

AGREEMENT

between

SHEET METAL EMPLOYERS ASSOCIATION OF SAGINAW VALLEY

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and the

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Covering:

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May 1, 2021 to April 30, 2024

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STANDARD FORM OF UNION AGREEMENT
(Form A-08-11)
SHEET METAL, ROOFING, VENTILATING AND AIR
CONDITIONING
CONTRACTING DIVISIONS OF THE CONSTRUCTION
INDUSTRY

Agreement entered into this 1st day of May 2021 by and between the Sheet Metal Employers Association of Saginaw Valley, and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No 7 Zone 3 of the International Association of Sheet Metal, Air, Rail and Transportation Workers hereinafter referred to as the Union for Alcona, Alpena, Antrim, Arenac, Bay, Benzie, Charlevoix, Cheboygan, Clare, Crawford, Emmet, Gladwin, Grand Traverse, Gratiot, Huron, Iosco, Isabella, Kalkaska, Leelanau, Manistee, Midland, Missaukee, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle, Roscommon, Saginaw, Tuscola and Wexford Counties of Michigan.

ARTICLE I
TRADE JURISDICTION

SECTION 1. This Agreement covers the rates of pay and conditions of employment of all employees of the Employer engaged in but not limited to the: (a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and 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; (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; and (f) all other work included in the jurisdictional claims of the International Association of Sheet Metal, Air, Rail and Transportation Workers.

ARTICLE II
SUB-CONTRACTING

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, 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.

ARTICLE III TRADE JURISDICTION EMPLOYEES

SECTION 1. The Employer agrees that none but journeymen, 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 SMART shall be provided to the Employer.

ARTICLE IV SOURCE OF EMPLOYEES

SECTION 1. The Union agrees to furnish upon request by the Employer duly qualified journeymen, 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.

ARTICLE V UNION MEMBERSHIP REQUIRMENT

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

SECTION 2. The Union may request recognition as the exclusive collective bargaining agent for all employees employed by the Employer in the classifications and geographic jurisdiction covered by this Agreement, whether or not they are members of the Union. In determining whether the union has the support of a majority of the Employer's employees, such showing may be based upon either a majority of those employed at the time such recognition is requested, or, a majority of those eligible to vote under the National Labor Relations Board's Steiny-Daniel formula. No later than 10 days following the Union's request, the Employer shall review employees' authorization cards submitted by the Union in support of its claim to represent and have the support of a majority of such employees. If a majority of the employees has designated the Union as their exclusive collective bargaining representative, the Employer will recognize the Union as such majority representative of all employees in the classifications and geographic jurisdiction covered by this Agreement. The Employer shall not file or cause the filing of a petition for election or unfair labor practice charge with the National Labor Relations Board in connection with any demands for recognition provided for here. Article X of this Agreement shall be the sole and exclusive means of resolving any dispute concerning this provision. (see Addendum XXXI)

SECTION 3. 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 4. The provisions of this Article shall be deemed to be of no force and effect in any state to the extent to which the making or enforcement of such provision is contrary to law. In any state where the making and enforcement of such 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 5. The Employer agrees to deduct the appropriate amount for dues, assessment or service fees (excluding fines and initiation fees) from each week's pay of those employees who have authorized such deductions in writing, irrespective of whether they are Union members. Not later than the 20th day of each month, the Employer shall remit to the designated financial officers of the International Association of Sheet Metal, Air, Rail and Transportation Workers Union the amount of deductions made for the prior month, together with a list of employees and their Social Security numbers for whom such deductions have been made. (See Addendum XXIV)

**ARTICLE VI
(ADDENDUM III)
HOURS OF WORK**

SECTION 1. The regular working day shall consist of eight (8) hours' labor in the shop or on the job between eight (8) a.m. and five (5) p.m. unless modified in local negotiations 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. Except as otherwise provided pursuant to Section 4 of this Article, all work performed outside the regular working hours and performed during the regular work week, shall be at one and one-half (1-1/2) times the regular rate. 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 between Monday and Friday when mutually agreed between the Local Union and Employer.

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 at scheduled starting time each day and shall remain until quitting time.

SECTION 2. New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, or days locally observed as such, and Saturday and Sunday shall be recognized as holidays. All work performed on holidays shall be paid as follows: (See Addendum III)

SECTION 3. 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 4. 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.

**ARTICLE VII
TRANSPORATION-ARRIVAL AT WORK SITE**

SECTION 1. When employed in a shop or on a job within the limits as specified in Addendum IV, 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 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 expense may be paid by a zone or other method of payment. If this alternative method is used, it will be 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.

**ARTICLE VIII
WAGES, BENEFITS, TRUST AGREEMENTS**

SECTION 1. The minimum rate of wages for journeymen sheet metal workers covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be as specified in Addendum V, except as 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, preapprentices 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, 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 journeymen, preapprentice and classified sheet metal workers hired outside 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 International Association of Sheet Metal, Air, Rail and Transportation Workers 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 International Association of Sheet Metal, Air, Rail and Transportation Workers 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 and 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 as specified in Addendum V in the shop or on the job at or before quitting time on the established payday of each week, and no more than two (2) days' pay will be withheld. Alternative payroll procedures, i.e. electronic and/or automatic deposit may be negotiated locally. However, employees when discharged shall be paid in full.

SECTION 10. Journeymen, 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 hourly contribution rate established by the IFUS trustees. The IFUS trustees shall notify the International Association of Sheet Metal, Air, Rail and Transportation Workers of any changes to the established contribution rate prior to such change becoming effective. The Employer shall contribute said amount 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 20151-1219, or for the purpose of transmittal, through Local 7, Zone 3 Joint Funds Administration. (See Addendum V)

(c). The IFUS shall submit to the International Association of Sheet Metal, Air, Rail and Transportation Workers 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 International Association of Sheet Metal, Air, Rail and Transportation Workers 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 International Association of Sheet Metal, Air, Rail and Transportation Workers 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 Sheet Metal Employers Association of Saginaw Valley, P.O. Box 220, Haslett, MI, 48840, the hourly contribution rate established by the trustees of such local industry fund. The trustees of the local industry fund shall notify the local union of any changes to the established contribution rate prior to such change becoming effective. The Employer shall contribute said amount 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. (See Addendum XXXII)

(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 specific 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. (see Addendum IX)

(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 Employer shall contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) the hourly contribution rate established by the ITI Trustees. Such amount shall be contributed for each hour worked by each employee of the Employer covered by this Agreement. In the event that such hourly contribution rate is changed during the term of this Agreement, such change shall become effective during the next anniversary date of 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 or through the Sheet Metal Local 7, Zone 3 Joint Funds Administration.

Effective as of the date of this Agreement, the Employer shall contribute to the National Energy Management Institute Committee (NEMIC), the hourly contribution rate established by the NEMIC Trustees. Such amount shall be contributed for each hour worked by each employee of the Employer covered by this Agreement. In the event that such hourly contribution rate is changed during the term of this Agreement, such change shall become effective during the next anniversary date of 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 NEMIC, or, for purposes of collection and transmittal electronically or through the Sheet Metal Local 7, Zone 3 Joint Funds Administration.

Effective as of the date of this Agreement, the Employer shall contribute to the Sheet Metal Occupational Health Institute Trust (Institute) the hourly contribution rate established by the Institute's Trustees. 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. In the event that such hourly contribution rate is changed during the term of this Agreement, such change shall become effective during the next anniversary date of 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 Institute, or, for purposes of collection and transmittal electronically or through Sheet Metal Local 7, Zone 3 Joint Funds Administration. (See Addendum V)

The parties authorize the trustees of all National Funds (as defined below) to cooperatively establish uniform collection procedures to provide for efficient and effective operation of the various National Funds. The parties recognize that the National Funds can receive and process contribution reports and remittances electronically. The parties agree to encourage employers to utilize the electronic reporting and remittance system.

The parties agree to be bound by, and act in accordance with, the respective Plan Documents, Agreements and Declarations of Trusts and/or Trust Documents establishing or governing 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 to the extent that this Agreement requires contributions to the following funds, the Sheet Metal Workers' National Pension Fund, National Stabilization Agreement of the Sheet Metal Industry Trust Fund, Sheet Metal Workers' National Health Fund, Sheet Metal Workers' International Association Scholarship Fund, Sheet Metal Workers' National Supplemental Savings Plan (collectively, "National Funds"), as applicable and the separate agreements and declarations of trusts of all other local or national programs and benefit plans 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 or plan documents 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 documents.

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 two (2) 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 International Association of Sheet Metal, Air, Rail and Transportation Workers 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 12 consecutive months. (See Addendum V, Section 9)

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 to this Agreement.

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 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.

**ARTICLE IX
PERSONAL TOOLS AND AUTOMOBILES**

SECTION 1. Journeymen, 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. Journeymen, 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.

**ARTICLE X
GRIEVANCE PROCEDURE**

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 International Association of Sheet Metal, Air, Rail and Transportation Workers 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.

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

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

(a). Should the negotiations for a renewal of this Agreement or negotiations regarding a wage/fringe reopener become deadlocked in the opinion of the

Union representative(s) or of the Employer('s) representative(s), or both, notice to that effect shall be given to the National Joint Adjustment Board.

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

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

The dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by the National Joint Adjustment Board. The unanimous decision of said Board shall be final and binding upon the parties, reduced to writing, signed and mailed to the parties as soon as possible after the decision has been reached. There shall be no cessation of work by strike or lockout unless and until said Board fails to reach a unanimous decision and the parties have received written notification of its failure.

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

(c). The National Joint Adjustment Board shall have the right to establish time limits which must be met with respect to each and every step or procedure contained in this Section. In addition, the Co-Chairmen of the National Joint

Adjustment Board shall have the right to designate time limits which will be applicable to any particular case and any step therein which may be communicated to the parties by mail, facsimile or telephone notification.

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

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

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

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

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 International Association of Sheet Metal, Air, Rail and Transportation Workers, 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.

**ARTICLE XI
(ADDENDUM XII)
APPRENTICES**

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

SECTION 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. Each apprentice shall serve an apprenticeship of up to 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 journeymen.

SECTION 6. A graduated wage scale similar to that shown below, based on the journeyman wage rate, shall be established for apprentices. The scale may vary based on local market conditions and recruiting requirements.

First year – First half 40%- Second half 45%
Second year- First half 50%- Second half 55%
Third year- First half 60%- Second half 65%
Fourth year- First half 70%- Second half 75%
Fifth year- (where applicable) – First half 80%- Second half 85%

This Section shall not have the effect of reducing the wage progression schedule of any apprentice who was indentured prior to the effective date of this Agreement. (See Addendum XII)

SECTION 7. The parties will establish on a local basis the SMART 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 checkoff 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.

SECTION 8. The parties agree that concentrated apprenticeship training is preferable to night-schooling and urge the Joint Apprenticeship and Training Committee to implement concentrated training during the term of this Agreement. (see Addendum XXV)

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.

**ARTICLE XII
OSHA TRAINING**

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 XXII)

**ARTICLE XIII
(ADDENDUM XIII)
PREAPPRENTICES**

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 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. Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to any 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 a minimum of thirty percent (30%) of the wage rate for journeymen sheet metal workers. Health and welfare coverage shall be arranged on behalf of the preapprentices by the parties. (see Addendum XIII)

Pension contributions will be paid on all hours worked beginning with the first payroll period after 90 days in the amount of five percent (5%) of the journeyman pension fund contribution, to the next whole cent, or a minimum of twelve cents (\$0.12) per hour, whichever is greater, for each hour worked on or after the effective date of this agreement. The parties shall make all necessary arrangements so that any preapprentice being reclassified shall experience no break in benefits coverage.

ARTICLE XIV CLASSIFIED WORKER

SECTION 1. Classified workers may be employed in the following ratio:

- A. one (1) classified worker for any Employer who employs an apprentice;
- B. two (2) classified workers for any Employer who employs at least three (3) apprentices;
- C. thereafter, the ratio will be one (1) classified worker for each additional three (3) apprentices employed.

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 forty percent (40%) of the journeyman wage rate. They shall be covered by the local health and welfare plan. Pension contributions shall be the same percentage as their wage rate. (See Addendum XIV, Section 4 (h))

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.

ARTICLE XV LABOR-MANAGEMENT COMMITTEE

SECTION 1. SMACNA and the SMART 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 XVI
DISCRIMINATION**

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 XVII
EFFECTIVE DATE**

SECTION 1. This Agreement and Addenda Numbers I through XXXII attached hereto shall become effective on the 1st day of May 2021 and remain in full force and effect until the 30th day of April, 2024 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. This shall be effective during the entire term of any collective bargaining agreement that has

been entered into under Section 8(f) of the National Labor Relations Act, and upon conversion of the bargaining relationship to one under Section 9(a) of the National Labor Relations Act, either by an election conducted by the National Labor Relations Board, or through the procedures set forth in this Agreement.

SECTION 5. By execution of the Agreement the Employer authorizes the Sheet Metal Employers Association of Saginaw Valley Michigan 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 150 days prior to the then current expiration date of this Agreement.

**ADDENDUM I
(ARTICLE III)
SPECIALTY EMPLOYEE**

SECTION 1. Starting rate of pay shall be 40% (Minimum of journeyman's base rate plus 50% Journeyman contribution rate for health care no other fringes.)

SECTION 2. SPECIALTY PERSON RATIO:

- One Specialty person for each shop
- Second Specialty person after ten (10) journeymen
- None thereafter

SECTION 3. Scope of work allowed under this agreement:

- (a) Delivery of materials
- (b) Loading and unloading trucks
- (c) Storing and warehousing material
- (d) General clean-up of shop
- (e) Painting and cleaning
- (f) Operating S and drive machine only
- (g) Maintain and service in-shop equipment
- (h) Shearing up scrap metal

**ADDENDUM II
(ARTICLE IV)
REFERRAL SYSTEM OF HIRING EMPLOYEES**

In the interest of maintaining an efficient system of production in the industry providing for an orderly procedure of referral of applicants for employment, preserving the legitimate interests of the employees in their employment status within the area and of eliminating discrimination in employment because of membership or non-membership in the Union, the parties hereto agree to the following system of referring applicants for employment.

SECTION 1. The Union agrees to furnish, when available, applicants for employment within forty-eight (48) hours of notification excluding Saturday, Sunday and holidays.

(a) The four man rule will apply in Local 7 Zone 3 to all other Local 7 zones that currently have the four man rule in their contract as it applies to Local 7 contractors.

SECTION 2. Employer shall have the right to reject an applicant for employment.

SECTION 3. The Union shall select and refer applicants for employment without discrimination against such applicants by reason of membership in the Union and such selection and referral shall not be affected in any way by rules, regulations, bylaws, constitutional provisions or any other aspect or obligation of Union membership policies or requirements. All such selection and referral shall be in accordance with the following procedure:

(a) The Union shall maintain out of work lists for Area "A" and Area "B" which shall list applicants for employment on a first in, first out basis, that is, the first man registered shall be the first man referred, (in chronological order) provided he/she is qualified to do the work. Applicants must register on either Area "A" or Area "B" out of work list and cannot register for both lists.

Area "A"-Alcona, Alpena, Arenac, Bay, Cheboygan, Clare, Gladwin, Gratiot, Huron, Iosco, Isabella, Midland, Montmorency, Ogemaw, Oscoda, Presque Isle, Saginaw and Tuscola counties

Area "B" – Antrim, Benzie, Charlevoix, Crawford, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, Otsego, Roscommon and Wexford counties

Each Journeyman Sheet Metal Workers shall register within 48 hours with the Union when his employment has been terminated.

(b) Employers shall advise the Business Representative of the number of applicants needed. The Business Representative shall refer applicants to the Employer.

(c) When the Employer states requirements for special skills and abilities, the Business Representative shall refer an applicant with those special skills and abilities.

(d) The Employer shall have the right of selection by name of the first ten (10) men on the out of work list.

(e) Contractor may recall an employee laid off by that Contractor from a period of 26 weeks from date of such layoff or if Contractor is paying individual's unemployment compensation.

**ADDENDUM III
(ARTICLE VI)
OVERTIME, HOLIDAYS, SHIFTWORK AND WORK HOURS**

SECTION 1. All overtime hours worked after ten (10) hours per day at two (2) times the base rate and Sunday and the following holidays: New Year's Day, Easter, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas or the day designated as the legal holiday shall be paid at two (2) times the base rate if worked. All other overtime hours shall be at one and one-half (1-1/2) times the base rate.

SECTION 2. When a shift is used, it shall be of a minimum one (1) day duration and shall run from 12:01 a.m. Monday through 12:00 midnight Friday, or Sunday after 4:00 p.m. in lieu of Friday as an option, if mutually agreed by employees, Employer and Business Representative. Employees shall have the option of accepting a request to work the shift. The shift will be paid at a rate of 20 percent (20%) premium per shift hour. The shift once started shall be completed at shift rate and shall consist of eight (8) hours between the hours of 4:30 p.m. and 8:00 a.m. All work over eight (8) hours shall be paid per Section 1. It is not necessary to utilize a first shift when a second shift is used. Weekend overtime shall be paid in addition to the established shift premium. There shall be eight (8) hours off between shifts, or pay shall be per Addendum III, Section 1.

SECTION 3. The regular working day shall consist of eight (8) hours' labor in the shop or on the job between 7:00 a.m. and 5:30 p.m.

SECTION 4. If mutually agreed upon the regular working day may consist of ten (10) hours' labor in the shop or on the job for a four (4) consecutive days' duration Monday through Friday between the hours of 7:00 a.m. and 5:30 p.m. However, by mutual agreement of both parties, a make-up day may be utilized. All overtime to be paid per Section 1.

**ADDENDUM IV
(ARTICLE VII)
MILEAGE ALLOWANCE/EXPENSE MONEY AND
TRANSPORTATION**

SECTION 1. The regular working day of eight (8) hours is established on all jobs regardless of location.

SECTION 2. All jobs within 50 Map-Quest miles of the shortest route from the Tri-City Airport, the Employer's permanent place of business, or the employee's home shall be considered within the limits and no mileage shall be paid.

SECTION 3. Any contractor not having a permanent place of business within the jurisdiction of Local 7 Zone 3 shall have a 50 Map-Quest miles of the shortest route from the Tri-City Airport or the employee's home in which no mileage shall be paid.

SECTION 4. On all jobs beyond the limits described above in Sections 2 and 3, each man assigned to said jobs shall receive a mileage allowance of forty cents (\$0.40) per mile for each mile beyond the fifty (50) Map-Quest miles of the shortest route going and returning.

SECTION 5. On any job located so that the mileage above would equal or exceed seventy dollars (\$70.00) per day, the Employer shall have the option to pay a per day expense allowance of seventy dollars (\$70.00) a day for each day on the job each week, plus mileage at forty cents (\$0.40) per mile to and from the job once a week, or seventy dollars (\$70.00) for seven (7) days each week, including holidays plus forty cents (\$0.40) per mile to be paid at the start of the job and on the last day of the job.

SECTION 6. When the Employer furnishes transportation to and from a job site located within the jurisdiction of Local 7, each affected employee shall be at the job site at the prescribed starting time and shall remain at the job site until the prescribed quitting time and no mileage shall be paid. Employees shall have the option to utilize the above or use own vehicle with mileage, if applicable.

SECTION 7. **Trucks** – All signatory Employers to this Agreement shall have the shop name on both sides of each truck.

Letters shall not be less than three (3) inches high or an identifiable logo may be used.

SECTION 8. **Parking Expense** – When an Employer has a job that requires the employee to park in a particular area, the Employer shall reimburse the employee for his expenses.

**ADDENDUM V
(ARTICLE VIII)
WAGES AND FRINGES**

SECTION 1. Hourly Wages, Health Care Plan, Savings, Industry Fund, International Training Institute, SASMI, National Pension Plan, Local Training Fund, Local Pension Fund, NEMI and SMOHIT.

(a) All increases to existing fringe funds to come out of negotiated increases.

(b) All fringes are to be paid on hours worked except SASMI, which is paid on hours paid.

(c) Building Trades members of Local 7 may accept employment in any job classification offered and authorized by the Union, but at the appropriate rate and fringe benefit of that classification.

SEE PAY SCHEDULE (see back of book)

Local Fringes Check made payable to Sheet Metal Workers' Local 7, Zone 3 Benefit Funds and mailed to the fund administrator: BeneSys, Inc.; 700 Tower Drive, Ste 300; Troy, MI, 48098-2803. National Fringes shall be transmitted electronically via the National Benefit Funds' secure online Internet Payment System, accessible at www.smwnbf.org National Benefit Funds include: National Pension Fund (NPF); National Supplemental Savings Plan (NSSP 401k); International Training Institute (ITI); National Energy Management Institute Committee (NEMIC); Stabilization Agreement Sheet Metal Industry (SASMI); Sheet Metal Occupational Health Institute Trust (SMOHIT); and IA Scholarship (SMWISF)

FOREMAN AND GENERAL FOREMAN RATES

SECTION 2. Foreman shall receive two dollars (\$2.00) above journeyman's scale. Each shop or job employing five (5) men shall have a sheet metal foreman. Each shop or job after employing an additional ten (10) men shall at that time put on an additional foreman.

SECTION 3. One sheet metal general foreman at a rate of two dollars and fifty cents (\$2.50) above journeyman's base scale shall be employed when an Employer has fifteen (15) men working in the field.

SECTION 4. Sheet Metal Workers' **National Pension Fund** "First Alternative Option"

This Addendum V, Section 4 relates to the Employer's obligation to contribute to the Sheet Metal Workers' National Pension Fund ("NPF").

The Parties to this Agreement have adopted the Sheet Metal Workers' National Pension Fund's (NPF) First Alternative option of the Funding Improvement Plan (FIP) as in effect when the Collective Bargaining Agreement is entered into and as the selected Option is amended from time to time. The Employer will contribute to the NPF at the hourly rates set forth in this Agreement, in accordance with the FIP First Alternative Option and the NPF's Trust Document (copies of these documents have been made available to the parties and are available at www.smwnpf.org). The First Alternative Option and the NPF Trust

Document, as amended, are incorporated into this Agreement. The Employer will pay its required monthly NPF contributions no later than the 20th day of the month, after the month in which Covered Employment was performed. Failure to pay on time and in full will constitute a delinquency and subject the Employer to interest, liquidated damages, fees and costs as set forth in the Trust Document. The Employer shall transmit contributions and remittance data electronically via the National Benefit Funds' secure online Internet Payment System ("IPS"), accessible at www.smwnbf.org (Contact the IPS Support Team via email at ips@smwnbf.org or by calling 800-231-4622).

SECTION 5. National Stabilization Agreement of Sheet Metal Industry Approved Standard Collective Bargaining Clause. The Employer and Local Union agree as follows:

1. Commencing May 1, 2021 the Employer shall make monthly payments of cents-per hour worked for each employee covered by this Agreement to the National Stabilization Agreement of the Sheet Metal Industry (SASMI) Trust Fund- This contribution amount shall be, and shall remain, equal to three percent (3%) of the gross earnings of the Journeyman classification found in your Collective Bargaining Agreement. The term "gross earnings", for purposes of this provision, shall mean the sum of (a) the total compensation paid at the Journeyman rate by the employer which is reportable by the employer for federal income tax purposes plus (b) any and all contributions paid by the employer on behalf of the employee to any local or national fringe benefit fund and other fringe benefit account including, but not limited to, Pension, Health and Welfare, Annuity, 401k Plans, IRA Plans (amount of employer contribution only) and other similar or related funds or plans. This cent per hour worked contribution amount shall be automatically increased to reflect any and all increases that may occur in the gross earnings of an employee during the term of this Agreement.

Contributions shall be submitted to SASMI, or its designated collection agent, on a monthly basis in accord with SASMI rules, regulations and policies.

2. The Employer hereby irrevocably designates as its representatives on the Board of Trustees such Trustees as are now serving, or will in the future serve, as Employer Trustees, together with their successors. The Employer further agrees to be bound by all actions taken by the Trustees pursuant to the Agreement and Declaration of Trust of the National Stabilization Agreement of the Sheet Metal Industry Trust Fund, as amended from time to time, and further agrees to be bound by all lawfully adopted Plan documents, policies and rules and regulations approved by the Board of Trustees.

3. All contributions shall be made at such time and in such manner as the Trustees require and the Trustees may at any time conduct an audit in accordance with provisions set forth in the Agreement and Declaration of Trust

and SASMI policies and rules. A failure by the Employer to make contributions to SASMI in a timely manner shall subject the Employer to any and all remedies that SASMI may have available to it by contract or by law, including remedies set forth in the approved delinquency and collection policy adopted by the Board of Trustees, as amended from time to time

SECTION 6. Health Care Plan – For each hour worked the Employer shall pay into the Trust Funds. The Trust Funds shall be administered by a Joint Trustees Committee composed of three (3) Employers, selected by the Sheet Metal Employers Association of Saginaw Valley and three (3) members of the Sheet Metal Workers’ Local 7 Zone 3 to be selected by the Union. The Joint Trustees Committee shall have the authority to establish rules, regulations and policies to govern the Trust Funds.

(a) It is further agreed between the parties that upon sixty (60) days advance written notice from the Union Business Manager; all signatory Employers will cease contributions, as required under this collective bargaining agreement, to the Local 7 Zone 3 Health Care Plan and pay such contributions to such health care plan as designated by the Union in its discretion. It is understood that any health care plan designated by the Union will be a qualified ERISA plan combining two or more of the existing zone health care plans in the Local with the intent of merging all Local 7 zone health care plans into one insurance fund. Such plan will be jointly trusted in accordance with the requirements of the Taft-Hartley law. The parties hereby agree to take such actions as are necessary to amend the Trust to provide either for the transfer of excess reserves to the new plan or require the plan to allow participants to run out their eligibility after contributions cease until the new plan has established reserves of its own.

SECTION 7. Savings Fund

(a) It is agreed that the deduction of any savings accounts from the wages of journeymen and apprentices is to be made solely on a voluntary basis at the request of the employee.

(b) The Employer agrees to establish a payroll savings plan, on a weekly basis, for all journeymen and apprentices who wish to participate in such a plan in that area. The establishment of reasonable rules and the selection of a suitable single depository will be ultimately at the joint discretion of the Employer and the Business Representative. Building Trades Credit Union – shall be established.

(c) Deposits to be made monthly at said depository in conjunction with fringe benefit reporting dates.

(d) The employee may change contribution amount once in any six month reporting period.

SECTION 8. Fringe Benefit Reporting Forms

(a) A report form for the Fringe Benefits supplied by the Joint Funds of Sheet Metal Workers' Local 7, Zone 3 shall be used by all Employers for reporting all data such as names, social security numbers, hours worked, pay periods, amounts of money and such other information provided for on the forms.

(b) The Uniform Fringe Benefit Remittance report form shall be used by all Employers for reporting all data such as periods, amounts of money and such other information provided for on the forms.

(c) All fringe benefits and such other negotiated monies as indicated within this Agreement and itemized on the form supplied, shall be due and payable by the sixteenth (16th) day of each succeeding month. In the event that such report and monies are not received by the sixteenth (16th) day of each month or the transmittal envelope does not bear a U.S. Postal Service date of the 15th or before shall be considered an unauthorized loan from the individual entities based on the various interpretations under the Employee Retirement Income Security Act of 1974 (ERISA). Transmittal envelopes without a U.S. Postal Service date shall be assumed to have been mailed three (3) days prior to receiving. Payment received by the 21st of the month shall be considered within the limits and no penalty shall be assessed.

(d) Each Employer, party to this Agreement, shall be responsible for prompt and accurate filing of a monthly remittance report for employees working within the area covered by this Agreement.

(e) Employers who become delinquent will be notified of their delinquency, by the Administrator and Local Union within 72 hours after the delinquency occurs. At this time the Local Union may close the shop or job to force collection and take such other legal action as may be deemed necessary. The delinquent Employer may be put on a weekly collection basis if he is allowed to continue employment of Local 7, Zone 3 members.

(f) Where an Employer has failed or neglected to submit regular remittance reports indicating employees and hours worked, the Administrator is hereby empowered to project the Employer's indebtedness by averaging the monthly payments made by the Employer for the last three (3) months or the last twelve (12) months, whichever average was greater and adjusted for economic conditions prevailing in the trade at the time of incurring debt.

(g) The Union Trustees and/or the administrator, in their fiduciary capacity, shall have the right and power to demand and collect initial expense assessment of three percent (3%) penalty and a one and one-half percent (1-

1/2%) per month on all monies due and payable as of the 22nd day of the month. If payable weekly and not received within three (3) days after payday, penalty and interest shall be assessed as above.

(h) The Trustees of the Fund or their depository shall have the right to audit the books of Employer with relation to determining the accuracy of said reports upon their request. Further, the Employer agrees to pay assessments and deposit a security deposit and to abide by the terms of the Trust Agreements establishing the said Funds Amendments thereto and all Resolutions of the Trustees of said Funds with regard to the operations and requirements thereto.

SECTION 9 – Bonding Language The Employer shall, upon becoming a party to this Agreement, deliver to the Trustees of the Health Care Plan, Pension Fund, Joint Apprenticeship Committee, SMACNA Industry Fund, and Local Union 7, Zone 3, on behalf of the Trustees of the Joint Funds, a surety bond in the amount as set forth below. Except in the following instance, if a Contractor has been current the last twelve months before the renewal of the existing bond, no bond shall be required. However, once an Employer becomes late on fringes he must re-bond. The bond shall be by an insurance or surety company authorized to do business in the State of Michigan in the form set forth below and in an amount with the following:

(a) If the Employer’s principal place of business is outside the territorial jurisdiction of the Local Union #7, Zone 3, the following bonding schedule shall be followed:

1. If not more than an average of 1,000 straight time hours worked per month are expected to be performed within the territorial jurisdiction of the Local Union: \$20,000.00.
2. If an average of more than 1,000 straight time hours worked per month is expected to be performed within the territorial jurisdiction of the Local Union: \$50,000.00.

(b) If the Employer’s principal place of business is within the territorial jurisdiction of the Local Union #7, Zone 3, the following bonding schedule shall be followed:

1. If an average of less than 1,000 straight time hours per month was reported during the preceding year: \$10,000.00.
2. If an average of more than 1,000 straight time hours per month was reported during the preceding year, the bond shall be not less than three (3) months’ contributions.

When the number of straight time hours reported by the Employer for a period of three successive months exceeds the number of hours used for determining the amount of surety bond required, the Employer shall increase the amount of surety bond in accordance with the schedule set forth above, within fifteen (15) days of the end of such three (3) month period.

In the event that the Employer is unable to obtain a surety bond AT THE TIME OF SIGNING THIS AGREEMENT, the Employer WILL furnish a cash security deposit equal to the anticipated monthly fringe benefits, but not less than \$2,500.00 or if contributing on a weekly basis, the Employer will furnish a cash security deposit equal to 50% of the anticipated monthly fringe benefits, but not less than \$1,250.00 WITHIN 48 HOURS of signing this Agreement or losing its security bond, which shall be placed in the Local 7, Zone 3 Security Fund, said account shall be jointly administered by the Trustees of the Health Care Plan, Pension Fund, Joint Apprenticeship Committee, SMACNA Industry Fund and Local Union 7 Zone 3.

The account shall at all times be separate from all other accounts and shall never be commingled with accounts for any other purpose. Nothing in this paragraph shall preclude the Employer from substituting a surety bond for any case security deposit made under this section. In such event, the cash security deposit shall be returned to the Employer upon the presentation of the surety bond.

In the event that the Employer has not obtained a surety bond or furnished a cash security deposit within 48 hours of signing this Agreement or losing its surety bond, the Union must strike the employer after 72 hours.

Any employee that continues to work for an Employer that fails to comply with this security arrangement will be considered to have ceased working under covered employment.

SECTION 10. Fund Miscellany

(a) In the event an Employer who is signatory to the Agreement shall fail to make any payments to, or violate any of the lawful rules and regulations or trust agreement, the Board of Trustees of any of the Funds may request the Union to strike such delinquent Employer and such action taken by the Union shall not be a violation of this Agreement and shall be expressly excepted from the provision and requirements of the Grievance Procedure provided for in this Agreement.

(b) The Union agrees that it may engage in a strike against any Employer who has violated the rules and regulations or agreements of trust of any of the Joint Funds when such action is requested in writing from any of the Boards of Trustees of such Funds.

(c) The Union likewise agrees that it shall engage in a strike against any employer who is delinquent in his contributions to any of the Joint Funds as hereinafter provided. In the event of an Employer's delinquency, the Administrator of the Fund to which the Employer is delinquent shall notify one designated Employer Trustee and one designated Union Trustee of such delinquency. Upon receipt of this notification, the Union designated Trustee after consultation and agreement with the Employer designated Trustee, shall immediately cause a certified letter to be mailed to said delinquent Employer advising that unless all delinquent contributions, including all late charges as hereinafter provided are made prior to 2:30 p.m. on the third working day after notification, the Union may engage in a strike against such Employer. If the delinquency of an Employer fails to be corrected as hereinafter prescribed, the Union shall then strike such Employer.

(d) It is expressly understood that nothing contained in this Section shall deny the Trustees of any of the Funds the right to pursue whatever legal remedies are available to the respective Trustees to collect delinquent contributions or otherwise enforce their rules, regulations and trust agreement provisions. The pursuit of such legal remedies by the Trustees shall not render any of the other provisions of the Section inoperative.

(e) Each Employer hereby agrees to provide for inspection and audit upon request duly authorized by the Trustees of any of the Joint Funds, such books and records as may be necessary to determine whether the Employer is making all payment and contributions required by this Agreement. In the event that the audit shall reveal a deficiency in the Employer's payments and contributions, the cost of the audit shall be borne by the Employer, but in no case shall the Employer cost of the audit exceed the amount of deficiency.

The Employer shall agree to provide the following records:

1. Internal Revenue forms 940, 941, 1099 and 1095, payroll data and Workers Compensation records
2. State of Michigan Form 1020
3. Time cards and other payroll data
4. General Ledger
5. Workers' Compensation audits
6. Any and all other records that may be applicable to the audit

(f) The Association and the Union agree to authorize and direct, and hereby do authorize and direct, the Trustees appointed by each of them to draft and execute trust instruments and all other necessary documents and instruments to enable the Joint Funds to receive contributions and to operate as Trust Funds. Each Employer further agrees to be bound by the terms, conditions and provisions of

the trust agreements, and any subsequent amendments to be drafted and executed by the Trustees herein before referred to, and by all lawful rules and regulations adopted by these Trustees.

(g) In the event that there should be only a partial recovery of payments owing to any of the Joint Funds, the Employer's security deposit plus the amount of any partial collection shall be allocated on the basis of the following priorities: (1) Fringe benefit funds, pro rata, and unpaid wages.

SECTION 11. SHEET METAL WORKERS' NATIONAL SUPPLEMENTAL SAVINGS PLAN FOR MEMBERS OF FORMER LOCAL 543 ONLY

(a) The Employer hereby agrees to become a party to the Agreement and Declaration of Trust Establishing the Sheet Metal Workers' National Supplemental Savings Fund ("Trust Agreement"), a copy of which is annexed to this Agreement and made a part hereof, and agrees to be bound by all the terms and provisions of the Trust Agreement (including all amendments thereto), provided, however, that such amendments may not increase the Employer's contribution beyond that provided for in this Article and the Standard Form of Participation Agreement ("Participation Agreement"). The Employer further agrees to designate as its representative on the Board of Trustees of the Fund such Trustees as are named pursuant to the Trust Agreement as Employer Trustees.

(b) The Employer agrees to enter into a Participation Agreement, a copy of which is annexed to this Agreement and made a part hereof, and agrees to be bound by all the terms and provisions of that Participation Agreement.

(c) The Employer agrees to enter into salary reduction agreements with all employers covered by this Agreement for all hours worked; to withhold from the employee's paycheck the amount elected by the employee; and to forward the salary reduction amounts to the Sheet Metal Workers' National Supplemental Savings Plan by the 15th day of the month for amounts withheld in the prior month. The employee may change the elected contribution amount bi-annually, effective on the first day of the months of January and July.

(d) The Employer agrees to make the minimum contribution to the Fund at the rate of thirty cents (\$0.30) per hour worked, in lieu of an elected contribution amount by the employee.

**ADDENDUM VI
(ARTICLE VIII, SECTION 9)
PAYMENT OF WAGES, LAYOFFS**

SECTION 1. Payment of Wages – Wages at the established rates specified herein shall be paid in the shop or on the job at or before quitting time each week, and no more than five (5) days’ pay will be withheld. However, employees when discharged shall be paid in full.

SECTION 2. Layoffs – Employees shall be notified one (1) hour in advance of being laid off and shall be paid upon leaving the job. In the event there shall be a layoff on the weekend, the employees being laid off shall be paid on the next regular working day.

SECTION 3. Upon termination, the Employer is to furnish termination notice to employee immediately and a copy to the Local Union office within 48 hours.

**ADDENDUM VII
(ARTICLE VIII, SECTION 10)
SHOW UP TIME**

It shall be the responsibility of the Employer to advise employees not to report to work in case of bad weather conditions where weather is a factor on a job site. In the event the Employer fails to so advise his employees, employees who report for work and no work is available shall be paid two (2) hours’ work plus expense money if any due. This provision, however, shall not apply under conditions over which the Employer has no control.

**ADDENDUM VIII
STEWARDS/INJURIES**

SECTION 1. The Business Manager and Business Representative shall appoint a steward at each job site or shop. The Employer shall not prohibit Representatives of International Association of Sheet Metal, Air, Rail and Transportation Workers Local 7 Zone 3 from access to any shop or job site at any reasonable time with proper notification.

SECTION 2. The steward shall have the right, without loss of pay or benefits, to take reasonable necessary time off the job for the purpose of investigating grievances and presenting them to the Employer. The Employer shall grant time off for this purpose.

SECTION 3. (a) At the job site or shop the steward shall be the last one laid off excluding the foreman providing he is capable of doing the work.

(b) In the event of overtime work, providing the work requires three or more men, the first man on overtime work will be the steward, providing he is qualified for doing the work involved.

(c) If the Employer exercises his right to move his steward from one job to another job or shop, the Employer shall notify the Union in time for the Union to replace said steward.

SECTION 4. In the event that there is a problem with this Section, an immediate conference shall be held between the Business Representative, the steward and the Employer to resolve it. If not resolved, go to Article X.

SECTION 5. In the event that there becomes a problem with a designated steward, the Employer may take it up with the Business Representative. If there is just cause the Business Representative will replace said steward.

SECTION 6. In the event that the steward is temporarily unable to perform his duties, the Business Representative shall appoint a replacement.

SECTION 7. (See Addendum XV - Visitation)

INJURIES

SECTION 8. If at any time on the job an employee is injured, it shall be the steward's or Contractor's responsibility to see that the tools of the injured man are correctly taken care of, with no lost time. The injured employee, if unable to continue work due to doctor's orders, will be paid the remaining hours of an eight (8) hour day at straight time.

SECTION 9. All injuries must be reported within a twenty-four (24) hour period excluding Saturday, Sunday and holidays. It shall be the responsibility of the injured employee to report said injury to the company representative and union steward.

ADDENDUM IX (ARTICLE VIII)

Delete Section 13 (c) of Article VIII of the Standard Form of Union Agreement.

ADDENDUM X (ARTICLE IX) HAND TOOLS

SECTION 1(a). The following listed hand tools shall be a minimum requirement of all journeymen sheet metal workers, registered apprentices and classified workers:

1. Tool box
2. 1-riveting or setting hammer
3. 1-pair right and 1-pair left hand aviation snips
4. 1-pair straight snips (Weiss #17 or #18 or equal)
5. 1-6 inch Crescent wrench and 1-10 inch Crescent wrench
6. Assorted screwdrivers
7. 1-scratch awl
8. 1-center punch
9. 1-pair pliers
10. 2-drift pins
11. 1-tri square
12. 25 foot tape measure
13. Assorted box and end wrenches
14. 2-pair vice grips
15. 1-hand Whitney (#5 Jr.) level punch
16. 1-divider

(b) The following listed hand tools shall be a minimum requirement specific for qualified Pre-Apprentice workers:

1. Tool Box/Pouch
2. (1) Riveting or Setting hammer
3. (1) pair Right and (1) pair Left snips
4. Assorted Screwdrivers
5. (1) pair Pliers
6. (1) 25 foot tape measure
7. (2) pair vice grips

SECTION 2. It shall be the responsibility of the Employer to assign each employee, required to weld, welding sleeves. On extremely dirty jobs such as bag changing, graphite products and PM machines, employees shall be furnished with coveralls and allowed reasonable clean up time.

SECTION 3. Power tools and equipment other than hand tools listed above shall be the responsibility of the Employer to furnish.

SECTION 4. Employee shall be allowed to transport in his personal vehicle tools assigned to him by his Employer such as: electric drill motor, electric grinder, electric saw, extension cord and any other tool that will fit in an 18" x 12" x 6" tray. For work in the residential field only, he may also transport a three (3) foot stepladder.

SECTION 5. (a) Any employee may refuse, as a condition of employment, to transport such items belonging to an Employer, in his personal vehicle, and he shall not be subject to any disciplinary action, retaliation or be discharged for such refusal.

(b) If a charge is made and an Employer has taken retaliatory action against an employee for refusing to transport such items, the charge shall be referred to the Local Joint Adjustment Board to consider the merits of said charge.

**ADDENDUM XI
(ARTICLE X SECTION 8)**

Delete Section 8 of Article X of the Standard Form of Union Agreement.

**ADDENDUM XII
(ARTICLE XI)
APPRENTICESHIP**

SECTION 1. All applicants for Apprenticeship shall be eighteen (18) years or above, and each apprentice shall serve an apprenticeship of four (4) years. Such apprentices shall not be put in charge of work on any job and shall work under supervision of a journeyman until apprenticeship term has been completed and they have qualified as journeymen.

(a) A graduated wage scale for apprentices shall be established and maintained as follows:

First year	50%
Second year	60%
Third year	70%
Fourth year	80%

Apprentices shall attend 40 hours of business orientation to be funded by Youth to Youth.

(b) Fringe benefits for apprentices are as follows:

Health Care Plan contributions shall be the same as the percentage shown in the graduated wage scale in the contract.

\$0.50 Local Apprentice Training Fund

100% ITI, SMOHIT, NEMI

100% Industry Fund

National Pension – pay as a percentage of their wage rate

Local Pension – 20% - 1st Year

30% - 2nd Year

40% - 3rd Year

50% - 4th Year

****Deducts are figured as follows and deducted from the Base Rate:**

\$0.28 Miscellaneous Deduction (\$0.18 youth to youth; \$0.06 PAL, \$0.04 M.S.B.T.)

\$0.17 IA Per Capita paid at the National Requirement (on all hours worked)

SECTION 2. It is hereby agreed that the Employer shall be entitled to apply to the Local Joint Apprenticeship Committee and/or Local 7 Zone 3 for apprentices on the following basis:

Journeyman Employed	Apprentices
1	1
4	2
6	3

Thereafter the Standard Form of Union Agreement ratio shall apply. The Union agrees that the needs of the industry may warrant different apprentice ratios than those established. The Company and the Union therefore agree to negotiate such.

SECTION 3. The Joint Apprenticeship Committee may rotate apprentices as the committee deems necessary.

SECTION 4. Apprentices will be paid four (4) hours' wages and four (4) hours' fringes for each day attending apprenticeship school providing each apprentice maintains at least an 80% grade point average. The apprentice must work the workday preceding and work the day after school to be eligible to be paid if work is available, at the discretion of the Employer. An attendance slip will be issued at each class session to be returned to the Employer in order to qualify for payment. The Apprenticeship Committee shall determine and provide the performance standards and grading quarterly.

SECTION 5. All apprentices must be referred to the Employer by the Union with a written referral.

**ADDENDUM XIII
(ARTICLE XII)
PREAPPRENTICESHIP**

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 preapprentice to one apprentice, two preapprentices to three apprentices, three preapprentices to five apprentices employed by the Employer. Provided, however, that an Employer who employs one or more apprentices and at least three sheet metal journeymen shall be entitled to at least one preapprentice. Thereafter, the same conditions and ratios shall apply.

SECTION 2. Contractors will hire preapprentices through the JATC; test mandatory before hire and send them to the Union Hall for written referral. After eight (8) days the preapprentice will pay preapprentice initiation fee.

SECTION 3. The starting wage rate for new preapprentices shall be:
40% of the journeyman's base wage or \$14.00 shall be paid at the higher rate.

Health Care Contributions paid at 40% starting at 90 days.

ITI, SMOHIT, NEMI at 100% starting with day 1.

Industry Fund at 100%

****Deducts are figured as follows and deducted from the Base Rate:**

\$0.17 IA Per Capita paid at the National Requirement (on all hours worked)

**ADDENDUM XIV
(Article XIII)
CLASSIFIED WORKER**

SECTION 1. Classified Worker ratio

(a) One (1) classified worker for any Employer who employs a journeyman

(b) Two (2) classified workers for any Employer who employs at least seven (7) journeymen and

(c) Thereafter the ratio will be one (1) classified worker for each additional four (4) journeymen employed.

SECTION 2. Rate of Pay:

50% of journeyman base rate

\$0.50 Local Apprenticeship Fund (100%)

Health Care Plan contribution for classified worker shall be 75% of the journeyman rate.

*(h) National Pension Fund (see (h) below)

100% Industry Fund

100% ITI, SMOHIT, NEMI

***Deducts are figured as follows and deducted from the Base Rate:**

\$0.20 Work Assessment

\$0.18 Youth to Youth

\$0.04 MSBT

\$0.06 PAL

\$0.17 IA Per Capita paid at the National Requirement (on all hours worked)

Those classified workers presently receiving SASMI to be continued.

SECTION 3. 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. Classified workers may not be used on prevailing rate jobs and project agreements.

SECTION 4. (a) Must have worked as a classified worker a minimum of four (4) years for entry into schooling.

(b) Prerequisite for entry is sponsorship by Employer and recommendation of co-workers, i.e., letters of recommendation and quarterly reports.

(c) Seventy percent (70%) minimum wage rate at start of schooling or five percent (5%) whichever is greater. Then ten percent (10%) wage increase at start of second year of schooling.

(d) Must successfully complete each year of schooling. After two successive failures, student will be removed from classified upgrade program. This action will result in permanent classified status.

(e) Six (6) year minimum participation in program to attain building trades journeyman status.

(f) Movement between employers subject to committee approval.

(g) There will be no pay for schooling.

(h) National Pension Fund contribution for Classified Workers as follows:
0-90 days – no NPF contribution due
91 days to 6 months – 50% of the Building Trades Journeyman NPF rate.
6 months = 100% of the Building Trades Journeyman NPF rate.

ADDENDUM XV VISITATION

SECTION 1. The duly authorized Union representative shall be permitted to visit the shop or job during the work hours to interview the Employer or employees. The Union Representatives shall notify the Employer and/or customer before entering the plant or job area.

**ADDENDUM XVI
COFFEE BREAKS**

SECTION 1. The Employer shall allow employees to have a five (5) minute coffee break during the mid-morning hours. After eight (8) hours worked, a ten (10) minute coffee break. Thereafter a ten (10) minute break every two (2) hours. Said coffee break shall be taken in the employee's general work area.

**ADDENDUM XVII
SANITARY MEASURES**

SECTION 1. On every job where water is not accessible, there will be an adequate supply of drinking water furnished by the Sheet Metal Contractor for the sheet metal employees.

SECTION 2. On open construction jobs employing five (5) or more sheet metal employees, the Employer shall provide or make arrangements for a suitable and enclosed heated area for the use of his employees.

**ADDENDUM XVIII
SAFETY MEASURES / JOURNEYMEN UPGRADING**

SECTION 1. The Employer shall have full responsibility that their employees are equipped with proper safety and protection equipment. The Employers shall furnish each employee not so equipped with an approved hard hat with new headband which becomes the property of that employee. Each employee so equipped shall sign a slip upon receipt of the original equipment issued and after each replacement issued. No replacement of safety equipment will be made without return of the damaged equipment. A registry shall be maintained by Local 7 Zone 3.

SECTION 2. It shall be the responsibility of the employee to report defective and/or unsafe equipment and/or conditions to his Employer. It shall be the responsibility of the Employer to replace, repair or correct such defective and/or unsafe equipment and/or conditions to his Employer. It shall be the responsibility of the Employer to replace, repair or correct such defective and/or unsafe equipment or conditions.

SECTION 3. The Union and Management shall jointly administer a safety training program for members of Local 7 Zone 3. This training would cover mandated training on subjects required by OSHA and MIOSHA i.e., First Aid, CPR, Hazardous Materials, Asbestos Awareness, etc. The Joint Apprenticeship and Training Committee shall be responsible for all funding and supervision of this program.

SECTION 4. It shall be the responsibility of the employees to comply with all State and Federal rules regulating safety.

SECTION 5. Safety glasses must be worn in the shop at all times.

SECTION 6. All journeymen and foremen are required to attend a minimum of four (4) hours per year of industry related upgrading classes during the duration of this contract. This is a requirement for employment. All classes shall be approved by the J.A.T.C.

SECTION 7. When an employee is required to be A.S.M.E. certified welder, the Employer is to cover the cost of taking that test. The employee, once certified, will be required to maintain that certification. If the employee fails to maintain that certification, the employee will have to cover the cost of recertification.

SECTION 8. 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 cost associated with providing instruction, shall be paid for by the Local Joint Apprenticeship and Training Fund.

ADDENDUM XIX LABOR-MANAGEMENT MEETINGS

SECTION 1. A planned Labor-Management meeting of equal numbers from both sides will be held quarterly with the cost to be the responsibility of the Contractors' Industry Fund.

SECTION 2. Printing of the new contracts shall be paid for by the Local Industry Fund and will be the responsibility of the Local Union for printing.

ADDENDUM XX RESIDENTIAL/LIGHT COMMERCIAL AND SERVICE

A separately published Residential/Light Commercial Addendum is available to signatories of this Agreement.

ADDENDUM XXI FAVORED NATIONS

SECTION 1. The Union will not extend or permit in any company or association within the jurisdiction of Local 7 on any base rates, fringe benefit costs or working conditions more favorably to an Employer than those contained in this Agreement unless same be granted to all signatory contractors of Local 7

Zone 3. The Union will report to the Association secretary any present or new conditions, rates or fringes differing from those expressed in this Agreement. (Project agreements are excluded from the Favored Nations Clause.)

SECTION 2. Newly organized shops shall be allowed one (1) year to come into compliance without evoking Section 1. A meeting by the Labor/Management Board is required for approval.

**ADDENDUM XXII
PREHIRE PHYSICAL/SUBSTANCE ABUSE**

SECTION 1. Any new qualified applicants for employment will be required to take and pass a prehire physical including substance abuse drug and alcohol test prior to starting work for a contractor. There will be no random testing, unless site specific received by the customer.

SECTION 2. The dangers and costs which alcohol and other chemical abuses can create in the sheet metal industry in terms of safety and productivity are significant. The parties to this Agreement resolve to combat chemical abuse in any form and agree that to be effective, programs to eliminate substance impairment should contain a strong rehabilitation component.

The parties recognize the Employer's right to adopt and implement a drug and alcohol policy subject to all applicable laws and regulations, procedural safeguards, scientific principle and legitimate interests of privacy and confidentiality. However, the Union reserves the right to review the Association policy with an attorney to be sure the employee's rights are not violated before the implementation of said policy by the Employer.

When drug and alcohol testing is performed, all testing shall be conducted in accordance with the procedures outlined in the aforementioned policy. Testing shall be paid for by the Industry Fund.

**ADDENDUM XXIII
DOW RECOVERY PLAN**

One (1) journeyman, one (1) apprentice and one (1) preapprentice at established fringes in contract. The intent of this plan is in no way to affect work already secured by local contractors. This ratio does not affect any other ratio in contract.

**ADDENDUM XXIV
DUES CHECK-OFF**

SECTION 1. The Employer agrees to honor upon presentation by the Union, all assignments for uniform membership dues and uniform assessments which

have been properly signed by an employee to deduct the amount stated thereon from the wages earned by that employee and to pay the amount deducted to the Local Union or the Funds Administrator, provided, however, that this Addendum shall apply to only those assignments which are not irrevocable for more than one (1) year or until this Agreement expires, whichever occurs sooner, and to those assignments which, in addition, provide that they shall automatically renew themselves for successive yearly or applicable contract periods thereafter, whichever is the lesser and which provide that the employee may revoke said assignments by giving written notice thereof to the Employer and the Union at least sixty (60) days and not more than seventy-five (75) days before any periodic renewal date.

SECTION 2. The Union agrees to indemnify and hold the Employer harmless from any legal claims by employees based upon, or arising from, the provisions or requirements of this Article. (See Article V)

**ADDENDUM XXV
CONCENTRATED TRAINING**

Delete Section 8, Article XI of the Standard Form of Union Agreement.

**ADDENDUM XXVI
S.F.U.A. A-08-11**

SECTION 1. This Agreement and Addenda Numbers I through XXXII-hereto shall become effective on the 1st day of May, 2021 and remain in full force and effect until the 30th day of April 2024, 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.

SECTION 2. 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 Standard Form Labor Committee, any part 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 the Agreement for the duration of the term hereof. There shall be no strike or lockout over this issue.

**ADDENDUM XXVII
LEGALITY OF THE AGREEMENT AND TRUST RIGHTS**

SECTION 1. In the event that any portion of the Agreement becomes inoperative under Federal or State law the balance of the Agreement shall

remain in force and effect and the parties hereto agree to meet within ten (10) days and renegotiate without monetary loss, the inoperative portion of this Agreement.

SECTION 2. We recognize the appropriate trusts' right to review contracts entered into by any bargaining group that affect current trust programs prior to accepting same. This applies to local trust agreements only.

ADDENDUM XXVIII FABRICATION OUTSIDE ZONE 3

Any contractor whose principal office is not located within the jurisdiction of Local 7, Zone 3 and providing material or ductwork fabricated outside of Zone 3 and delivered to a job site within the jurisdiction of Local 7, Zone 3, the shipment shall be accompanied by a voucher on a form provided by the Local Union which shall be provided to the union representative on the job and shall contain the following information:

- (a) A list of each separate item contained in the shipment;
- (b) With respect to each item a certified payroll or sworn statement attesting to the number of hours expended in its manufacture or assembly or fabrication and
- (c) The sites where the material or equipment was manufactured assembled or fabricated.

The records which support the certified payroll or sworn statement will be retained and available for inspection by a representative of SMART Local 7, Zone 3 or audit upon request. It is further agreed that an appropriate Union Label would be affixed to each item listed on said voucher.

ADDENDUM XXIX NATIONAL PENSION FUND

The Parties to this Agreement have adopted the NPF's Alternative Schedule as in effect when the Collective Bargaining Agreement is entered into and as amended from time to time. The employer will contribute to the Sheet Metal Workers' National Pension Fund at the hourly Contribution Rates set forth in this Agreement, and in accordance with the Alternative Schedule and NPF's Trust Document. The Alternative Schedule and the NPF Trust Document are incorporated into this Agreement and form a part of this Agreement. The Employer will pay its required monthly NPF contributions on or before the 20th day of the month, after the month in which Covered Employment was performed.

ADDENDUM XXX
UNION MEMBERSHIP REQUIRMENT

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

ADDENDUM XXXI
(ARTICLE V, Section 2)

Delete Section 2 of Article V of the Standard Form of Union Agreement.

ADDENDUM XXXII
INDUSTRY FUND

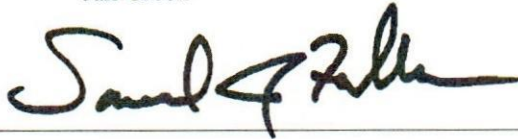
The Employer shall pay to Sheet Metal Employers Association of Saginaw Valley, P.O. Box 220, Haslett, MI 48840, or a fund mutually agreed upon by the Sheet Metal Employers Association of Saginaw Valley and Local 7, 100% of the Industry Fund per hour for each hour worked on or after the effective date 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. (Refer to Article VIII, Section 13(b))

The Addenda attached hereto, agreed to and signed this 1st day of May 2021.
LOCAL UNION NO. 7 ZONE 3 OF
INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL
AND TRANSPORTATION WORKERS

Samual J. Fuller, Chairman Travis Eastman
Jeffrey Keeler Wayne Stover
John Amalfitano

SHEET METAL EMPLOYERS ASSOCIATION OF SAGINAW VALLEY
Chris Stockwell, Chairman Rich Cramer
Kevin Wendling Clay Cooke
Jan Green

For the Union:



For the Association:



We the undersigned have read and understand the terms and conditions of the foregoing Labor Agreement and hereby agree to be bound thereto:

Company name (please print)

Owner or Principal (please print)

Signature of Owner or Principal

Date signed

Address

Tax ID#

City

State

Zip Code

Telephone

Fax

E-Mail Address

Company Website

Journeyman Pay Breakdown
Saginaw, Local 7, Zone 3
May 1, 2021 to April 30, 2022

	5/1/2021	5/1/2022	5/1/2023
Base Rate	30.02	Increase	Increase
Miscellaneous (deduct)*	-0.65	\$1.90	\$1.80
Work Assessment (deduct)**	-1.12		
Per Capita (deduct)***	-0.17	Disbursement	Disbursement
Local Pension	11.19	To Be	To Be
Health Care Plan****	7.75	Determined	Determined
SASMI (3%)	1.60		
National Pension Fund	3.67		
401H	0.68		
Local Apprentice Fund	0.70		
ITI, SMOHIT, NEMI*****	0.17		
Total Wage	\$55.78		
Industry Fund	0.40		
Total Package	\$56.18		

\$0.65 distributed as follows \$0.55 Youth to Youth Fund, \$0.04 MSBT, \$0.03 Local PAL, and \$0.03 National PAL. (Paid on maximum 40 hours, after 40 hours money on check)

**Work Assessment is based on 2% of the total package, minus Industry Fund.

***Per Capita is paid at \$0.17 per hour. Both are paid on all hours worked.

****\$0.42 of the Health Care Plan shall be designated for the Health Care Prescription Trust.

***** \$0.17 is distributed as follows: \$0.12 to ITI; \$0.02 to SMOHIT; \$0.03 to NEMI

Dues checkoff, youth to youth and MSBT shall be capped at 40 hours for journeyman, apprentices, and classified workers. Money is to go on the check for any hours worked over 40 hours per week.

Apprentices will be contributing to the Youth to Youth Fund at a rate of \$0.18 per hour for each hour worked up to 40 hours per week. Money is to go on the check for any hours worked over 40 hours per week.

Journeyman Pay Breakdown
Members of Former Local 543 Only – Traverse City
May 1, 2021 to April 30, 2022

	5/1/2021	5/1/2022	5/1/2023
Base Rate	\$31.72	Increase	Increase
Miscellaneous (deduct)*	-0.65	\$1.90	\$1.80
Work Assessment (deduct)**	-1.12		
Per Capita (deduct)***	-0.17	Disbursement	Disbursement
Health Care Plan****	7.75	To Be	To Be
SASMI (3%)	1.60	Determined	Determined
National Pension Fund	11.84		
National Supplemental Savings	1.00		
Local Apprentice Fund	0.70		
ITI, SMOHIT, NEMI*****	0.17		
Total Wage	\$55.78		
Industry Fund	0.40		
Total Package	\$56.18		

*\$0.65 distributed as follows: \$0.55 Youth to Youth Fund, \$0.04 MSBT, \$0.03 Local PAL, and \$0.03 National PAL. (Maximum 40 hours, after 40 hours money on check)

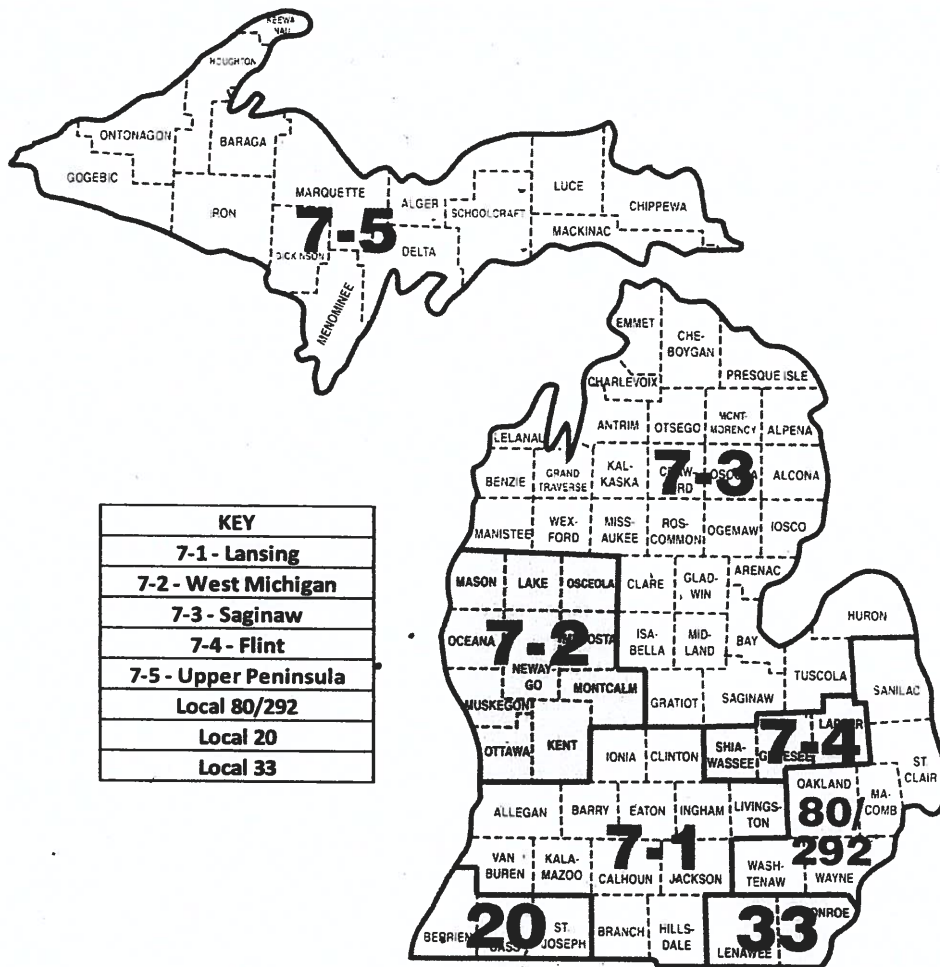
**Work Assessment is based on 2% of the total package, minus Industry Fund and is paid on all hours worked

***Per Capita is paid at \$0.17 per hour and is paid on all hours worked.

**** \$0.42 of the Health Care Plan is to be designated for the Health Care Prescription Trust.

***** \$0.17 is distributed as follows: \$0.12 to ITI; \$0.02 to SMOHIT; \$0.03 to NEMI.

Dues check-off, Youth to Youth and MSBT to be capped at 40 hours for journeyman, apprentices, and classified workers. Money is to go on the check for any hours worked over 40 hours per week.



KEY
7-1 - Lansing
7-2 - West Michigan
7-3 - Saginaw
7-4 - Flint
7-5 - Upper Peninsula
Local 80/292
Local 20
Local 33