1) year unless the preapprentice has been found to be qualified as an applicant.

The wage scale for preapprentices shall be forty percent (40%) of the wage rate for journeymen sheet metal workers. After one year as a preapprentice in the industry, the wage scale shall be forty-five percent (45%) of journeyman rate. Health and welfare coverage shall be arranged on behalf of the preapprentices by the parties.

Pension contributions will be paid on all hours worked beginning with the first payroll period (after 90 days) in the amount of the journeyman South Bend area local pension fund contribution rate. The parties shall make all necessary arrangements so that any preapprentice being reclassified shall experience no break in benefits coverage.

SECTION 1(a). Classified workers may be employed at a ratio of one (1) classified worker and/or preapprentice for each Employer who employs one (1) journeyman sheet metal worker who is not an owner/member. An additional classified worker may be employed for each Employer who employs three (3) journeymen, and one apprentice. Thereafter, Classified workers may be employed at a ratio of one (1) classified worker and/or preapprentice for one (1) apprentice employed by the Employer. Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to a classified worker. Thereafter, the same conditions and ratios shall apply.

Classified workers may perform any work covered by Article I of which they are capable and will work under the general direction of a journeyman. The wage rate for classified workers will be not less than as set forth below.

In the event the Employer is entitled to employ a classified worker and the Union fails to comply with the Employer's written request to furnish a classified worker within forty-eight (48) hours, the Employer may directly hire such employees, and refer them to the Union.

SECTION 1(b). **Classified Sheet Metal Workers** shall be paid as follows:

- 1st Year*:** 50% of Journeyman wage rate plus fringe benefits specified in Addendum XIII
- 2nd year*:** 55% of Journeyman wage rate plus fringe benefits specified in Addendum XIII
- 3rd year*:** 60% of Journeyman wage rate plus fringe benefits specified in Addendum XIII
- 4th year*:** 65% of Journeyman wage rate plus fringe benefits specified in Addendum XIII
- 5th year*:** 70% of Journeyman wage rate plus fringe benefits specified in Addendum XIII

*The Local Union Office shall keep track of contributions to establish an accredited year as 1500 hours worked.

**Classified workers prior to the execution of this agreement shall maintain a grandfathered status.

ARTICLE XIV

SECTION 1. SMACNA and the SMWIA are committed to promoting productive and cooperative labor-management relations. In furtherance of this goal, the local Employers' association and local Union agree to establish a labor-management committee which shall meet on a regular basis, but not less often than quarterly, to discuss industry issues of mutual concern. Such committees will strive to improve communications, understand and respond to industry direction and trends, and resolve common issues collaboratively.

ARTICLE XV

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 XVI

SECTION 1. This Agreement and Addenda Numbers I through XII attached hereto shall become effective on the first day of July, 2012 and remain in full force and effect until the thirtieth day of June, 2015 and shall continue in force from year to year thereafter unless written notice of reopening is given not less than ninety (90) 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 by written notice, 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. The parties agree to meet and negotiate a substitute provision. If negotiations are unsuccessful, the issue may be submitted for resolution by either party pursuant to Article X, Section 8 of this Agreement.

SECTION 3. Notwithstanding any other provision of this Article, or any other Article of this Agreement, whenever an amendment to the Standard Form of Union Agreement shall be adopted by the sponsoring national associations any party to this Agreement, upon the service of notice to all other parties hereto, shall have this Agreement reopened thirty (30) days thereafter, for the sole and only purpose of attempting to negotiate such amendment or amendments into this Agreement for the duration of the term hereof. There shall be no strike or lockout over this issue.

SECTION 4. Each employer hereby waives any right it may have to repudiate this Agreement during the term of this Agreement or during the term of any extension, modification or amendment of this Agreement.

SECTION 5. By execution of this Agreement the Employer authorizes SMACNA of Michiana, Inc. to act as its collective bargaining representative for all matters relating to this Agreement. The parties agree that the Employer will hereafter be a member of the multi-employer bargaining unit represented by said Association unless this authorization is withdrawn by written notice to the Association and the Union at least one hundred fifty (150) days prior to the then current expiration date of the Agreement.

In witness whereof, the parties hereto affix their signatures and seal this _____
day of _____, 20_____.

THIS STANDARD FORM OF UNION AGREEMENT HAS PROVIDED FOR THE INCLUSION OF CLASSIFIED WORKERS AND A REDUCTION OF THE WAGE SCHEDULE FOR NEW APPRENTICES. THE PURPOSE OF THIS IS TO MAKE CONTRACTORS MORE COMPETITIVE WITH NON-UNION COMPETITION. TO ACHIEVE THAT OBJECTIVE EMPLOYERS AGREE TO MINIMIZE MULTIPLE MARKUPS.

The Standard Form of Union Agreement is a recommended contract form that is revised from time to time by the Sheet Metal Workers' International Association and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. In establishing such a recommended

contract form, neither the Sheet Metal Workers' International Association, nor the Sheet Metal and Air Conditioning Contractors' National Association Inc. has acted as the bargaining representative of any entity that may adopt all or part of the language of the Standard Form of Union Agreement. Furthermore, neither the Sheet Metal Workers' International Association nor the Sheet Metal and Air Conditioning Contractors' National Association, Inc., shall be deemed to be a party to any such collective bargaining agreement including such language.

(Specify Name of Association or Contractor)

Local Union No.20 of Sheet Metal Workers'
International Association

By _____
(Signature of Officer or Representative)

By _____
(Signature of Officer or Representative)

ADDENDUM I

Ref: Article I

SECTION 1. The parties understand that it is an impossible task to spell out in complete detail the work of the bargaining unit. Accordingly, even though specific work may not be specifically spelled out, it will nevertheless be considered as and treated as part of the bargaining unit work if it has been traditionally performed by bargaining unit employees and this shall apply irrespective of any new methods, processes or materials which are used as a substitute for other methods of performing the work. In such latter instance the work shall nevertheless be considered bargaining unit work.

SECTION 2(a). Definition of a Recognized Local Sheet Metal Contractor.

1. Employer shall maintain an established place of business in jurisdiction of Local No. 20 (South Bend Area) and be signatory to this Agreement.
2. Employer shall provide general sheet metal tools and all power equipment necessary to perform work contracted for.
3. One (1) journeyman sheet metal worker shall be employed the major part of the year (minimum 6 months plus one day).
4. For all employees covered by this Agreement the Employer shall carry Workmen's Compensation Insurance with a company authorized to do business in a state where this contract is operative, and it shall in addition contribute to the State Employment Security Division for the purpose of carrying Unemployment Insurance, irrespective of the number of employees employed. The Employer shall furnish satisfactory proof of such coverage and contributions to the Union.
 - (a) If at any time during the term of this Agreement, assuming both parties to this Agreement desire to do so, it will be deemed permissible to enter into a "collectively bargained Workman's Compensation Insurance Program" in lieu of the insurance coverage specified above in paragraph 4a, of Section 2(a) of this Addendum.
5. SMACNA of Michiana may set up safety related classes through the Sheet Metal Workers' Local No. 20 Apprenticeship & Training Trust. Employers will pay for all wages, registration fees, materials, administration and instructor costs through the Industry Fund. Employers may schedule safety related classes outside of the regular working day at the Employer's place of business or other designated site. Upon successful completion of the class the employee will be paid 70% of their base wage for all hours attended by the Sheet Metal Workers' Local No. 20 Apprenticeship & Training Trust. Attendance is voluntary.
6. All employees shall take the first aid training course taught by the American Red Cross or its equivalent and shall continuously carry a valid First Aid Certificate.
7. Each Employer and employee shall comply with all state Health and Safety Rules (or all federal Health and Safety rules where no such state rules exist), regulations, and orders issued pursuant to the provisions of the Occupational Safety and Health Act in the performance of their work. Willful violations by employees jeopardizing the rights of the

Employer or other employees shall be sufficient grounds for dismissal. The Union is to be notified in writing in advance of dismissal. The provisions of this section shall be interpreted in a fashion consistent with the federal law.

8. Employer agrees to recognize the right of the Union or its representatives to appoint a Steward; whose duty shall be to see that all employees covered by this Agreement are members of the Union, and in good standing in accordance with the requirements of the Agreement.

9. The Business Manager or Business Agent of the Union shall not be denied access by the employer or his representative, to the Employer's office or any part of the shop or projects for the transaction of business with the Employer or employees covered by this Agreement.

SECTION 2(b). The Employer and the Union will jointly make every effort to have the Architects and/or Engineers include in the Sheet Metal Sections all items belonging within our Industry to fabricate and/or install.

SECTION 2(c). The Employer shall make every effort to bid any item on any job belonging to the sheet metal industry even though it may require him to obtain sub bids from other signed Sheet Metal Employers to accomplish the fabrication and/or installation of the complete job required by job specification. The Employer shall notify the Union when his bid has been refused because he has included the furnishing, handling, installing of all items belonging to the sheet metal industry.

SECTION 2(d). The Business Manager and Agents of the Union will be furnished prints and specifications of jobs if the information is public. Local No. 20 will bear all cost of reproduction.

SECTION 3. Recognition Clause of a 9(a) Collective Bargaining Agreement: Inasmuch as the Union has submitted proof and the Employer's bargaining representative is satisfied that the Union represents a majority of its employees in the bargaining unit described herein, the representative recognizes the Union as the exclusive collective bargaining agent for all employees within that bargaining unit, on all present and future jobsites within the jurisdiction of the Union, unless and until such time as the Union loses its status as the employee's exclusive representative as a result of an NLRB election, requested by the employees. However, in the event a petition is filed with the NLRB, either before or after the expiration of this Agreement, the Union and the Employer (including any Employer assenting to this Agreement subsequent to its effective date) agree that the appropriate bargaining unit shall consist of all employees of all Employers signatory to this Agreement.

SECTION 4. Employer and Union agree that the Employer shall, at all times during the term of this Agreement, retain the sole and exclusive right to manage the affairs of its business and to direct its employees in the performance of their duties. Such management rights shall include but are not limited to: the right to plan, direct, and control operations; the right to determine the amount of work needed, to change or modify schedules and working hours, to assign work, to assign foremen, to establish and adjust shifts, and to require overtime when necessary to meet the customer's requirements; the right to establish reasonable work rules and regulations for the purposes of increasing efficiency, including rules for attendance, health and safety, dress and appearance, use of cell phones, smoking, and behavior/conduct; and the right to hire employees, transfer employees, suspend employees, lay off employees, and discharge

employees for just cause. This list of specific management rights shall not restrict or be construed as a waiver of any of the management rights not listed, except for those management rights that are specifically restricted by other provisions of this Agreement or by the National Labor Relations Act.

- (a) Employer and Union will hereby agree to abide by the SMWIA Code of Excellence Program.

ADDENDUM II

Ref: Article II

SECTION 3. All sheet metal work manufactured, assembled and fabricated outside jurisdiction of Local Union No. 20 by members of the Sheet Metal Workers' International Association for installation within the jurisdiction of Local No. 20 shall bear the Sheet Metal Workers' Union Label. The Union and Association will jointly publicize and submit to the Contractors the names of firms and companies under agreement with Local Unions affiliated with the Sheet Metal Workers' International Association who manufacture products bearing the Union Label of the Sheet Metal Workers' International Association.

SECTION 4(a). Integrity Clause: A "bad-faith employer" for purposes of this Agreement is an Employer that itself, or through a person or persons subject to an owner's control, has ownership interests (other than a non-controlling interest in a corporation whose stock is publicly traded) in any business entity that engages in work within the scope of SFUA Article I hereinabove using employees whose wage package, hours, and working conditions are inferior to those prescribed in this Agreement or, if such business entity is located or operating in another area, inferior to those prescribed in the agreement of the sister local union affiliated with Sheet Metal Workers' International Association, AFL-CIO in that area.

An Employer is also a "bad-faith employer" when it is owned by another business entity as its direct subsidiary or as a subsidiary of any other subsidiary within the corporate structure thereof through a parent subsidiary and/or holding-company relationship, and any other business entity within such corporate structure is engaging in work within the scope of SFUA Article I hereinabove using employees whose wage package, hours, and working conditions are inferior to those prescribed in this Agreement or, if such other business entity is located or operating in another area, inferior to those prescribed in the Agreement of the sister local union affiliated with Sheet Metal Workers' International Association, AFL-CIO in that area.

SECTION 4(b). Any Employer that signs this Agreement or is covered thereby by virtue of being a member of a multi-employer bargaining unit expressly represents to the Union that it is not a "bad-faith employer" as such term is defined in Section 4(a) hereinabove and, further, agrees to advise the Union promptly if at any time during the life of this Agreement said Employer changes its mode of operation and becomes a bad-faith employer". Failure to give timely notice of being or becoming a "bad-faith employer" shall be viewed as fraudulent conduct on the part of such Employer.

In the event any Employer signatory to or bound by this Agreement shall be guilty of fraudulent conduct as defined above, such Employer shall be liable to the Union for liquidated damages at the rate of \$500 per calendar day from the date of failure to notify the Union until the date on which the Employer gives notice to the Union. The claim for liquidated damages shall be

processed as a grievance in accordance with, and within the time limits prescribed by, the provisions of Standard Form of Union Agreement, Article X.

SECTION 5(a). Work Preservation Clause. The Employer agrees that no evasion of the terms, requirements and provisions of this Agreement will take place by the setting up of another business to do work covered by this Agreement, or in any other way attempt to or actually evade or nullify responsibility hereunder. If and when the Employer shall perform any work of the type prohibited by Section 4(a) hereof, the terms and conditions of this Agreement shall be applicable to all such work.

In the event that the conditions set forth in the paragraph above are met but the Agreement is not deemed applicable to the non-signatory entity, then the Employer shall be liable to the Union for all damages incurred.

ADDENDUM III

Ref.: Article III

SECTION 1. Work to Be Performed Statement.

SECTION 2. The Employer agrees to complete a "Report of Construction Contractors' Wage Rates" – Form WD-10- as provided by the U.S. Department of Labor, for all jobs and provide the Union with a copy of same (Form Follows).

ADDENDUM IV

Ref: Article IV

SECTION 2(a). Superannuated Employees: The Employer agrees not to discriminate against employees because of age when hiring or terminating employment.

SECTION 2(b). In the event of a layoff the first men to be laid off will be men working out of the jurisdiction of another Local Union.

SECTION 2(c). When any employee is laid off, the Business Manager, Business Agent or Business office shall be notified 24 hours in advance. This notification does not apply when layoff is due to inclement weather.

SECTION 2(d). Employees who are laid off or discharged shall be allowed sufficient time to gather their tools and personal belongings so that they may be off the jobsite at regular quitting time.

SECTION 2(e). All payroll stubs shall show the hours worked and all withholding deductions. All expenses and mileage shall be listed as such.

SECTION 2(f). When an employee is going to be sent to a special agreement jobsite, the employer or union representative shall make every effort to notify the employee one (1) day in advance that he is going to be sent to the project.

SECTION 3. It is mutually agreed among the parties signatory hereto that the following conditions shall govern all referrals of applications for employment for all positions within the

scope of the Agreement between the parties dated July 1, 2003 and shall supersede any contrary provisions which may be contained in the Agreement.

(a). The Union shall select and refer applicants for employment without discrimination against such applicants by reason of or in any way affected by union membership, by-laws, regulations, constitutional provisions, or any other aspect or obligation of union membership, policies, or requirements. It is mutually agreed by the Employer and the Union to fully comply with all the provisions of Title 7 of the Civil Rights Act of 1964, Presidential Executive Order No. 11246, Indiana Fair Employment Act, and Michigan Civil Rights Commission to the end that no person shall, on the grounds of sex, religion, race, color, or national origin, be excluded from participation in or denied the benefits of the referral section of this Agreement.

1. The Employer shall have the right to reject any applicant for employment.
2. Both the Union and the Employer agree to post a copy of the referral procedures set forth above in places where notices to employees and applicants for employment are customarily posted.
3. In accordance with, and in execution of Article V of this Agreement and the policy set forth above, all employees under this Agreement shall as a condition of employment pay to the Union an amount equal to the Union's prescribed initiation fee and dues, such payments to commence eight days following employment or re-employment in the bargaining unit or eight days following the signing of this Agreement, whichever is later.
4. Employer shall complete an "Employee Termination Report" for any employee who is terminated. The original will be mailed to Sheet Metal Workers' Local Union No. 20 (South Bend Area); one copy will be given to the employee; the final copy will be retained for the employer's files and records.
5. No applicants for employment will be employed unless a referral slip, signed by a Local Union Business Representative, is presented to the Employer.

ADDENDUM V

Ref: Article V

SECTION 1(a). Working Dues Check-Off. Effective July 1, 2012, the Employer shall deduct Union dues, assessments or service fees (excluding fines and initiation fees) from the paychecks of all employees who have signed an authorization card permitting these deductions. Union is solely responsible for preparing the authorization cards, collecting the employees' signatures on the valid authorization cards, and providing copies of the signed authorization cards to the Employer. For new hires, the Union shall provide the Employer with a copy of the employee's signed authorization card within 24 hours after the employee is hired. The Employer is not required to deduct Union dues from an employee's paycheck until the Union has provided the Employer with a copy of the employee's signed authorization card.

The Union agrees to defend, indemnify, and hold harmless the Employer from any and all claims, lawsuits, liability, expenses, damages, and/or attorneys' fees arising from or related to the Employer's compliance with this Article.

The Union will receive 48 hours notice prior to the hiring of employees.

SECTION 1(b). The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 2(a). The parties to this Agreement agree to fully comply with all of the provisions of Title VII of the Civil Rights Act of 1964, Presidential Executive Order 11246 and the Indiana Fair Employment Practices Act, and Michigan Civil Rights Commission, with respect to selection, training and employment of apprentices and trainees; to the referral practices in connection with applicants for employment; and to all employment practices; including job promotion and working conditions with respect to all workers and supervisory employees, to the end that no discrimination shall be practiced in respect to age, sex, religion, race, color, mental or physical handicap, or national origin. This also includes veterans (Vietnam era, etc.).

As used in this document, the terms "he," "his" or similar masculine pronouns shall be construed to include the feminine alternatives of such pronouns. Such terms are used solely for grammatical purposes and shall not be construed to limit this contract or its application on the basis of sex, race, national origin or any other classification.

SECTION 2(b). The Employer agrees that it shall not be a violation of any term, provision or requirement of this Agreement if employees covered by this Agreement refuse to cross or work behind any legal picket line established by any bona-fide union, provided the strike or picket line is authorized or sanctioned by the Union involved or by the International Union of the Union that called the strike or established the picket line or is authorized or sanctioned by a Central Labor, Building and Construction Trades, Metal Trades, or other recognized Council of Unions having jurisdiction of the area involved. No employee covered by this Agreement shall be requested or required to perform any work operations that were being performed by persons on strike.

ADDENDUM VI

Ref: Article VI

SECTION 1(a). An early starting time may be used when mutually agreed upon by the Employer, the employee and Union Business Representative.

SECTION 1(b). **Work Week Option**: Upon notification to the Union Representative and one week notification by the Company to all covered employees, the work week may be four (4) consecutive ten (10) hour days in a standard week between the hours of 6:00 A.M. and 6:00 P.M. All full or part time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate. All work performed outside the regular working hours and performed during the regular workweek shall be in accordance with the following paragraphs.

One and one-half (1½) times the regular hourly rate shall be paid for the first three (3) hours work performed in excess of ten (10) hours in any work day. When working Monday through Thursday, ten (10) hours work performed on Friday shall be paid at one and one-half (1½)

times the regular hourly rate. When working Tuesday through Friday, ten (10) hours work performed on Monday shall be paid at one and one-half (1½) times the hourly rate.

Two (2) times the regular hourly rate shall be paid for all work in excess of thirteen (13) hours during the regular work day. When working Monday through Thursday all hours worked in excess of ten (10) hours on Friday shall be paid at two (2) times the hourly rate. When working Tuesday through Friday all hours worked in excess of ten (10) hours on Monday shall be paid at two (2) times the hourly rate. All work performed on Saturday, Sunday and all designated holidays shall be paid at two (2) times the hourly rate.

(a). When working Monday through Thursday and a designated holiday falls on Friday or Saturday, Thursday will be observed as the holiday and all work performed on Thursday shall be paid at two (2) times the regular hourly rate. If no work is scheduled for Thursday and work is scheduled for Friday then all work performed on Friday shall be paid at two (2) times the regular hourly rate. When a designated holiday falls on a Sunday, Monday will be observed as the holiday and all work performed on Monday shall be paid at two (2) times the regular hourly rate.

(b). When working Tuesday through Friday and a designated holiday falls on a Saturday, Friday will be observed as the holiday and all work performed on Friday shall be paid at two (2) times the regular hourly rate. When a designated holiday falls on Sunday or Monday, Tuesday will be observed as the holiday and all work performed on Tuesday shall be paid at two (2) times the regular hourly rate. If no work is scheduled for Tuesday and work is scheduled for Monday then all work performed on Monday shall be paid at two (2) times the regular hourly rate.

(c). All work performed on Wednesday, Thursday and Friday during the week of Thanksgiving shall be paid at two (2) times the regular hourly rate.

SECTION 2. After any employee works eight (8) hours and continues to work without having a minimum of eight (8) hours between shifts and goes into overtime pay, his overtime pay will continue, and all continuous work will be at the established overtime rate and will not revert back to straight time pay until a minimum of eight hours have elapsed.

SECTION 5. Rules for Shift Work:

At the discretion of the Employer, and upon notification to the Business Representative, shift work will be allowed under the following conditions:

No employee shall be required to work at night unless at least eight (8) hours will have elapsed between his day work assignment and the night work assignment.

No employee shall suffer a loss of working pay as a result of shift work that would reduce his working pay below forty (40) hours for the week.

Shift work shall be allowed on all jobsites when the Business Representative is notified.

Shift work shall consist of up to ten (10) consecutive hours and the hourly rate for shift work shall be 1.12 times regular hourly rate in the field and 1.12 times the regular hourly rate in the shop.

During the regular work week three (3) consecutive hours worked in conjunction with the shift work hours shall be paid at one and one-half (1½) times the shift work hourly rate. All additional hours worked in conjunction with the shift work shall be paid at two times the shift work hourly rate.

During a four (4) ten (10) hour shift work schedule, overtime will be paid at one and one-half (1½) times the hourly rate for the first three (3) hours of overtime. All other hours worked in conjunction with the shift work shall be paid at two (2) times the shift work hourly rate.

ADDENDUM VII

Ref: Article VII

SECTION 1(a). Parking: The Employer will pay up to nine dollars (\$9.00) per day for parking unless parking is provided. Parking receipt shall be provided in order to collect.

SECTION 2(a). Travel Expense: All mileage shall be computed from the Employer's shop or the employee's residence (whichever is closer to the jobsite) (less the expense free zone), as based on the current official Indiana State Highway Map HO-MN155. Designation of expense free zone to be at Employer's choice; however, only one expense free zone is permitted on any given day.

SECTION 2(b). Expense Free Zone: No travel expense for first thirty-five (35) miles from the Employer's shop or the employee's residence (whichever is closer to the jobsite). If employee is asked to move to more than one (1) additional jobsite per day, he will be paid the current Internal Revenue Service allowable amount per mile for each additional move per day. All mileage in this contract will be paid at the current Internal Revenue Service allowable amount per mile.

SECTION 2(c). All jobs within eighty (80) miles of the shop the employee's residence (whichever is closer to the jobsite): the current Internal Revenue Service allowable amount per mile round trip per day (less the expense free zone), no additional compensation.

SECTION 2(d). All jobs eighty-one (81) to two hundred (200) miles from the shop or the employee's residence (whichever is closer to the jobsite): the current Internal Revenue Service allowable amount per mile round trip (less the expense free zone), for one (1) round trip per week plus seventy-five dollars (\$75.00) per night up to and including four (4) nights based on a five (5) day work week. Mileage to be computed from the shop or the employee's residence (whichever is closer to the jobsite).

SECTION 2(e). For jobs beyond two hundred (200) miles from the shop or the employee's residence (whichever is closer to the jobsite) the employee shall be paid for one (1) round trip per job (mileage) the IRS allowable amount. No free zone. In addition, he shall receive weekly (above and beyond his regular hourly wages) expense monies in the amount of seventy-five dollars (\$75.00) per night up to and including four (4) nights based on a five (5) day week. Jobs in excess of five (5) consecutive days will be compensated at seventy-five dollars (\$75.00) per night, on a seven (7) day basis. (Payments provided for in this Section shall be considered expense monies.)

SECTION 2(f). Transportation Furnished by Employer:

1. Mileage is eliminated in all cases.

2. If an employee travels outside regular working hours, they shall be paid their straight time hourly rate, less benefits, going to and from the jobsite at the rate of fifty (50) miles per hour (less the 50-mile free zone).

SECTION 2(g). The Employer will provide or pay for all necessary additional transportation during working hours at the IRS allowable amount.

SECTION 2(h). For Employers who have an established place of business only outside the jurisdictional area of Local 20 (South Bend Area), travel expenses shall be the same as stated in ARTICLE VII, Section 2. The starting point for calculation of mileage shall be Sheet Metal Workers' Local Union No. 20 Union Hall (South Bend Area).

**ADDENDUM VIII
Ref: Article VIII
Wage and Fringe Benefits**

SECTION 1(a). The minimum wage and fringes for Journeyman (A) shall be as follows:

To be Allocated	<u>\$1.05</u>		<u>\$1.08</u>		<u>\$1.09</u>	
	<u>7/1/12</u>	<u>1/1/13</u>	<u>7/1/13</u>	<u>1/1/14</u>	<u>7/1/14</u>	<u>1/1/15</u>
Base Wage	\$28.74		**		**	
Working Dues Check-Off (Deduct)	(1.58)					
Health & Welfare	7.35		**		**	
Local Pension	6.07	****	****	****	****	****
National Pension	2.97		3.18		3.40	
401(a) Plan	.30		.30		.30	
SASMI (3%)	<u>1.36</u>		**		**	
TOTAL WAGE	\$47.04					
Local Training Fund	1.20***		***		***	
International Training (\$0.12) NEMI (\$0.03), SMOHIT (\$0.02) & Scholarship Fund (\$0.01)	.18		.18		.18	
Labor/Management Trust	.05		.05		.05	
Industry Funds	.29*		.29*		.29*	
BCRC	<u>.08</u>		**		**	
TOTAL	\$48.84		\$49.92		\$51.01	

*Contributions to the Industry Fund may be increased, to be determined by SMACNA of Michiana

**To be allocated

***From the total contribution, fifteen cents (\$.15) per hour will be allocated to apprentice school pay and thirty-four cents (\$.34) per hour will be allocated to the Building Fund. Said amount may be adjusted as required with the approval of SMACNA of Michiana.

****Local Pension Fund will increase \$0.27 effective 1/1/13, 7/1/13, 1/1/14, 7/1/14 and 1/1/15.

The following classifications of Journeyman (B - E) indicate how taxable wages are affected by a Journeyman's election to have a higher 401(a) contribution level. All other fringes are the same as for Journeyman A.

JOURNEYMAN B	Effective 07/01/2012
Taxable Wage	\$ 27.39
Overtime Wage (x 1.5)	\$ 41.59
Overtime Wage (x 2)	\$ 55.78
401(a) Plan	\$ 1.30

JOURNEYMAN C	Effective 07/01/2012
Taxable Wage	\$ 26.39
Overtime Wage (x 1.5)	\$ 40.59
Overtime Wage (x 2)	\$ 54.78
401(a) Plan	\$ 2.30

JOURNEYMAN D	Effective 07/01/2012
Taxable Wage	\$ 25.39
Overtime Wage (x 1.5)	\$ 39.59
Overtime Wage (x 2)	\$ 53.78
401(a) Plan	\$ 3.30

JOURNEYMAN E	Effective 07/01/2012
Taxable Wage	\$ 24.39
Overtime Wage (x 1.5)	\$ 38.59
Overtime Wage (x 2)	\$ 52.78
401(a) Plan	\$ 4.30

Please note: \$0.20 per hour will be contributed to the 401(a) Plan for apprentices. Effective January 1, 2004, 1st through 5th year apprentice's taxable wages may be affected by an apprentice's election to have a higher 401(a) contribution level - \$1.20.

SECTION 1(b). One dollar (\$1.00) per hour for the vacation fund is to be withheld from employees, after tax deductions. (Refer to Sec. 8(c).)

SECTION 1(c). On all jobs employing five (5) or more employees, one Local #20 (South Bend Area) journeyman shall be designated as a working foreman by the employer and receive foreman's pay at 10% over journeyman rate. A working foreman shall not supervise more than ten (10) employees including himself. Employees assigned to a job shall be considered part of the work force for that pay period. Where required in this section, there shall be a working foreman designated by the Employer, who shall be an employee in the bargaining unit. Such individual shall not exercise any of the functions customarily exercised by supervisors as defined in the Labor-Management Relations Act, as amended.

SECTION 1(d). On all jobs having twenty-five (25) bargaining unit employees there shall be a General Foreman designated by the Employer and receive General Foreman's pay at 15% over journeyman rate. Such General Foreman shall act in a supervisory capacity only.

Additional General Foremen will be required when the workforce increases by twenty-five (25) bargaining unit employees.

SECTION 2(a). On any job of forty (40) hours or more which requires a composite crew of sheet metal workers and workers from other trades, the sheet metal workers will receive the highest hourly base rate and overtime rate of all the trades involved.

SECTION 2(b). At the time of payment, the employer shall furnish the employee with a written record showing the pay period, hourly rate, the hours worked, overtime and all deductions identified as to amount and reason.

SECTION 2(c). If the employer requests employee to fill in a time card, manually or electronically, employee shall comply.

SECTION 8(a). Health and Welfare Fund: It is agreed that all employees in the collective bargaining unit shall participate in the Sheet Metal Workers' Local Union No. 20 Health and Welfare Fund. This Fund is governed in accordance with the terms and provisions of an Agreement and Declaration of Trust creating said Health & Welfare Fund, as signed by the Trustees of the Employer and the Union, the terms and conditions of which are incorporated herein and made a part of this Agreement.

The Employer agrees to pay the amounts specified in Article VIII, Section 1(a) of this Addendum for "Health and Welfare", for each hour worked by its employees covered by this Agreement, including all non bargaining unit work and bargaining unit work, into the Sheet Metal Workers' Local Union No. 20 Health and Welfare Fund, at the depository designated by the Trustees of the Welfare Fund, on or before the 20th day of each month for work performed during the preceding month.

The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 8(b). Pension Fund: It is agreed that all employees in the collective bargaining unit shall participate in the Sheet Metal Workers' Local Union No. 20 South Bend Area Pension Fund.

This Fund is governed in accordance with the terms and provisions of an Agreement and Declaration of Trust creating said Pension Fund, as signed by the Trustees of the Employer and the Union, the terms and conditions of which are incorporated herein and made a part of this Agreement.

The Employer agrees to pay the amount specified in Article VIII, Section 1(a), for "Local Pension", for each hour worked by its employees covered by this agreement including all non bargaining unit work and bargaining unit work, into the Sheet Metal Workers' Local Union No. 20 Pension Fund (South Bend Area), at the depository designated by the Trustees of the Pension Fund, on or before the 20th day of each month for the work performed during the preceding month.

The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 8(c). Except as otherwise noted in this Agreement, it is mutually agreed between the parties of this Agreement that the Employers signatory hereto shall withhold from employees hired under the terms of this Agreement, one dollar (\$1.00) per hour for a vacation fund. Said monies are to be paid to the GESB Sheet Metal Workers FCU. Withholdings for the credit union will be sent with other funds by the 20th day of each month for the preceding month to the designated depository.

The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 8(d).

1. In accordance with this Agreement as amended, the contributions to be made by the employer shall be paid to the depository on or before the 20th day of the following month for which the contribution is due. Failure to make the payments in full as required by the 20th day of the following month for which the contribution was due shall make the employer delinquent and shall constitute a violation of this Agreement.

2. It is agreed that the Union shall have the authority at all times to have an independent Certified Public Accountant audit the payroll and wage records of the Employer for the purpose of determining the accuracy of contributions to the Fringe Benefit Funds. In lieu of the audit by the Certified Public Accountant, the Union may accept (at their sole option) a written statement from the Employer showing the pay and hours worked by each Union employee during the pay period involved. Such a statement shall list the total amount paid and all deductions involved (including the fringe benefits which were paid to or in behalf of each of the workmen employed under the terms of the Agreement).

3. Failure to submit a proper statement of payroll and fringe benefit fund contributions (including the pension, vacation and industry fund and the insurance trust accounts) upon written demand by the Union shall constitute a violation of this Agreement and shall be grounds for immediate action on the part of the Union to collect these amounts. If the delinquent employer fails to make proper contributions within seventy-two (72) hours after he is notified in writing that such fringe benefit contributions are delinquent, the employer shall suffer a work stoppage on all jobs and/or shops manned by Union employees until written proof has been provided that all payments have properly been brought up to date. The Union employees who stop work in accordance with this provision shall be paid at their regular rate of pay during such work stoppage in order that no loss of pay shall be suffered for the men under employment of the employer. The employer's liability for payments hereunder shall not be subject to the Grievance Procedure or to arbitration under the Collective Bargaining Agreement.

4. Bonding Procedure. At its sole option, the Union and/or the Trustees of fringe benefit funds may require, prior to the commencement of any particular job, a wage and fringe benefit bond. Such bond shall be a minimum of \$36,000.00 based on six (6) employees, and will be increased by \$6000.00 per each additional employee to a maximum of \$300,000.00 This bond may be required of any contractor who is working for the first time in the South Bend vicinity, or who has in the past one (1) year been delinquent in its payment to fringe benefit funds. Once a Local 20 South Bend Area contractor has been free of delinquencies for a forty-eight (48) month period, no bond will be required.

The bond shall be in a form and written by a surety company acceptable to the Union guaranteeing prompt payment of all monies for: Sheet Metal Workers' Local 20 Welfare Fund, Sheet Metal Workers' Local 20 (South Bend Area) Pension Fund, Sheet Metal Workers' Local Union No. 20 Defined Contribution Pension Fund, Sheet Metal Workers' Local No. 20 Apprenticeship and Training Trust, Sheet Metal Workers' International Training Institute, SASMI, Sheet Metal Workers' National Pension Fund, Wages, and St. Joseph Valley Sheet Metal Employer's Association Industry Fund. In accordance with the terms of this collective bargaining agreement and the various trust documents establishing such funds, the bond as secured shall run in favor of the Union and shall be deposited with the Union. The bond shall guarantee the contractors required payments to each of the above Funds and copies of such bond shall be deposited with each of said respective Funds.

5. If the Union decides to employ attorneys and/or accountants to enforce their rights under Section 8(d), parts 1 through 5, all reasonable fees for their professional services and fees for all court costs, expenses, bonds, etc., involved in this effort shall be paid by the delinquent employer.

SECTION 8(e). S.A.S.M.I.: It is agreed the Employer shall make monthly payments of an amount equal to three (3%) percent of the gross earnings of each employee subject to this Agreement to the National Stabilization Agreement of the Sheet Metal Industry (S.A.S.M.I.). Gross earnings, for the purpose of this Agreement shall mean (a) total wages paid to an employee by the 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 pension and health and welfare funds.

The Employer agrees to adopt the National S.A.S.M.I. Trust as presently constituted and as 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 and to sign the Standard Participation Agreement prescribed by the Trustees as a condition of becoming a party to and participant in such Trust.

Effective with June 1, 2012 hours, SASMI has converted the contribution rate to a cents per hour contribution rate. This cents per hour paid contribution amount shall be, and shall remain, at all times, equal to the sum of: (a) three percent (3%) of the amount of wages due at the gross contractual hourly wage rate for the classification plus (b) three percent (3%) of any and all contributions payable by an employer to the following fringe benefit plans or programs; pension, annuity, 401(k) and retirement plans of any kind, and health and welfare benefit plans. This cents per hour paid contribution rate shall automatically change to reflect any and all changes that may occur in the contractual wage rates and fringe benefit plans and programs during the term of this Agreement.

SECTION 8(f). National Pension Fund: It is agreed that all employees in the Collective Bargaining unit, excluding preapprentices, shall participate in the Sheet Metal Workers' National Pension Fund and the Employer agrees to deposit the amount specified in Article VIII, Section 1(a) into the Sheet Metal Workers' National Pension Fund. The Employer agrees to adopt the Sheet Metal Workers' National Pension Fund "Standard Form of Participation Agreement Plan A".

SECTION 8(g). Defined Contribution Pension Plan: It is agreed that all employees in the collective bargaining unit, excluding classified workers and preapprentices, shall participate in the Sheet Metal Workers' Local Union No. 20 Defined Contribution Pension Fund, the Trust Agreement of which, as amended from time to time, is incorporated herein by reference and made a part of this Agreement. The Employer agrees to pay the amounts specified in Article VIII, Section 1(a) of this Addendum for "401 (a) Plan" for each hour worked by its employees covered by this Agreement, including all non-bargaining unit work and bargaining unit work, into the Sheet Metal Workers' Local Union No. 20 Defined Contribution Pension Fund, at the depository designated by the Trustees of the Fund on or before the 20th day of the following month for which the contribution is due. Failure of the Employer to make the required contributions as set forth herein shall give rise to all remedies afforded the Union as set forth in Section 8(d) of this Addendum VIII.

The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 8(h). Building and Construction Resource Center, Inc: Various Employer Associations under this Agreement and the Union are members of Building and Construction Resource Center, Inc. (hereinafter "BCRC") a non-profit corporation, that was formed to provide services in the construction industry concerning alcohol, drug, and other substance abuse.

Each Employer under this Agreement shall pay to BCRC the sum of eight cents (\$0.08) per hour for each hour worked by each of its employees covered by this Agreement. Each Employer is obligated to make such contributions, regardless of whether or not such Employer is a member of BCRC.

Payments required to be made to BCRC shall be deemed to be governed by the provisions of this Agreement pertaining to the collection of the Health & Welfare and Pension payments required to be made by the Employers and thus, may be enforced in the same manner.

The Board of Directors of BCRC will have full audit authority of the Employer's books and records as they pertain to this contribution.

The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 9(a). Educational and Training Fund: The Employers agree to pay the amount specified in this Agreement for each hour worked by Journeymen, apprentices, classified and preapprentice workers covered by this Agreement to the Sheet Metal Workers' Local No. 20 Apprenticeship & Training Trust or its successor on or before the 20th day of each month for the preceding month to a depository designated by the Fund Trustees. The Fund shall be jointly administered by the current Joint Apprentice and Training Committee. The Committee shall administer the Fund for educational and training purposes, pursuant to Trust Agreement.

The parties recognize that during the term of this Agreement, the Sheet Metal Workers Local 20 Health & Benefit Fund (Fund Office) could acquire the capability to receive and process contribution reports and remittances electronically. In that event, the parties agree that, after training in the process has been offered to the Employer, the Fund Office may request that reports and remittances be submitted electronically.

SECTION 9(b). Effective as of the date of this Agreement the Employers will contribute to the Sheet Metal Workers' International Association Scholarship Foundation, Inc., one cent (\$0.01) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted for the purposes of transmittal through the National Benefit Funds.

SECTION 10. LABOR/MANAGEMENT TRUST FUND. The Employers agree to pay the amount specified in this Agreement – five cents (\$0.05) – for each hour worked by each employee covered by this Agreement to the Labor/Management Trust Fund. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted for the purposes of collection and transmittal through the Local 20 Health & Welfare Fund, 2828 East 45th Street, P.O. Box 55287, Indianapolis, IN 46205.

ADDENDUM IX

Ref: Article IX

SECTION 1. Journeymen, apprentice, and classified sheet metal workers covered by this Agreement shall provide for themselves all necessary hand tools.

(a). Each journeyman shall have a minimum supply of tools as follows:

Aviation snips (1) right	Pliers
Aviation snips (1) left	Plumb bob
Bar Folder	Punch - Whitney #5
Allen wrenches (1) set	Scratch Awl
Bull dog snips	Screwdrivers - assortment
Box end wrenches (small set)	Tape or folding rules
Center punch	Tape - steel 50'
Chalk line	Trammel points
Cold chisel	Tri square
Crescent wrench 6"	Vice grips
Crescent wrench 10"	Dividers
Hammer - riveting or peening	Drift pin
Level – torpedo	Hack saw frame
Pinch bar - small	Hammer - Large

The following electrical tools will be supplied by the Employer:

Drill Motor
Reciprocal Saw
Small Grinder
Double Cuts
Electrical Cord

(b). All employees will be compensated when taking welding test for certification when required by the employer.

SECTION 3. Injured Employee: When injured on the job, employees shall report all injuries to a company representative and he shall be compensated at the regular rate of pay for any time that is lost because of emergency treatment. The injured employee shall also be compensated at the regular rate of pay for one subsequent follow-up medical treatment after returning to work. If injury results in a full-day loss of time on the day of the injury the injured employee shall be compensated in full for that day. Employee shall verify with Employer any further instructions and appointments as prescribed by medical personnel.

An employee should report any on-the-job injury for which compensation may be paid to his foreman on the day of the injury. If an on-the-job injury is not immediately recognized which may require medical attention, the employee should notify the Employer's office or designated representative within 48 hours after he reasonably believes he has incurred such injury.

SECTION 3(b). The Contractor is to provide locked storage for safe keeping of employee's and employer's tools at the jobsites. The Employer shall replace or reimburse the cost up to \$300.00 per employee per year of all personal tools as described in Section 1 of this addendum, stolen from such locked storage.

SECTION 3(c). Hard hats, welding hoods, welding gloves, welding sleeves, cutting goggles, and new clean headbands shall be furnished by Employer as required.

ADDENDUM X

Ref: Article X

SECTION 1(a). Stewards: The Steward shall be appointed by the Business Manager or Business Representative. The Steward shall be a working Steward and shall perform the duties of a Journeyman sheet metal worker and shall report any violations of this Agreement to his Employer and then to the Business Manager or Agent or to the office of the Union, and in no case shall he cause stoppage of work.

The Steward shall not be discriminated against in any way because of his Steward activities. The Employer shall notify the Business Manager or Agent five (5) working eight (8) hour days before the employment of a Steward is terminated by the Employer. If the representative of the Union disagrees with the Employer's reasons for this termination, they shall immediately communicate with the Employer for a discussion. If it is not mutually resolved by then, the local Joint Adjustment Board shall take action on the second working day after the notification of the Business Manager or Agent by the Employer. If agreement is not reached by the fifth

(5th) eight (8) hour working day after notification the decision shall be turned over to the National Joint Adjustment Board.

The Steward shall be removed at this time without compensation from the Employer until the settlement has been made. The Employer shall not pay any compensation while the Steward was not in his employ.

When the Employer of a Steward has four (4) or more journeymen sheet metal workers working overtime on a jobsite, excluding shop foreman, or job foreman, the Steward shall be one of the journeymen working overtime.

The Employer shall report to the office of the Union all requests of the Employer for overtime work and the names of journeymen and apprentices working overtime. The Steward shall be on the job at all times, except on overtime jobs involving less than four (4) men, and be the last man laid off, if best qualified to perform the remaining work, with the exception of the foreman.

SECTION 1(b). The duties of the shop and job steward shall be to report to the Business Representative of the Union:

- a. Members dues delinquencies.
- b. Violation of the Collective Bargaining Agreement.
- c. Sheet metal workers employed eight (8) days or more, who have not become members of the Union.
- d. Disputes and grievances of members.
- e. When overtime work is required.

He shall not have the authority to:

- a. Adjust violations of the Collective Bargaining Agreement.
- b. Collect any money due the Union from any apprentice for membership.

SECTION 2. The parties hereto agree that all contractors and local unions and officers and agents thereof, resorting to the provisions of this Article and availing themselves of the procedures herein provided, expressly waive and relinquish, in their individual and their representative capacities, and all potential claims against any member or members of the appropriate Local Joint Adjustment Board, National Panel or the National Joint Adjustment Board. It is further agreed that individuals serving as members of such Boards or Panel are arbitrators performing a quasi-judicial function.

ADDENDUM XI

Ref: Article XI

SECTION 1. Any apprentice indentured prior to September 1 will be considered to be in the current school year. An apprentice assigned to a contractor after September 1 shall be enrolled in the current school year if the apprentice is assigned prior to the commencement of apprentice classes. Employers may request an apprentice at any time.

SECTION 4. The apprenticeship ratio specified in Article XI, Section 4 shall be maintained according to the total number of the employer's employees referenced by this agreement. Apprentices shall not be allowed to work outside the jurisdiction of Local Union 20. All

journeymen and apprentices shall work under the indirect supervision of a sheet metal foreman of Local 20 at all times. Foreman wage to be determined by Article VIII, Section 1(c).

SECTION 5. Apprentices shall be paid their respective wage rates, excluding fringe benefits, for thirty (30) hours per school session while attending two (2) school sessions per semester.

SECTION 6(a). National Pension contributions will be remitted at the same percentage as apprentices respective wage rates for all apprentices indentured on or after July 1, 2003.

ADDENDUM XIII

Ref: Article XIII

SECTION 1. Classified workers:

1st - 5th accredited year:

Base Wage	(As stated in ARTICLE XIII)
Health & Welfare	As per Addendum VIII
Local Pension	As per Addendum VIII
National Pension	As per Addendum VIII
SASMI (3%)	As per Addendum VIII
Local Training	As per Addendum VIII
International Training, NEMI, SMOHIT & Scholarship Fund	As per Addendum VIII
Industry Fund	As per Addendum VIII
BCRC	As per Addendum VIII
Labor/Management	As per Addendum VIII

*Classified members will not suffer a loss of benefits when changing classifications.