

STANDARD FORM OF UNION AGREEMENT

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

Agreement entered into July 1, 2020, by and between SMACNA of San Diego, and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No. 206 of International Association of Sheet Metal, Air, Rail and Transportation Workers, hereinafter referred to as the Union for San Diego and Imperial Counties.

ARTICLE I

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

ARTICLE II

SECTION 1. No Employer shall subcontract or assign any of the work described herein which is to be performed at a 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

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 SMWIA shall be provided to the Employer.

ARTICLE IV

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

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.

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

SECTION 3. The provisions of this Article shall be deemed to be of no force and effect in any state to the extent to which the making or enforcement of such 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 4: The Employer agrees to deduct Union 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 twentieth day of each month, the Employer shall remit to the designated financial officer of the 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.

ARTICLE VI

SECTION 1. The regular working day shall consist of SEE ADDENDA (_____) 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 SEE ADDENDA (_____) 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 SEE ADDENDA (_____) 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 SEE ADDENDA 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: AT DOUBLE THE STRAIGHT TIME RATE OF PAY.

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

SECTION 1. When employed in a shop or on a job within the limits of SEE ADDENDA 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

SECTION 1. The minimum rate of wages for journeymen sheet metal workers covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be \$ SEE ADDENDA per hour, except hereinafter specified in Section 2 of this Article.

SECTION 2. On all work specified in Article I of this Agreement, fabricated and/or assembled by journeymen, apprentices, 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:

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| 1. Ventilators | 6. Mixing (attenuation) boxes |
| 2. Louvers | 7. Plastic skylights |
| 3. Automatic and fire dampers | 8. Air diffusers, grilles, registers |
| 4. Radiator and air conditioning unit enclosures | 9. Sound attenuators |
| 5. Fabricated pipe and fittings for residential installations and light commercial work as defined in the locality | 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 Sheet Metal Workers' International Association, and qualified sheet metal workers are available in such area, the Employer may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeymen sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation, travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of the local Agreement. If employees are sent into an area where there is no local Agreement of the Sheet Metal Workers' International Association covering the area then the minimum conditions of the home local union shall apply.

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

SECTION 8. Welfare benefit contributions shall not be duplicated.

When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this Agreement agree to arrange through the Health 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 SEE ADDENDA in the shop or on the job at or before quitting time on SEE ADDENDA 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) seven cents (\$0.07) per hour for each hour worked on and after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted to IFUS, 4201 Lafayette Center Drive, Chantilly, Virginia, 20151 -1209, or for the purpose of transmittal, through SEE ADDENDA.

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

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

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

(b). The Employer shall pay to the SHEET METAL AND AIR CONDITIONING CONTRACTORS OF SAN DIEGO, INDUSTRY FUND, (the local industry fund), SEE ADDENDA cents (\$0. _____) 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.

(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.

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

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

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

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

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

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

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

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

SECTION 16. In the event that the Employer becomes delinquent in making contributions to any national or local Fund, the Union may withdraw all employees from the service of the Employer within 14 days notice of such delinquency by the trustees. The withdrawal of such employees from the service of the Employer shall not constitute a violation of any provision of this Agreement.

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

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

(c). An Employer that has been delinquent in making contributions to any national or local fund shall, upon written notification of the trustees or local union, make the specified payment to such fund at weekly intervals. Such obligation shall continue until the Employer has not been delinquent in making contributions for a period of 6 consecutive months.

SECTION 18. The Employer and the Union recognize that, during the term of this Agreement, the Sheet Metal Workers' National Pension Fund (NPF) will notify the parties of the Fund's status under the Pension Protection Act of 2006. It is anticipated that the Fund will be in critical status. Consequently, the Employer and the Union further recognize that a surcharge may be imposed upon contributions to the Fund, and that the Fund may adopt a rehabilitation plan, incorporating alternative schedules of benefits and contributions, during the term of this Agreement.

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

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

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

ARTICLE IX

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 11. In administering and conducting dispute resolution activities under the arbitration procedures of the Standard Form of Union Agreement, the National Joint Adjustment Board, the Sheet Metal Workers' International

Association, the Sheet Metal and Air Conditioning Contractors' National Association, Inc., and their representatives, are functioning as arbitrators and not as the representative of any entity that is party to such dispute. Therefore, they shall enjoy all of the rights, privileges, and immunities afforded to arbitrators under applicable law.

ARTICLE XI

SECTION 1. All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of an equal number of trustees, half of whom shall be selected by the Employer, and half by the Union. There shall be a minimum of 4 trustees. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices and the operation of an adequate apprentice system to meet the needs and requirements of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as part of this Agreement.

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

SECTION 7. The parties will establish on a local basis the SMWIA Youth-to-Youth program (the program) and the procedures to enable all apprentices to participate in the program. The activities of the program that deal with organizing and other traditional union activities shall be funded by the Local Union through a 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.

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

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.

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 XIII

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.

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 XIV

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

ARTICLE XV

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

ARTICLE XVI

SECTION 1. This Agreement and Addenda Numbers 1 through 40 attached hereto shall become effective on the 1st day of July, 2020 and remain in full force and effect until the 30th day of June, 2026 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 to this Agreement.

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

In witness whereof, the parties hereto affix their signatures and seal this 11th day of June, 2020.

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

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

SMACNA of San Diego
(Specify Name of Association or Contractor)

SMART Local Union No. 206

By 
(Signature of Officer or Representative)


(Signature of Officer or Representative)

Linda M. Jennings
Executive Vice President
SMACNA of San Diego
8240 Parkway Drive, Ste 207
La Mesa, CA 91942

Douglas R. Tracy
Business Manager/Financial Secretary
SMART Sheet Metal Local 206
4594 Mission Gorge Place
San Diego, CA 92120

SMART Local 206 SMACNA of San Diego

ADDENDUM

to the
Standard Form of Union Agreement A-07-07
Effective July 1, 2020

INTRODUCTION

This agreement is between SMART Sheet Metal Local 206, the San Diego Chapter of the Sheet Metal and Air Conditioning Contractors National Association on behalf of the members of its Multi-Employer Bargaining Unit, and all signatory parties hereto.

This agreement shall consist of the Standard Form of Union Agreement, A-07-07, and the following addenda thereto. In the event of a conflict between the provisions of the Standard Form of Union Agreement and these addenda, the provisions of the addenda shall take precedence.

ADDENDUM 1

DEFINITION OF EMPLOYEES

Any person employed by the Employer to perform any of the work covered under Article 1, Section 1, of the Standard Form of Union Agreement is defined as, and hereinafter called, 'Employee.' Employees under this agreement shall consist of Journeymen, Apprentices, Sheet Metal Technicians, and Utility Workers. The minimum rates of pay and scope of work for each classification of Employees shall be as defined in this Agreement, or as agreed upon by the parties.

ADDENDUM 2

MINIMUM WAGE SCALE

Section A. Journeyman Wage Package – Class1-A

	Package Increase	Taxable Wage	Local Training Fund	National Pension Fund	ITI,NEMI, SMOHIT, SMWSF	So Cal Pension	Health Benefits Plan A	401(a) Plan	HRA	Industry Fund	Total Package
7/1/2020	2.72	40.62	0.90	5.83	0.18	11.85	9.54	0.25	1.00	0.55	70.72
7/1/2021	2.83										73.55
7/1/2022	2.94										76.49
7/1/2023	3.06										79.55
7/1/2024	3.18										82.73
7/1/2025	3.31										86.04

Journeyman Classifications 2 Through 16 – See Wage and Fringe Breakdown
Journeyman Classifications B Through J – See Wage and Fringe Breakdown

Journeyman may be dispatched under classifications 1 through 16, A through J or any combination thereof.

1. Camp Pendleton – Class 1-A. The parties agree that in view of the distances traveled to locations within the boundaries of Camp Pendleton, and in view of the hazards and other uncertainties of work on this reservation, all work performed at Camp Pendleton shall be paid at the following wage and benefit rates.

	Package Increase	Taxable Wage	Local Training Fund	National Pension Fund	ITI,NEMI, SMOHIT, SMWSF	So Cal Pension	Health Benefits Plan A	401(a) Plan	HRA	Industry Fund	Total Package
7/1/2020	2.72	42.62	0.90	5.83	0.18	11.85	9.54	0.25	1.00	0.55	72.72
7/1/2021	2.83										75.55
7/1/2022	2.94										78.49
7/1/2023	3.06										81.55
7/1/2024	3.18										84.73
7/1/2025	3.31										88.04

Journeyman Classifications 2 Through 16 – Camp Pendleton Rates – See Wage and Fringe Breakdown
Journeyman Classifications B Through J – Camp Pendleton Rates – See Wage and Fringe Breakdown

Journeyman may be dispatched under classifications 1 through 16, A through J or any combination thereof.

2. Prevailing Wage Rate Jobs. In the event the Employer bids and contracts for a public job or project by a federal, state, county, city or other public entity, which is to be performed at a predetermined and/or prevailing wage rate established by the California Department of Industrial Relations or the Secretary of the United States Department of Labor, the predetermined or prevailing wage rate established for the project shall be adopted as the wage rate required to be paid under this agreement for installation on that project only. Fringe benefit contributions shall be paid in accordance with the provisions of this agreement regardless of the contribution rates specified in the project contract documents. There shall be no travel pay; zone pay or subsistence required on prevailing wage rate jobs other than that specifically required by the provisions of the contract documents for the particular project. The provisions of this paragraph apply to all prevailing wage rate jobs, including Camp Pendleton, the provisions of paragraph "a" above notwithstanding.

Section B. Apprentice Wage Rates

1. Apprentices shall receive a graduated wage scale in accordance with the following percentage of the taxable wage rate of Journeymen sheet metal workers covered by this agreement. In addition to these wage rates, Apprentices shall receive fringe benefits as shown in the following tables. In the event the fringe benefits are increased or decreased in accordance with the provisions of the Health Plan and Pension Plans addendum, subsection c, of this agreement, the graduated taxable wage scale percentages as stated in this addendum shall be increased or decreased to reflect such changes. Changes in the graduated taxable scale percentages shall be to the closest full percentage point required to reflect the full cost of the increase or decrease.
2. Sheet Metal Technicians or Technician Trainees who become indentured Apprentices shall not suffer any reduction in taxable wage. Neither shall they receive any increases in taxable wage, until they reach a period of apprenticeship under which their normal taxable wage rate as an Apprentice exceeds the rate they were receiving at the time of indenture. The foregoing does not preclude the Employer from increasing the taxable wage rate of any Apprentice to an amount higher than that required under this addendum.
3. All Apprentices shall be classified as Interim Journeymen upon completion of their Apprenticeship Training. Apprentices thus classified as Interim Journeymen may achieve full Journeyman status by passing a comprehensive Journeyman Examination administered by the Joint Examining Committee.
4. Apprentices shall receive wages and fringes in accordance with the following schedule:

Period	Percent of Journeyman Rate	Local Training Fund	Working Dues	Health Benefits Plan A	Health Benefits Plan B	So Cal Pension Fund	National Pension Fund	ITI,NEMI SMOHIT SMWSF	HRA	401(a) Plan	Industry Fund
1	50%	0.90	(0.65)		6.81	0.50	2.92	0.18	0.40	0.25	0.55
2	53%	0.90	(0.65)		6.81	0.50	3.09	0.18	0.40	0.25	0.55
3	56%	0.90	(0.65)		6.81	0.50	3.26	0.18	0.40	0.25	0.55
4	59%	0.90	(0.65)		6.81	0.50	3.44	0.18	0.40	0.25	0.55
5	62%	0.90	(0.65)		6.81	0.50	3.61	0.18	0.40	0.25	0.55
6	65%	0.90	(0.65)		6.81	0.50	3.79	0.18	0.40	0.25	0.55
7	68%	0.90	(0.65)	9.54		0.50	3.96	0.18	0.40	0.25	0.55
8	71%	0.90	(0.65)	9.54		0.50	4.14	0.18	0.40	0.25	0.55
9	74%	0.90	(0.65)	9.54		0.50	4.31	0.18	0.40	0.25	0.55
10	79%	0.90	(0.65)	9.54		0.50	4.61	0.18	0.40	0.25	0.55

Apprentices may be dispatched under classifications 1 through 16, A through J or any combination thereof, if their taxable wage is at least 130% of the California State Minimum Wage.

ADDENDUM 3 WORKING DUES

Section A. For all members of Local 206, the Employer will deduct the working dues contribution from the taxable wage on a per hour basis for every hour worked. The Employer will

remit the amount deducted per the Funds, Payments, Posting and Bonding Addendum. The Employer will be furnished with a signed authorization card by each member for withholding the Working Dues from his/her taxable hourly rate in accordance with Section 302 of the Labor Management Relations Act as amended.

Section B. The rate of the Working Dues deduction for each classification of worker shall be established by Local 206 under the appropriate laws, rules and regulations governing their organization. The rate for Journey level members of Local 206 is 3 ½ % (rate may be adjusted from time to time during the duration of this contract) and is part of the taxable wage contributed on a per hour basis for every hour worked.

ADDENDUM 4 HEALTH PLAN AND PENSION PLANS

Section A. The parties to this agreement recognize that a Health Plan, Pension Plans, Health Reimbursement Arrangement (HRA), and the Sheet Metal and Air Conditioning Apprenticeship and Journeyman Training Fund of San Diego have each been heretofore established and administered by joint Boards of Trustees composed of an equal number of representatives of the Union and the Employers, pursuant to the provisions of trust agreements and modifications covering each respective joint trust, as well as the rules and regulations, operations and actions of the Board of Trustees for each respective joint trust. The parties to this agreement hereby subscribe to and agree to be bound by all the provisions of each such trust agreement and amendments, changes, and modifications thereto, now or hereafter entered into as well as the rules and regulations of each respective Joint Board of Trustees and agree that the Trustee or Trustees representing the parties to this agreement shall be those presently serving as such Employer and Union trustees or their replacements pursuant to the terms and provisions of each respective trust agreement, now or hereafter entered into as provided in this collective bargaining agreement. The foregoing provisions of this paragraph notwithstanding, neither the various trust documents nor the Board of Trustees shall be empowered to alter the contribution rates or other terms and conditions negotiated by the parties to this agreement. Fringe benefit fund contributions shall be paid on all hours worked by Employees covered by this agreement, and shall be paid at straight time rates.

Section B. The contribution rates shall be in accordance with the Minimum Wage Scale addendum.

Section C. In the event the members of Local 206 should decide to increase the contributions to any existing jointly administered fund(s), with the exception of Health Plan B, such increases shall be deducted from the hourly taxable wage rate. In the event such contributions are reduced, the amount of the reduction shall be added to the hourly taxable wage rate. With respect to Health Plan B, if the Trustees of the Plan require increased contributions to maintain benefits, the Employer shall pay such increase. If the required contribution level is decreased, such decrease shall be deducted from the Employer's contributions.

ADDENDUM 5
401(a) PLAN

The parties hereto agree that the SMWIA Local 206 Section 401(a) retirement plan, as previously established, shall continue during the term of this agreement. A Board of Trustees composed of an equal number of Labor Trustees and Management Trustees will administer the Plan; Local 206 shall appoint the Labor Trustee(s) and SMACNA of San Diego shall appoint the Management Trustee(s). Contributions to the Plan will be in accordance with the Trust Documents and the Minimum Wage Scale addendum.

ADDENDUM 6
HEALTH REIMBURSEMENT ARRANGEMENT
(HRA)

The parties hereto agree to establish a Health Reimbursement Arrangement (HRA). A Board of Trustees composed of an equal number of Labor Trustees and Management Trustees will administer the Plan; Local 206 shall appoint the Labor Trustee(s) and SMACNA of San Diego shall appoint the Management Trustee(s). Contributions to the Plan will be in accordance with the Trust Documents and the Minimum Wage Scale addendum.

ADDENDUM 7
INDUSTRY FUND

Section A. The Employer shall remit to the Sheet Metal and Air Conditioning Contractors of San Diego Industry Fund, Inc., the amounts indicated in the Minimum Wage Scale addendum.

Section B. The Directors of the Industry Fund shall have the discretion to increase the Industry Fund contribution to a maximum of \$0.85 per hour, or decrease the contribution, according to the needs of the Industry Fund, in the event of such increase or decrease, written notice shall be given by the Industry Fund to each contractor signatory to this Agreement. Any amount over the amount listed in the Minimum Wage Scale addendum shall be in addition to the listed Wage Package.

Section C. The Industry Fund contribution shown in the Minimum Wage Scale addendum includes the following:

- (1) SMACN IFUS
- (2) The Sheet Metal Safety Promotion Fund

ADDENDUM 8 TRAINING FUND

The members of the Joint Apprenticeship Committee shall be named by the parties as the Trustees of the Sheet Metal and Air Conditioning Apprenticeship and Journeyman Training Fund of San Diego. The Trustees shall have the sole authority and responsibility to accept and disburse the contributions to the Fund in accordance with the Trust Agreement. The Trustees may also utilize the training funds for awards recognition events as well as for modest meals during working Trustee and Joint Apprenticeship Training Committee meetings.

ADDENDUM 9 HOLIDAYS

Section A. The following holidays will be observed: New Year's Day, Martin Luther King, Jr. Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving and Christmas Day.

- b. When any of the above holidays falls on a Sunday, the Monday after shall also be a holiday.
- c. When Independence Day, Veterans Day, Christmas, or New Year's Day falls on Saturday, the Friday before shall also be a holiday.

ADDENDUM 10 WORKING HOURS

Normal working hours are defined as any eight hours between 6 a.m. and 4:30 p.m., Monday through Friday.

ADDENDUM 11 REST PERIODS

Section A. Every Employer shall authorize and permit all Employees to take rest periods, which insofar as practicable shall be in the middle of each work period. Nothing in this provision shall prevent an Employer from staggering rest periods to avoid interruption in the flow of work and to maintain continuous operations, or from scheduling rest periods to coincide with breaks in the flow of work that occur in the course of the workday. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time for every four (4) hours worked or major fraction thereof. Rest periods shall take place at Employer designated areas, which may include or be limited to the Employees' immediate work area.

Section B. Rest periods need not be authorized in limited circumstances when the disruption of continuous operations would jeopardize the product or process of the work. However, the Employer shall make up the missed rest period within the same workday or compensate the Employee for the missed ten (10) minutes of rest time at his/her regular rate of pay within the same pay period.

Section C. A rest period need not be authorized for Employees whose total daily work time is less than three and one-half (3 ½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

Section D. If an Employer fails to provide an Employee a rest period in accordance with the applicable provisions of this addendum, the Employer shall pay the Employee one (1) hour of pay at the Employee's regular rate of compensation for each workday that the rest period is not provided. In cases where a valid collective bargaining agreement provides final and binding mechanism for resolving disputes regarding enforcement of the rest period provisions, the collective bargaining agreement will prevail.

ADDENDUM 12 MAKEUP DAY

When conditions beyond the Employer's control (inclement weather, power failure, etc.) result in the loss of normal workdays during the normal workweek, the Employer may schedule a makeup day on Saturday at the straight time rate of pay, upon mutual agreement with the Local Union. The decision to work shall be at the option of the Employee and shall not be mandatory. Work permitted under these conditions will only be work that would have been performed had the job not suffered a shut down.

ADDENDUM 13 OVERTIME

Article VI, Section 1, of the Standard Form of Union Agreement shall be amended to read as follows:

Section A. All hours worked in excess of eight (8) hours up to ten (10) hours per day, Monday through Friday, except when four (4) ten (10) hour days are worked as a part of a regularly scheduled shift shall be paid at one and one-half (1½) times the straight time rate, all hours worked in excess of ten (10) hours shall be paid at two (2) times the straight time rate, and up to ten (10) hours worked on Saturday, shall be paid at one and one-half (1½) times the straight time rate, with the following exceptions:

1. Straight time shall be paid on Saturdays, which are scheduled as makeup days under the provisions of the Makeup Day addendum.

2. Straight time shall be paid on Saturdays and/or Sundays, which are scheduled as part of a regular shift under the provisions of the Shift Work addendum.
3. With the exception of paragraphs 1 and 2 above, all hours worked in excess of ten (10) on Saturdays shall be paid at two (2) times the straight time rate.
4. All hours worked on Sunday, shall be paid at two (2) times the straight time rate.
5. All hours worked on holidays, as defined in the Holidays addendum, shall be paid at two (2) times the straight time rate.
6. When the regularly scheduled shift consists of four (4) ten (10) hour days, the 5th day worked shall be paid at one and one-half (1½) times the straight time rate up to ten (10) hours, any hours over ten (10) hours shall be paid at two (2) times the straight time rate.
7. When the regularly scheduled shift consists of four (4) ten (10) hour days, the 6th and 7th days worked shall be paid at two (2) times the straight time rate.

Section B. Payments to fringe funds shall, in all cases, be paid at the straight time rate.

ADDENDUM 14 DRUG AND ALCOHOL POLICY & DRUG TESTING

A jointly prepared model drug and alcohol abuse/misuse policy has been adopted by the parties hereto and will be in full force and effect for the duration of this Agreement. Copies of this policy are available at the Union office or the office of SMACNA of San Diego.

Section A. Each Employee covered by this agreement shall be required to take a pre-employment drug/alcohol misuse/abuse test prior to being eligible for dispatch by Local 206. It is agreed that each Employee will only be required to undergo such pre-employment test once in a six (6) month period. It is further agreed that the Sheet Metal and Air Conditioning Contractors of San Diego Industry Fund, Inc, shall pay for pre-employment drug testing on behalf of Employers who contribute to the Industry Fund in accordance with this Agreement. Prospective Employees shall take these pre-employment tests on their own time.

Section B. "For Cause" and/or post-accident drug/alcohol testing of Employees may be required. Such testing shall be at the discretion and expense of the Employer and shall conform to the provisions set forth in the SMART Sheet Metal, Local 206/SMACNA of San Diego Drug and Alcohol Policy.

Section C. Substance abuse testing programs mandated by federal agencies, such as the U. S. Department of Transportation, or by other users of construction services, may contain testing requirements not covered in this program. In such an event, the mandated requirements shall be made a part of this program for the duration of the work involved only upon mutual agreement with the Union.

Section D. Upon award of any contract requiring a drug test (other than the pre-employment drug test required before dispatch), the signatory contractor shall post in the place or places normally used for posting notices to Employees, those portions of the contract documents identifying the job test requirements.

Section E. Additionally, upon award of the above mentioned contract, the Local 206 Business Office shall be notified and supplied with copies of the posted documents to allow for their posting in the Local 206 office. Members to be dispatched to jobs having additional drug and alcohol testing requirements as stated above shall be notified prior to dispatch.

Section F. If a job requiring additional drug and alcohol testing is the only job available to an Employee, that fact must be made clear to the Employee prior to any request for drug testing.

ADDENDUM 15 SUBSISTENCE

Section A. Each Employer who has a permanent place of business in San Diego or Imperial Counties shall select either his shop or the office of Local 206 as his Zone Center. The Zone Center for Employers without a permanent place of business in San Diego or Imperial Counties shall be the Local 206 office.

Section B. Employees on job sites outside the home local's jurisdiction or beyond the San Diego/Imperial Valley county line shall receive subsistence in the amount of \$60.00 per day on a five (5) day per week basis. Subsistence shall not be required over weekends or holidays.

Section C. Employers hiring members of Local 206, who are residents of Imperial County, to work in Imperial County shall not be required to pay subsistence to these Employees providing they have been residents of Imperial County not less than 90 days.

Section D. For any Employee on out of town work where subsistence is to be paid, an additional sum shall be paid to reimburse the Employee for the cost of conveyance for one round trip to and from the job site.

Section E. Time elapsed in traveling to and from such out of town work shall also be compensated at the wage rate prevailing during the time of travel, provided that compensation under this paragraph shall not exceed eight (8) hours of time per day.

Section F. The time of travel and the method of conveyance shall be at the direction of the Employer.

ADDENDUM 16 MILEAGE

When the Employer and Employee agree that the Employee shall furnish his own vehicle for transportation from shop to job, from job to job, or job to shop during regular working hours, the Employer shall pay mileage to the Employee at the current IRS rate.

ADDENDUM 17 PAYMENT OF WAGES

Section A. If an Employer discharges an Employee, the wages earned and unpaid at the time of discharge are due and payable immediately. However, with the approval of Local 206, final paychecks may be processed on the regular payroll date.

Section B. If an Employee quits his employment, his wages shall become due and payable no later than seventy-two (72) hours thereafter, unless the Employee has given seventy-two (72) hours previous notice of his intention to quit in which case the Employee is entitled to his wages at the time of quitting.

Section C. If an Employer fails to pay any wages of an Employee who is discharged (or quits), three (3) times within a six (6) month period, in accordance with the above Sections, without abatement or reduction, a penalty equal to the continuance of wages shall be assessed retroactively to the first instance against the Employer. The maximum penalty, which may be assessed, shall be a continuance of the wages of such Employee, at the same rate, for a period not to exceed thirty (30) days at eight (8) hours per day.

Section D. Wages at the established rates specified herein shall be paid by direct deposit, check or cash in the shop or on the job at or before quitting time no more than three (3) days after the close of the payroll period. Employees shall be paid in full when discharged.

Section E. When agreed upon by the Employer and Employee, electronic transfer of funds and/or automatic deposit shall be allowed under the conditions set forth in Section D.

Section F. The parties to this agreement, on behalf of itself and its members, hereby expressly waive in their entirety each and every requirement and provision of the Healthy Workplaces, Healthy Families Act of 2014 ("the Act"), California Labor Code 245-249, including any amendments to the Act during the term of this agreement and any regulations, rules, or policy statements regarding the Act during the term of this agreement.

ADDENDUM 18 CERTIFIED PAYROLLS

Section A. All Employers having material fabricated and/or assembled outside the jurisdiction of Local Union 206 for installation within the jurisdiction of Local Union 206, shall furnish within five (5) working days upon written request of said Local Union or SMACNA of San Diego copies of payrolls specifying hours worked, straight and overtime, and net amount of fringes paid, to prove that the wage scale specified in this Agreement has been paid for such fabrication. Payroll documentation required under this Addendum shall be certified by an officer of the company, and furnished to the Union by the Employer, on a union supplied certified payroll record sheet or an acceptable computerized report which clearly shows hours worked both straight and overtime, the net amount of fringes paid per Employee per purchase/job order may be submitted as an alternate.

Section B. Out of area Employers when working within the jurisdiction of Local 206 shall within five (5) working days after written request by the Union, submit to an authorized representative of the Union certified payroll records showing the hours worked, straight and overtime and net amount of fringes paid for each Employee covered by this agreement. Such records shall show reimbursement amounts, hourly wages, all monetary items, all deductions and any other sums paid to such Employees.

ADDENDUM 19 SUPERVISION

Section A. Employees covered by this Agreement working on jobs or in shops shall not accept directions or instructions from, or recognize the authority of, anyone other than the Employer, and/or the Employer Representative, Sheet Metal General Foreman, Sheet Metal Foreman or Sheet Metal Journeyman. The Employer Representative's name shall be on file with Local Union 206. For the purpose of this clause, an Employer Representative is defined as one who exercises full, direct and complete supervision over the member of Local 206 who is in charge of the job.

Section B. A General Foreman is hereby defined as a Journeyman sheet metal worker with two (2) or more Foremen under his direction and will receive not less than fifteen percent (15%) per hour over the Journeyman rate.

Section C. Foremen shall receive ten percent (10%) per hour over the Journeyman rate of pay.

Section D. A shop Foreman shall have three (3) or more Sheet Metal Employees under his supervision

Section E. A job site Foreman shall have five (5) to ten (10) Sheet Metal Employees under his supervision.

Section F. The first Employee receiving Foreman pay on a specific project that remains on that project shall receive Foreman pay until the completion of that project regardless of crew size. All other Foremen as required in Section (e) of this Addendum shall only receive Foreman pay during the required crew sizes per Section (e). There shall be a minimum of one (1) Foreman throughout the completion of the projects that require Foremen.

Section G. The Employer shall have the right to select a General Foreman or Foreman, providing the Employee is an "A" member of Local 206, except in the event the Employer does not have an "A" member in his employment.

Section H. Members of other Construction Trade Unions shall not be designated as Employer Representatives.

Section I. The first Journeyman entering into the jurisdiction of Local 206 shall be a Foreman.

ADDENDUM 20 DETAILERS

Section A. A Detailer is a Journeyman, Apprentice, Full Technician, or Technician Trainee Sheet Metal Worker capable of performing all items of work covered under Article 1, Section 1 of the Standard Form of Union Agreement, plus the advanced ability to research and prepare detailed shop drawings in their entirety from the use of civil, architectural, structural, electrical, mechanical drawings and specifications, and job site conditions. When employed as a Detailer, an Employee shall receive 10% over scale. Employees brought into Local 206 by an Employer to work specifically as Technician Trainee Detailers will have their detailing skills assessed by the JATC's Detailing Instructor either over the phone or in person. Technician Trainees hired as Detailers that fail to have basic detailing skills will enroll in the JATC's Detailing Course when it is next available. To be fully qualified as a Detailer, an Employee must successfully complete the next available detailing course offered by the JATC. No current Journeymen Detailers are to be displaced by this addendum.

Section B. A Foreman or a General Foreman may perform the duties of the Detailer and Foreman functions. This shall not be construed to mean additional pay as a Detailer to the Foreman and/or General Foreman.

Section C. Minor field sketches may be done at the applicable rate of pay.

Section D. For the purposes of training and providing opportunities for the applicant who desires to become a Detailer, the parties hereto establish a category of Employee called 'Detailer-Applicant'. The purpose of this category is to encourage (and make it economically feasible for) the Employer to train Employees in this highly skilled segment of the industry. To be eligible to become a 'Detailer-Applicant', the Employee must have satisfactorily completed the required JATC courses offered in 'Blue-Print Reading' and 'Detailing.' The rates of pay for a 'Detailer-Applicant' will be based on hours of on-the-job training as follows:

First 1,000 hours @ Scale

Next 1,000 hours @ Scale plus 2 ½%

Next 1,000 hours @ Scale plus 5%

Next 1,000 hours @ Scale plus 7 ½%

The applicant must receive a satisfactory evaluation from the Employer and work the proper number of on-the-job training hours before advancing to the next higher wage scale. Thereafter, the Employee, when performing the function of a Detailer, must be paid the full Detailer scale, in accordance with this addendum. The Employee cannot be required, or permitted, to either extend his hours in each category or to voluntarily reduce his category. All 'Detailer-Applicants' must be registered with the Union and/or JATC as being a participant in this program. Anyone performing the work of a Detailer who is not registered as a 'Detailer-Applicant' must receive the full Detailer rate of pay. The Employer and the 'Detailer-Applicant'

will be jointly responsible for reporting on the evaluation form to the Union the hours of on-the-job training received by the 'Detailer-Applicant' on a quarterly basis.

ADDENDUM 21 PARKING

Section A. Employees working in San Diego, where adequate free parking is not provided, shall be reimbursed actual cost of the least expensive adequate and available parking within ½ mile radius of the jobsite up to \$20 per day.

Section B. Excluding the provisions of Section A. above, when parking is not available within ½ mile of the Jobsite, the Employer shall provide transportation to and from the site at no cost to the Employee. If Employer provided transportation exceeds twenty (20) minutes in duration either going to or returning back from the jobsite, such time shall be paid as wages.

Section C. The provisions stated in Sections A. and B. above do not apply to the Employers shop or place of business.

ADDENDUM 22 SHIFT WORK

Section A. Shift work shall be allowed on all construction and all shop work, only upon mutual agreement with the union.

Section B. Shift work shall be allowed on consecutive 5-day periods (4 consecutive days if 4-10's are worked) for days and hours other than those defined in the Working Hours addendum (6:00 a.m. to 4:30 p.m., Monday through Friday).

Section C. The Local Union Business Office, the Shop or Job Steward and Employee must be notified 72 hours prior to when shift work is to be practiced.

Section D. Employees must have an eight (8) hour rest period when changing shifts.

Section E. Overtime rates on shift work shall be accordance with the provisions of the Overtime addendum.

Section F. On all projects procured after July 1, 2020, in addition to Sections A. through E. above, the following provisions shall apply to all shifts worked.

1. The Swing Shift shall begin no later than 5:30 p.m. and the Graveyard Shift shall begin no later than 1:00 a.m.
2. Employees on the swing shift shall receive seven and one-half percent (7 1/2%) premium pay.

3. Employees on the graveyard shift shall receive fifteen percent (15%) premium pay.

ADDENDUM 23
FUNDS, PAYMENTS, POSTING AND BONDING

Section A. Payments due to all jointly administered trust funds, Working Dues and Industry Funds under the provisions of this agreement shall be paid as follows:

1. Payments for local funds shall be reported on the electronic forms provided by the Sheet Metal Workers Trust Funds Transmittal Office, and an electronic payment or a single check to cover contributions to all local funds shall be made payable to Sheet Metal Workers Trust Funds and mailed or delivered to the Sheet Metal Workers Trust Funds Transmittal Office, 8240 Parkway Drive #207, La Mesa, CA 91942. Payments for all national funds, including NPF, ITI, NEMI, SMOHIT and SMWSF, shall be reported on the electronic forms provided by the Sheet Metal Workers National Benefits Fund office and paid directly to their office.
2. Payments are due and payable on or before the 10th day of the month and delinquent on the 20th day of the month following the month in which the man hours are worked for which contributions are being made.
3. Contribution payments may be made by company check provided the payment reaches the Sheet Metal Workers Trust Funds Transmittal Office at least five banking days prior to the 20th day of the month. Payments received after five banking days prior to the 20th day of the month must be by cashier's check or electronic transfer of funds unless prior arrangement has been made with the Transmittal Office and its financial institution. Payments not conforming to the provisions of this paragraph will be held until the 20th day of the following month before being distributed to the various trust funds.
4. Employers who are ninety (90) days delinquent in their fringe benefit payments will pay a penalty of two times the amounts due.

Section B. The parties recognize and acknowledge that the regular and prompt filing of accurate Employer reports and the regular and prompt payment of correct Employer contributions to the Trusts are essential to the proper management of the Funds, and that it would be extremely difficult, if not impossible, to fix the actual expense and damage to the Trusts which would result from the failure of an individual Employer to make such accurate reports and to pay such accurate monthly contributions in full within the time specified above. Therefore, the amount of damage to the Trusts resulting from failure to file reports shall be presumed to be the sum of two hundred dollars (\$200.00) per Trust or ten percent (10%) of the amount of the contribution or contributions due whichever is greater, for each delinquent report. In addition, the parties agree that the amount of damage to the Trusts for failure to pay contributions before they are delinquent shall be presumed to be a sum equal to ten percent (10%) of the amount of contributions which are due and unpaid for the first month's delinquency and a sum equal to five percent (5%) of the amount of contribution

which is due and unpaid for each additional month during which payment of such delinquency remains unpaid. These amounts shall become due and payable to the Trusts as liquidated damages, and not as a penalty, upon the date immediately following the date on which the report of contributions becomes delinquent. Liquidated damages shall be paid for each delinquent or fraudulent report of contribution and shall be paid in addition to contributions due. Liquidated damages, as outlined in this Addendum, are set as minimum damages and maybe superseded by the collections policies and procedures per the respective trust documents. Unpaid contributions for all Plans (including but not limited to the Health Plan, HRA Plan, Pension Plans, 401(a) Plan, Training Fund, Industry Fund and Working Dues) are vested assets of the Plans when they become delinquent.

Section C. If an Employer is given notice, written or oral, that he is delinquent in payments provided for herein and the Employer denies such delinquency or the amount claimed to be delinquent, said dispute shall be settled by arbitration as provided for in Article X of the Standard Form of Union Agreement if, and only if, the alleged delinquent Employer deposits cash in a trust account or escrow fund, as designated by the fund alleging the delinquency, the full amount of said alleged delinquency and charges claimed due at the time said Employer requests arbitration, and each month thereafter during the arbitration procedure deposits in said fund the amount claimed due by the fund for each of said succeeding months and any charges thereon, until a final award is made by the arbitrators under Article X of the Standard Form of Union Agreement when the amount, if any, due the fund, is determined by arbitration, said amount shall be paid forthwith to the fund from the deposited fund, and the balance, if any, returned to the Employer.

Section D. Deposit by the Employer of any disputed amount, as provided for in Subsection c. hereof, is a condition precedent to any right of arbitration. Mutual waiver of the right to arbitration herein is a condition precedent to any legal action by the Employer respecting any amount allegedly due a fund.

Section E. Failure of any alleged delinquent Employer to make the deposit required herein as a condition of arbitration and to then arbitrate said matter, or in any month during arbitration, shall be conclusive proof as between the parties hereto that the amount claimed due is in fact and law due the fund.

Section F. Any bond, as described in this Article, may be reviewed by the parties hereto to determine if such amount is adequate, or if such bond amount should be adjusted, any bond that may exceed five thousand dollars (\$5,000) shall be calculated at five hundred dollars (\$500) per Employee up to an amount of seven thousand five hundred dollars (\$7,500). It may only be raised above this amount by the Labor Management Committee.

Section G. Monthly contribution reports shall be sent by the Transmittal Office receiving the funds to the Union and to the respective fund offices.

Section H. Mailing of any notice provided for herein, postage prepaid, to the last address given the fund by the Employer, shall be conclusive proof of receipt of the notice, if the person mailing the notice files at any time, with the fund, an affidavit that the notice was mailed, postage

prepaid, and placing therein the name of the Employer and the address to which the notice was mailed. Any time limit provided for herein relating to written notice shall commence with the first day after the notice is deposited in the United States mail.

ADDENDUM 24 HIRING AND DISPATCHING

It is mutually understood by and between the parties signatory to this agreement that it is necessary to maintain an efficient system of production in the industry, to provide an orderly procedure for referral of applicants for employment in the industry, and to protect and preserve the legitimate interests of all concerned. It is therefore mutually agreed that when the signatory Employer requires workers to perform any work covered by this agreement he shall hire such applicants for employment in accordance with the provisions of this Hiring and Dispatching addendum.

Section A. General Rules Governing Requisitioning and Referral of Employees.

1. The Employer shall requisition all Employees who are to be employed in the bargaining unit from the Local 206 hiring hall. The Union will immediately dispatch such Employees as have been requisitioned on a nondiscriminatory basis in accordance with the dispatching rules provided herein. However, it is understood and agreed that all such dispatching and operation of any hiring halls as may be maintained by the Union shall be subject to and governed by the following conditions.
 - (a) Selection of applicants for referral to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, by-laws, regulations, constitutional provisions, or any other aspects or obligations of Union membership, policies or requirements.
 - (b) The company shall be the sole judge of the competency of the worker.
 - (c) The Employer retains the right to reject any job applicant referred by the Union for proper cause not specifically unlawful.
 - (d) Upon layoff or termination of Employees, Employers will provide the Union with a completed Layoff/Termination Form that has been mutually agreed upon by labor and management. When an Employer lays off/terminates an Employee and does not complete and provide a Layoff/Termination Form to the Union hall and requests additional manpower within 5 days, the same Employee may be dispatched back to the Employer.
 - (e) No qualified worker will be refused certification as a qualified Journeyman or Apprentice because of race, color, religion, creed, sex, sexual orientation, age or membership or non-membership in any labor union.
 - (f) The parties to this agreement shall post in places where notices to Employees and applicants for employment are customarily posted, all provisions relating to the functions of the hiring arrangements.
2. If the Union fails to furnish the requisitioned Employee(s) within forty-eight (48) hours after the requisition, then and in that event, the Employer may secure such Employee(s)

from any other source available subject only to the conditions, provisions, restrictions of the Standard Form of Union Agreement, and the Local 206/SMACNA of San Diego Addenda thereto which together constitute the agreement between the parties.

However, in such events the Employer will notify the Union immediately when such Employee(s) are hired.

Section B. Dispatching Procedures

The following dispatching procedures shall be followed when the Employer requisitions workers under the provisions of this agreement:

1. Journeymen and Apprentices will be dispatched between the hours of 7:30 a.m. and 9:30 a.m. with the exception that, in the event of emergencies as deemed by the Business Manager or Business Representative, Journeymen and Apprentices may be dispatched at other hours.
2. The Employer agrees that it will first call the Union Dispatching Office for all workers. If Union Agents are asked to supply workers, they shall promptly relay such request to the dispatching office for servicing the request.
3. A written record slip will be furnished to the Employer for each worker dispatched to a job. This is not a Union "clearance", but rather written evidence that the worker has been dispatched in accordance with the labor agreement.
4. The Dispatching Office shall maintain appropriate registration lists, cards, and other records of registered workers kept current from day to day. It is the intention of the parties to the labor agreement that only competent workers shall be employed.

Standards to be used by the Dispatcher in determining qualifications are as follows:

(a) Journeymen Sheet Metal Workers

- (1) Any worker, who is a Journeyman member of Local Union 206 on the effective date of this agreement, shall be deemed to be a qualified Journeyman.
- (2) Any worker employed as a Journeyman Sheet Metal Worker at the time any new shop is organized by Local Union 206 shall be deemed to be qualified as a Journeyman.
- (3) Any worker, who has graduated from a Building Trades Apprenticeship Program recognized by the International Training Institute and the State of California, Division of Apprenticeship Standards, shall be deemed to be a qualified Journeyman.
- (4) Any member of SMART who has worked elsewhere as a Journeyman Sheet Metal Worker will be deemed to be eligible to be dispatched as a qualified Journeyman Sheet Metal Worker.
- (5) One not meeting any of the above qualifications, must demonstrate eight (8) years of experience with the tools of this trade and must present a certificate of qualification from the Journeyman Examining Committee, showing that he/she has passed all requirements as prescribed and administered by the Journeyman Examining Committee.

(b) Apprentice Sheet Metal Workers

Any worker registered on the date of this agreement in a Building Trades Apprenticeship Program recognized by the International Training Institute and the State of California, Division of Apprenticeship Standards shall be deemed to be a qualified Sheet Metal Apprentice.

- (1) Any worker who has been approved by the San Diego Sheet Metal Joint Apprenticeship Committee will be deemed qualified for dispatch on a probationary basis in accordance with the Apprenticeship program procedures.
- (c) Registration and Dispatching of Workers
- (1) Registration Lists: The Dispatching Office will maintain lists in such manner as to dispatch workers either as Journeyman Sheet Metal Workers or Apprentices, without regard to union or nonunion status of the registrant. Registrants shall be placed on either the "A" list or "B" list for dispatching. It shall be the responsibility of the Dispatching Office to determine the appropriate list for each registrant. Registrants shall be dispatched in the following order of preference:
 - (a) Group "A": Signatory Employers may requisition workers specifically by name from Group "A", provided such workers are available for employment. An Employer not signatory to this agreement may requisition workers from Group "A" specifically by name provided this Employer has previously employed such workers. When workers in Group "A" are requisitioned by telephone, the Employer shall furnish a supporting written requisition to the Union within forty-eight (48) hours after the dispatch. After requisitioning two (2) Employees by name, the third Employee requisitioned must be taken from the out of work list. Exception: Any Employee laid off by the Employer within the previous 120 days may be recalled.
 - (b) Group "B": Employers may requisition Employees specifically by name from Group "B" if that Employer has previously employed such Employees.
- (d) New Members

New members that are organized into the Union after January 1, 2007 must take two (2) membership education classes within the first six (6) months of joining the union. Failure to take these two (2) classes the member may be remove from employment until said classes are completed. The classes shall be offered by the union every three (3) months after normal working hours. Time to attend these classes shall be on the members own time.

ADDENDUM 25 OWNERS WORKING WITH THE TOOLS OF THE TRADE

Section A. Those owners who are in good standing as Owner-Members, as defined in Article 16, Section I (d) of the SMART Constitution and Ritual, shall be permitted to work with the tools of the trade on the job site or in the shop. Each firm shall be permitted only one (1) Owner-

Member with the exception that those firms with more than one (1) Owner-Member on June 30, 1980 shall be permitted to retain those individuals in that status as long as they remain in good standing. Local 206 shall compile and keep current a list of Owner-Members that shall be provided to SMACNA of San Diego.

Section B. If a firm does not have an Owner-Member, one (1) owner shall be permitted to work with the tools of the trade in the shop only.

ADDENDUM 26 EXAMINING COMMITTEE

The Union and Employers agree to establish a Journeyman Examining Committee, under the supervision of the Labor-Management Committee. The Examining Committee shall determine the qualifications of Journeymen by means of either or both written examinations and practical shop tests, to be prescribed by regulations reduced to writing by the Committee and filed with both the Union and the Employers. The Examining Committee shall consist of six (6) members, three (3) of whom shall be selected by the Employers, and three (3) of whom shall be selected by the Union. The Labor-Management Committee shall have the power to amend, add to, or delete any regulations for the testing of journeymen, established by the Journeyman Examining Committee.

ADDENDUM 27 APPRENTICESHIP TRAINING

If during the term of this agreement the Trustees of the Joint Apprenticeship and Journeyman Training Committee of San Diego approve and establish an Apprenticeship curriculum based on a system of day-time training not to exceed one day of in-school training every other week, this addendum shall allow for the implementation of this program if approved by the parties signatory to this agreement.

Apprentices will not be permitted to work overtime on the dates of their related classes except in cases of emergency when approved in advance of the start of class by the Training Coordinator.

ADDENDUM 28 ACCESS TO JOB OR SHOP

The Employer shall not prohibit representatives of the Local Union from access to any job or shop at any reasonable time provided that the representative notifies the management of his presence.

ADDENDUM 29
LABOR-MANAGEMENT COMMITTEE

Section A. The Labor-Management Committee is hereby established, composed of the Board of Directors of SMACNA of San Diego, and the Executive Board of Local 206, and shall continue to function as a research and public relations agency on behalf of the sheet metal industry to seek to increase the use of sheet metal products by the consuming public, improve the business of the sheet metal contractors, contact architects and general contractors and to acquaint them with added uses of sheet metal so as to seek to increase the use of sheet metal in construction projects, and to attempt to advertise in every way possible to the consuming public so as to increase the sales and use of such products

Section B. The Labor-Management Committee shall also work with all Joint Adjustment Boards, Councils, Committees, etc., to help settle and resolve all problems and controversies.

ADDENDUM 30
UNION LABEL PROGRAM

The Employer agrees that when and if the Employer purchases goods, wares or other material for installation on any job site, which goods, wares or other material have been manufactured, assembled or fabricated by Employees subject to a collective bargaining agreement between a local union affiliated with the International Association of Sheet Metal, Air, Rail and Transportation Workers and any Employer manufacturing, assembling or fabricating such goods, wares or other material, the Employer will give preference to such goods, wares or other material bearing the Union Label of the International Association of Sheet Metal, Air, Rail and Transportation Workers.

ADDENDUM 31
VACATION SCHEDULES

Section A. It is hereby agreed that each Employee covered by this Collective Bargaining Agreement may take at least two (2) weeks off from work each and every calendar year unless such Employee has been ill or on layoff for such period during the year.

Section B. Such time off shall be taken with the mutual consent of the Employer and Employee. Such time off shall be scheduled so it will not work any undue hardship on the Employer and in no case in excess of ten percent (10%) of the number of Employees at one time where the Employees exceed ten (10) in number.

ADDENDUM 32
AGE DISCRIMINATION

There shall be no discrimination as to job opportunities due to the age of an Employee.

ADDENDUM 33
SHOP AND JOB SITE STEWARDS

Section A. A shop or jobsite Steward shall be a working Employee appointed in all shops and all jobs by the Business Manager of the Union or his authorized Representative, with the approval of the Employer. In addition to his work as a Journeyman, the Steward shall be permitted to perform during working hours such of his Union duties as cannot be performed at other times. The Local Union agrees that such duties shall be performed as expeditiously as possible, and the Employer agrees to allow Stewards a reasonable amount of time for the performance of such duties. The Local Union shall notify the Employer of the appointment.

Section B. A Steward shall observe conditions of employment safety and conduct of Employees as defined in this Addenda to the end that the duties and obligations of Employees and the provisions of the existing Standard Form of Union Agreement and Addenda shall be complied with, and shall assist whenever possible in adjusting minor differences or misunderstandings which arise, but shall immediately notify the Local Union office regarding the interpretation of the provisions of the existing Standard Form of Union Agreement and Addenda in connection with the employment of Employees in shops or on job sites.

Section C. It is also agreed by both parties that in the event a Steward is transferred from shop to job or job to shop, the Employer will cooperate with the Steward in notifying the Local Union Business Manager's office.

Section D. In the event overtime work is required, the Steward or Foreman shall call for the overtime permit and also be one of those to perform such overtime work unless the work is performed by the Foreman or is a specialty type of work for which the Steward is not qualified. The Employer shall not be required to transfer the Steward from job to job, job to shop, or shop to job for the purpose of this paragraph.

Section E. A Steward shall remain on the job until its completion as long as he is qualified to perform the work. Under these circumstances, with the exception of Foremen, a Steward shall be the last Employee to be laid off or discharged and the first Employee to be recalled or rehired on any particular job site.

Section F. In no event shall an individual Employer discriminate against a Steward or lay him off, or discharge him on account of any action taken by him in the performance of his duties as a Steward.

Section G. Provided said Employer has been notified of the Steward's appointment as required above, a Steward shall not be laid off without just cause. The Employer shall notify the Union of

his intention to discharge a shop or job site Steward. In the event of a dispute the case will be processed in accordance with Article X of the Standard Form of Union Agreement.

Section H. In the event the Local Joint Adjustment Board finds the Employer in violation, the Steward shall be reinstated without loss of pay, maximum to be three (3) working days at straight time. If the Local Joint Adjustment Board does not reach a decision, the next step or steps of Article X shall be instituted. Foremen, Detailers or Specialized Employees shall not be appointed Stewards.

ADDENDUM 34 VEHICLE IDENTIFICATION

The Employer agrees that all commercial vehicles owned and operated by the Employer in conjunction with the performance of the work covered in this Agreement shall bear the company name of the Employer.

ADDENDUM 35 INTERIM AGREEMENTS

In the event of a cessation of work, the wages and conditions of any Interim Agreements will be at least as stringent as those being demanded by the Union at the time of the work stoppage.

ADDENDUM 36 RESIDENTIAL, LIGHT COMMERCIAL & SERVICE ADDENDUM

The Employer shall have the option at any time during the life of this agreement of adopting the "Residential, Light Commercial and Service Addendum" as negotiated by Local 206 and SMACNA of San Diego. Only those Employers who are, or become, signatory to the "Residential, Light Commercial and Service Addendum" shall be bound by the terms thereof.

ADDENDUM 37 EXCEPTIONS TO THE STANDARD FORM OF UNION AGREEMENT

In addition to the modifications to the Standard Form of Union Agreement (A-07-07) embodied elsewhere in these addenda the parties agree to the following modifications:

Section A. Article VIII, Section 10 shall be amended to provide for four (4) hours pay at the established rate for show up pay.

Section B. The last paragraph of Article VIII, Section 15, shall be deleted from this agreement. Collection of fringe funds shall be as negotiated by the local parties.

Section C. Article VIII, Section 17, shall be deleted from this agreement.

Section D. Article XI, Section 1, shall be amended to provide for a 2,000 work-hour probation period for all newly indentured Apprentices.

Section E. Article XI, Section 7 shall be deleted from this agreement

Section F. Articles XII and XIII shall be deleted from this agreement.

ADDENDUM 38 LEGAL COMPLIANCE

Should any portion of this Agreement, or any provision herein contained, be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by a decree of a court of competent jurisdiction, such invalidation of such portion of this Agreement shall not invalidate the remaining portions thereof and they shall remain in full force and effect.

ADDENDUM 39 SAFETY

Rectangular duct may be delivered to the jobsite in single joint lengths. Fittings are to be considered as a single joint of duct. Duct shall not be assembled in more than single lengths in the shop, but a damper may be installed in the length of duct. This section shall not apply to signatory Employers who fabricate, section, and/or purchase said duct work within the jurisdiction of Local Union 206.


ADDENDUM 40 "MOST FAVORED NATIONS" CLAUSE

Section A. Any agreements entered into by Local 206 which are more favorable than those included herein will be offered to the Employers signatory to this agreement.

Section B. By agreement of the Labor-Management Committee as established by this contract, the provisions of paragraph a., above, may be waived. Any agreement by the parties to waive the provisions of paragraph a. shall specify in writing the specific limits of such waiver. It is understood that any such waivers shall be on a case-by-case basis.

ACCEPTED BY:

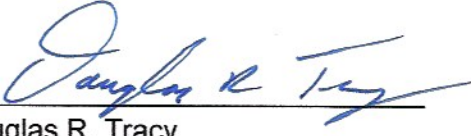
SMACNA of San Diego



Linda M. Jennings
Executive Vice President

Date: 6/11/2020

SMART Sheet Metal Local 206



Douglas R. Tracy
Business Manager/Financial Secretary

Date: 6-11-2020