

AGREEMENT
BETWEEN

**SOUTHEASTERN SHEET METAL
CONTRACTORS' ASSOCIATION OF
WISCONSIN, INC.**

AND

**SHEET METAL, AIR, RAIL
and TRANSPORTATION ASSOCIATION
LOCAL #18**

September 1, 2019 through August 31, 2023

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STANDARD FORM OF UNION AGREEMENT
SHEET METAL, ROOFING, VENTILATING AND AIR CONDITIONING
CONTRACTING DIVISIONS OF THE CONSTRUCTION INDUSTRY

Agreement entered into this 1st day of **September, 2019** by and between Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc., hereinafter referred to as the Employer, and Sheet Metal, Air, Rail and Transportation Association Local #18 hereinafter referred to as the Union for Kenosha, Racine, and Walworth Counties, State of Wisconsin.

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 used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) metal roofing; (f) and all other work included in the jurisdictional claims of Sheet Metal Workers' International Association.

ARTICLE II

SECTION 1. - No Employer will subcontract or assign any of the work described herein which is to be performed at a job site 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, and preapprentice 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 job site prior to commencement of work at the site. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA and SMART shall be provided to the Employer.

SECTION 2. - The Employer agrees to fill out Federal and State Wage Determination Forms which may be sent to them from time to time by the Union.

ARTICLE IV

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

SECTION 2. - The Employer will give the Union forty-eight (48) hours to supply qualified journeymen, apprentices, and preapprentices.

SECTION 3. - The Employer will notify the Union of any lending of journeymen sheet metal workers from one shop to another.

ARTICLE V

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

SECTION 2. - If, during the term of this Agreement, the Labor-Management Relations Act of 1947 shall be amended by Congress in such 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") recognizes Sheet Metal Workers Local No. 18 ("Union") as the exclusive bargaining representative under Section 9(a) of the National Labor Relations Act for all employees of the Employer who are covered by the Union's area labor agreements within the geographical jurisdiction of Sheet Metal Workers Local Number 18. Such recognition is predicated on the Union's demand for recognition under Section 9(a) of the National Labor Relations Act and the Union's representation that a majority of the employees covered by the Union's area labor agreements have authorized the Union to act as their exclusive bargaining representative under Section 9(a) of the National Labor Relations Act.

The Employer acknowledges that it has reviewed the Union's showing and agrees that it reflects that a majority of the bargaining unit employees have authorized the Union to represent them under Section 9(a) of the National Labor Relations Act.

SECTION 5. - DUES CHECK-OFF - The Company shall deduct out of the current wage payable to each employee member of the bargaining unit regular monthly membership dues each month as designated in writing by the Financial Secretary of the Union, provided that the Company has received from each employee on whose account such deductions are made, a duly executed and unrevoked payroll deduction authorization, in the form noted below, which shall not be irrevocable for a period of more than one (1) year or beyond the termination date of this Agreement, whichever occurs sooner. The Company shall remit the sums thus deducted and the names of the employees for whom deductions were made.

All such written authorizations or written revocations shall become effective the month next following the month in which the Company receives such written authorization or such written revocations.

The employer agrees to withhold from each classification working dues in the appropriate amount as specified by Local #18. It is understood that these amounts can be adjusted by action of Local #18. It is agreed that this money will be remitted by the twentieth (20th) of each month, postmarked no later than the nineteenth (19th) of the month for the previous month to Wisconsin Sheet Metal Health and Benefit Fund, using forms furnished by the Fund. If the employer is delinquent in remitting any union dues which have been deducted from the employee, penalty shall be the same as listed under Addendum VII, Section 5 (c) – Liquidated Damages.

The Union shall indemnify and save the Company harmless from any and all claims, actions, suits, judgments, attachments, forms of liability or damages that arise out of or by reason of an action taken by the Company for the purpose of complying with any of the provisions of this Article. The Union assumes full responsibility for the disposition of the funds deducted by the Company as soon as they have been remitted by the Company to the Financial Secretary of the Union.

ARTICLE VI

SECTION 1. - (a) The regular work day shall consist of eight (8) hours labor on the job between 6:00 AM and 6:00 PM and the regular work week shall consist of five (5) consecutive eight (8) hour days labor 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.

(b) - By mutual agreement of the job site Local Union and Employer, a four (4) day work week, consisting of four (4) ten (10) hour days between the hours of 6:00 AM and 6:00 PM, may be scheduled Monday through Friday of each week. Unless prohibited by Local, State, or Federal law, all full-time and part-time labor performed during the hours described in Section 1(b) shall be recognized as regular working hours and paid for at the regular hourly rate.

Hours worked in excess of eight (8) hours in a work day when a five (5) day week is scheduled or ten (10) hours in a work day when a four (4) day week is scheduled shall be paid at the rate of time and one-half (1/2) the basic straight time hourly wage rate. Hours worked in excess of twelve (12) hours in a work day shall be paid at the rate of double the basic straight time hourly wage rate.

A make-up day may be scheduled on Friday (if a four (4) day week is scheduled) or Saturday (if a five (5) day week is scheduled), however at least eight (8) hours of work must be scheduled on the make-up day. Employees will be paid at the basic straight time hourly wage rate for make-up days. It is recognized that make-up days can cause employees to work over forty (40) hours in a work week. Whether the regular work week be a scheduled four (4) day week or five (5) day week, when an employee's accumulated hours of work on a make-up day exceed forty (40) hours of work, the employee shall be paid at the rate of time and one-half (1/2) the basic straight time hourly wage rate for all hours in excess of forty (40) hours, except as otherwise provided for in Sections 2 and 4 of this Article. An employer may not lay off, discharge or discriminate against any employee for refusal to work on a Saturday make-up day. Employees shall be at the shop or project site at scheduled starting time each day and shall remain until quitting time.

SECTION 2. - (1) New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day and Sundays shall be recognized as holidays. If the actual holiday falls on a Saturday, the Friday immediately before it will be recognized as the holiday and will be as such, only if worked. If the actual holiday falls on a Sunday, the Monday immediately after it will be recognized as the holiday and will be paid as such, only if worked. All work performed on holidays shall be paid at double time.

(2) - Christmas Eve Day, if worked, shall be paid at one and one-half (1.5) times the regular rate after four (4) hours.

- (3) - It is agreed that all work performed on Saturday shall be paid as follows:
The first eight (8) hours shall be paid at one and one-half (1/2) times the regular rate. All other hours worked shall be paid at double time or two (2) times the regular rate, except as modified by Section 1 of this Article.

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 local Union in advance of scheduling such work. Preference to 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. Overtime shall not be mandatory.

SECTION 4. - Shift work and the pay and conditions therefore shall be only as provided in written addendum 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 at the request of either party, if not locally provided. See Addendum I.

ARTICLE VII

SECTION 1. - When employed in a shop or on a job within the limits of the Basic Zone as defined in Addendum II, 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 as outlined in this Agreement, 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 as provided in a written addendum attached hereto. (See Addendum II).

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 as outlined in this Agreement to perform any work specified in Article I of this Agreement shall be set forth in Addendum I, except as hereinafter specified in Section 2 of this Article.

SECTION 2. - On all work specified in Article I of this Agreement, fabricated and/or assembled by journeymen sheet metal workers and/or apprentices within the jurisdiction as outlined in this Agreement, or elsewhere, for erection and/or installation within the jurisdiction of any other local union affiliated with Sheet Metal, Air, Rail and Transportation Association Local #18 whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the job site Union shall be paid to the employees employed on such work in the home shop or sent to the job site.

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

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

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

Air Pollution Control Systems shall be defined as systems designed to remove pollutants that would be discharged into the atmosphere.

SECTION 5. - Except as provided in Sections 2 and 6 of this Article, the Employer agrees that journeymen sheet metal workers hired outside of the territorial jurisdiction of this Agreement shall receive the wage scale and working conditions of the local Agreement.

SECTION 6. - When the Employer has any work specified in Article I of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another union affiliated with the Sheet Metal, Air, Rail and Transportation Association Local #18 and qualified sheet metal workers are available in such area, he may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom

shall be from the 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 that local Agreement. If employees are sent into an area where there is no local Agreement of the Sheet Metal, Air, Rail and Transportation Association Local #18 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 once a week in the shop or on the job at or before quitting time, and no more than two (2) days pay will be withheld. However, when discharged employees who are paid by check shall be paid in full. When an employee is discharged from a company who pays electronically the employee's last check will be paid at the next normal disbursement.

Alternative payroll procedures, for example: electronic and/or automatic deposit may be implemented. If a contractor pays any member working for that contractor by electronic transfer of funds, the contractor will then pay all fund payments and dues payments for all members employed by that contractor by the same method on the dates indicated in this Agreement.

SECTION 10. - Journeymen sheet metal workers who report for work by direction of the Employer and are not placed at 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) twelve cents (\$0.12) 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 twentieth (20th) day of the succeeding month and shall be remitted to the designated local depository for the Trustees of the Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc., (the local industry fund), for further transmittal to IFUS.

(c) The IFUS shall submit to the Sheet Metal, Air, Rail and Transportation Association Local #18 not less often than semiannually 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, Air, Rail and Transportation Association Local #18 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, Air, Rail and Transportation Association Local #18 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 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). The Employer will contribute to the Southeastern Sheet Metal Joint Apprenticeship Training Fund thirty-eight cents (\$0.38) per hour for each hour worked on or after the effective date of this Agreement by all employees of the employer covered by this Agreement. Payment shall be made monthly on or before the twentieth (20th) day of the succeeding month and shall be submitted to the Wisconsin Sheet Metal Workers Health and Benefit Fund, 2201 Springdale Road, Waukesha WI 53186

Of the above-mentioned thirty eight cents (\$0.38), fifteen cents (\$0.15) per hour shall be put into a special account to reimburse contractors for day school.

If a contractor is delinquent in any fund payments, or has not transferred dues check-off monies, then contractor reimbursement will be withheld until the contractor has paid these funds. The decision to hold these monies will be done by unanimous vote of the JATC. Once these payments are current the decision to release these monies will be done by unanimous vote of the JATC. If the fund or dues shortage is relevant to an owner who is on the JATC this employer shall not vote.

(b) The parties agree to be bound by the Agreement and Declaration of Trust establishing said Fund and amendments thereto 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 Agreement.

(c) The 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 Fund shall include in such written report, a statement attested by a certified public accountant and containing its balance sheet a detailed statement of receipts and disbursements. Further specific detailed information in regard to Fund activities or its receipts and/or disbursements shall be furnished to the Business Manager or the Union upon his written request.

(d) Grievances concerning the use of the Southeastern Sheet Metal Joint Apprenticeship Training Fund monies to which an employer shall contribute or for violations of subsections of this Section shall be handled under 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 Southeastern Sheet Metal Joint Apprenticeship Training Fund.

SECTION 14. - Effective as of the date of this Agreement the employers will forward to the International Training Institute (ITI) for the Sheet Metal and Air Conditioning Industry 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 twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees

of the Fund, or for purposes of collection and transmittal through the National Benefit Fund, P. O. Box 79321, Baltimore, MD 21279-0321.

Effective as of the date of this Agreement, the employers will forward to the Sheet Metal Occupational Health Institute Trust 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 twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees of the Trust, or for purposes of collection and transmittal through Sheet Metal Workers' National Benefit Funds, P. O. Box 79321, Baltimore, MD 21279-0321.

Effective as of the date of this Agreement, the employer will contribute to the National Energy Management Institute Committee (NEMI) 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 Fund.

The parties agree to be bound by the separate Agreements and Declarations of Trusts establishing the International Training Institute for the Sheet Metal and Air Conditioning Industry, the Sheet Metal Occupational Health Institute Trust, and the Industry Fund of the United States and the separate agreements and declaration of trusts of all other local or national programs to which it has been agreed that contributions will be made. In addition, the 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 15. - (a) - Contributions provided for in Section 15(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 Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc., (hereinafter referred to as the Local Industry Fund), eight cents (\$0.08) 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 twentieth (20th) day of the succeeding month and shall be remitted to the designated local depository for the Trustees of the Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc. (The local industry fund.)

(c) The 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 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 receipt and disbursements. Further specific detailed information in regard to 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 15(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 16. - Effective the date of this agreement the Employer will contribute to the International Scholarship Foundations, Inc. one cent (\$0.01) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the International Scholarship Foundation.

SECTION 17. - It is agreed that both the Union and the Local Association will participate with WRTP/Big Step.

1. The amount of the contribution for CLMC shall be four cents (\$0.04) per hour, two cents (\$0.02) attributable to the Employees and two cents (#0.02) attributable to the Employers, for every hour worked by employees of the Employer covered by this Agreement. (Industrial Addendum workers' CLMC contribution shall be zero).
2. The amount of the contribution for BIG/STEP shall be four cents (\$0.04) per hour, two cents (\$0.02) attributable to the Employees and two cents (\$0.02) attributable to the Employers, for every hour worked by employees of the Employer covered by this Agreement. (Industrial Addendum worker' BIG/STEP contribution shall be zero).
3. Participation to CLMC and BIG/STEP shall be reviewed from time to time by the Union and the Association. In the event the Union and the Association agree to discontinue with participation to one or both, the hourly contribution shall cease and the discontinued contribution, the amount attributable to the Employees, shall go on the base wage and the amount attributable to the Employers, will no longer be an obligation of the contractor.

ARTICLE IX

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

SECTION 2. - Journeymen, apprentice, and preapprentice 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 employees, 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 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 of 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 representation of their choice.

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.

Prior to Step 2 of this grievance procedure, a meeting may be held with the Chairman and Secretary of the Local Joint Adjustment Board, the charging party and charged party to try and resolve the grievance. If, within 30 days of notification the grievance cannot be settled, the grievance shall proceed to Step 2. It may be mutually agreed upon to by-pass Step 2 and go directly to Step 3.

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. The local Employers' Association, on its own initiative, may submit grievances for determination by the Board as provided in this Section. 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.

Notwithstanding the provisions of Paragraph 1 of this Section, 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, 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.

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. (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.

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. This may be done only if both parties first expressly agree in writing to utilize, specifically as to a particular contract renewal or dispute, the (interest arbitration) settlement procedures set forth in this Section.

(a) Should the negotiations for a renewal of this Agreement become deadlocked in the opinion of the Union representative(s) or of the employer(s) representative, 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 Board may each designate a member to serve as a subcommittee and hear the dispute in the local area. Such committees 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 sub-committee is unable to direct an entire resolution of the dispute.

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

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

exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.

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

***All correspondence to the National Joint Adjustment Board shall be sent to the following address: National Joint Adjustment Board 4201 Lafayette Center Drive, Chantilly, VA 20151**

ARTICLE XI

SECTION 1. - All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of a minimum of four (4) members, two (2) of whom shall be selected by the Employer, and two (2) by the Union. In the event more than four members shall be appointed to the committee, Employer and Union members shall be equal. 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.

SECTION 3. - It is hereby agreed that the Employer shall be entitled to apply for and receive from the Joint Apprenticeship and Training Committee apprentices in the following ratio to journeymen:

- 1 Journeyman ----- 1 Apprentice
- 4 Journeymen ----- 2 Apprentices
- 7 Journeymen ----- 3 Apprentices

Thereafter, for every two (2) additional journeymen employed, the employer may receive authorization for one (1) additional apprentice.

SECTION 4. - Each registered apprentice shall serve an apprenticeship of five (5) years but not less than nine thousand (9,000) hours and such apprentice shall not be put in charge of work on any job and shall work under supervision of a journeyman until the apprenticeship term has been completed and until they have qualified as a journeyman, unless otherwise provided for in the apprenticeship standards.

SECTION 5. - A graduated wage scale for apprentice shall be established and maintained on the following percentage basis of the established wage rate of journeymen sheet metal workers as their taxable wage:

Apprentice Wage Scale

1 st Period of 2,000 Hours	50%
2 nd Period of 2,000 Hours	55%
3 th Period of 2,000 Hours	65%
4 th Period of 2,000 Hours	75%
5 th Period of 1,000+Hours	85%

SECTION 6. - Building trades apprentices and residential trainees will have Wisconsin Sheet Metal Workers' Health and Benefit Fund contributions made on their behalf and the corresponding benefits received equal to the preapprentice rate for their first two calendar years of employment. After which, they will have Wisconsin Sheet Metal Workers' Health and Benefit Fund contributions made on their behalf and receive the corresponding benefits equal to building trades journeymen.

SECTION 7. - Apprentices shall be registered with the Joint Apprenticeship and Training Committee before being put to work.

ARTICLE XII

SECTION 1. - This Agreement and Addenda Numbers I through XVI attached hereto shall become effective on the **1st day of September, 2019** and remain in full force and effect until the **31st day of August, 2023** 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 the Agreement or during the term of any extension, modification or amendment to this Agreement.

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

IN WITNESS WHEREOF, the parties hereto affix their signature and seal this 16th day of October, 2019.

Southeastern Contractors' Association
of Wisconsin, Inc.

Sheet Metal, Air, Rail and Transportation
Association Local #18

By: Robert P. Stewart
President

By: B. Kal
Business Representative

ADDENDUM I

WAGE AND FRINGE BENEFIT RATES:

SECTION 1. - The minimum base wage rate for Journeymen Sheet Metal Workers covered by this Agreement, when employed in a shop or on a job within the jurisdiction as outlined in this Agreement, to perform any work specified in Article I of this Agreement shall be as follows:

EFFECTIVE SEPTEMBER 1, 2019

Base Wage Rate	\$37.33 Per Hour
Health and Benefit Fund.....	\$ 8.65 Per Hour
National Pension Fund.....	\$13.17 Per Hour
Local Pension Fund.....	\$ 8.38 Per Hour
Local Training Fund.....	\$.38 Per Hour
Sheet Metal Occupational Health Institute Trust	\$.02 Per Hour
iTi (International Training Institute).....	\$.12 Per Hour
NEMI	\$.03 Per Hour
SMWIA Scholarship Fund	\$.01 Per Hour
National Industry Fund	\$.12 Per Hour
Local Industry Fund.....	\$.16 Per Hour
Drug Testing	\$.02 Per Hour
CLMC/BIG STEP.....	\$.08 Per Hour
PAL.....	\$ 0.00 Per Hour
PAC.....	\$ 0.00 Per Hour
TOTAL WAGE PACKAGE.....	\$68.47 Per Hour

EFFECTIVE September 1, 2020

Base Wage Rate	\$
Health and Benefit Fund.....	\$
National Pension Fund	\$
Local Pension Fund.....	\$
Local Training Fund.....	\$
Sheet Metal Occupational Health Institute Trust	\$
iTi (International Training Institute).....	\$
NEMI	\$
SMWIA Scholarship Fund	\$
National Industry Fund	\$
Local Industry Fund.....	\$
Drug Testing	\$
CLMC/BIG STEP.....	\$
PAL.....	\$
PAC.....	\$
TOTAL WAGE PACKAGE	\$71.07 Per Hour

EFFECTIVE SEPTEMBER 1, 2021

Base Wage Rate.....	\$
Health and Benefit Fund.....	\$
National Pension Fund	\$
Local Pension Fund.....	\$
Local Training Fund.....	\$
Sheet Metal Occupational Health Institute Trust	\$
iTi (International Training Institute).....	\$
NEMI	\$
SMWIA Scholarship Fund	\$
National Industry Fund	\$
Local Industry Fund.....	\$
Drug Testing	\$
CLMC/BIG STEP.....	\$
PAL.....	\$
PAC.....	\$

TOTAL WAGE PACKAGE \$73.77 Per Hour

EFFECTIVE SEPTEMBER 1, 2022

Base Wage Rate.....	\$
Health and Benefit Fund.....	\$
National Pension Fund	\$
Local Pension Fund.....	\$
Local Training Fund.....	\$
Sheet Metal Occupational Health Institute Trust	\$
iTi (International Training Institute).....	\$
NEMI	\$
SMWIA Scholarship Fund	\$
National Industry Fund	\$
Local Industry Fund.....	\$
Drug Testing	\$
CLMC/BIG STEP.....	\$
PAL.....	\$
PAC.....	\$

TOTAL WAGE PACKAGE \$76.67 Per Hour

NOTE: All local fringe benefit contributions (Health and Benefit Fund, and Local Training Fund) are due on the twentieth (20th) day of the succeeding month and shall be remitted to: Wisconsin Sheet Metal Workers Health and Benefit Fund, 2201 Springdale Road Waukesha WI 53186

All National Fringe Benefit contributions (National Pension Fund, Sheet Metal Occupational Health Institute Trust (SMOHIT), SMWIA Scholarship Fund, NEMI and ITI) are due on the twentieth (20th) day of the succeeding month and shall be

remitted to: National Benefit Funds, Box 79321, Baltimore, MD 21279-0321.

Industry Funds (National Industry Fund and Local Industry Fund) are due on the twentieth (20th) of the succeeding month and shall be remitted as designated by the Trustees of the Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc.

SERVICE WORK OVERTIME:

All service work performed outside the regular work hours, will be paid as outlined in Article VI of this Agreement except that all service work performed between 12:00 midnight and 6:00 A.M. shall be compensated at double time.

SERVICE WORK ON CALL PAY:

Servicemen will be paid ten dollars (\$10.00) per each weekday and twenty-five dollars (\$25.00) per each weekend while on call waiting to be dispatched. Should a serviceman be dispatched while on call this on call pay provision will be negated.

SECTION 2.

- (a) **SHIFT RATES:** Shifts shall be recognized outside of the regular workday and shall be paid for at the rate of fifteen percent (15%) additional to the base rate established in Section 1 of this Addendum. Anytime an employee works four (4) or more hours outside the regular workday, the entire day shall be paid at the shift differential.
- (b) No shift shall exceed eight (8) hours of work. If it should become necessary to work in excess of eight (8) hours on any shift, such excess hours shall be compensated at one and one-half (1 1/2) times additional to the shift rate established.
- (c) The Union must consent to all work performed outside the regular working hours during the regular work week, except as modified by Section 4 of Article VI of this Agreement and Sections 2(a) and 2(b) of this Addendum I.
- (d) Should a member work a shift on Sunday that is extended so that the employee is working what is defined as first shift on the next day (Monday), all hours worked on this extended shift shall be paid at double time rates. This does not apply to service work overtime - refer to the "Service Work Overtime" section of Addendum I.

SECTION 3. - FOREMAN'S RATE AND RATIOS:

On all jobs, in the shop or at the job site, requiring five (5) men, a journeyman shall be designated as a Foreman by the Employer at 10% of the base rate per hour added to the journeyman's base rate. If an additional five (5) men are in the shop or on the job (making a total of ten [10]) an additional foreman shall be designated at 10% of the base rate per hour added to the journeyman's base rate.

A General Foreman shall be designated when there are fifteen (15) men on the job or in the shop, in addition to the two foremen. The General Foreman shall be compensated at 15% of the base rate per hour added to the journeyman's base rate

This ratio of Foreman and General Foreman to journeymen shall be maintained for every five (5) journeymen added thereafter, (e.g. for twenty (20) men, one (1) General Foreman, three (3) Foreman for twenty-five (25) men, one (1) General Foreman, four (4) Foremen; for thirty (30) men, two (2) General Foremen, four (4) Foremen, etc).

A Foreman and General Foreman shall be a member of Local #18. Foreman and General Foreman shall receive forty-eight (48) hours notice before being placed back to journeyman status. This notice shall apply to any member of Local #18 earning over scale.

SECTION 4. - PREAPPRENTICE:

- (a) Employer signatory to this Agreement shall have the right to employ preapprentices. The local union and the Joint Apprenticeship and Training Committee shall administer the preapprentice program.
- (b) The Employer shall apply to the Union for preapprentices. In the event no candidate from the apprenticeship list or from other sources can be supplied within five (5) working days, the employer may hire such employee and refer them to the Joint Apprenticeship and Training Committee for enrollment. Preapprentices employed 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 new openings during their employment, and place them on the apprentice list in their proper position. No preapprentices shall be retained beyond one year if he has been found to be unqualified as an applicant for apprenticeship. Pre-apprentices must take the Accuplacer within three (3) months of hire. Pass or failure of this test shall have no bearing on qualification to remain a pre-apprentice.

The requirement of the preapprentice to qualify as an applicant for apprenticeship may be waived if the preapprentice - 1) is over the age of fifty (50) years old, and 2) if the preapprentice submits to the Joint Apprenticeship and Training Committee a written notice that they do not wish to become an apprentice.

- (c) Preapprentices shall not perform any pattern layout and development, supervision, field measuring, welding, or perform work on a job site alone. He

shall always work under the supervision of a journeyman sheet metal worker. Truck Driving is part of the preapprentice scope of work.

- (d) Any apprentice of the employer on lay off for lack of work at the effective date of this Agreement must be rehired before said employer is entitled to any preapprentice. This provision applies to the employer to whom the apprentice was originally indentured.
- (e) It is hereby agreed that the employer may apply to the Union and the Union shall grant preapprentices on the following basis:

<u>JOURNEYMEN</u>	<u>APPRENTICES</u>	<u>PREAPPRENTICES</u>
1-3	0/1	1
4	2	2
6	3	3
8	4	5

Thereafter on a ratio of:

2 1 1

Example: If five (5) journeymen and two (2) apprentices are employed, then a maximum of two (2) preapprentices may be employed.

Example: If ten (10) journeymen and five (5) apprentices are employed, then a maximum of six (6) preapprentices may be employed.

Example: If twenty (20) journeymen and ten (10) apprentices are employed, then a maximum of eleven (11) preapprentices may be employed.

An Employer cannot have an additional preapprentice until he has met the minimum journeyman-apprentice ratio. Any hiring or lay off must keep the total union employees of the Employer in correct ratio at all times.

- (f) The base wage rate for preapprentices shall be thirty five percent (35%) of the wage rate of journeymen sheet metal workers. After one (1) calendar year the base rate for preapprentices shall increase to 40%. The Health and Benefit contribution for preapprentices shall be five dollars and twenty five cents (\$5.25) per hour, or as designated by the Trustees of the Wisconsin Sheet Metal Health and Benefit Fund.
- (g) In the event a preapprentice is employed by an Employer and that preapprentice is called by the Joint Apprenticeship and Training Committee to be indentured as an apprentice, that Employer shall have a first preference to indenture that preapprentice at that time so long as that Employer satisfies the ratio and other requirements necessary to entitle him to hire an apprentice.

- (h) All preapprentices shall make application to the Union prior to start of employment. All preapprentices shall be required to pay a service fee established by the Union.
- (i) Upon receipt of written notice from the Union that the preapprentice has not maintained good standing therein as provided for in this Section, the Company shall immediately discharge such employee and such employee shall not be reemployed during the life of this Agreement unless, or until, he or she complies with the provisions of this Section.

ADDENDUM II

SECTION 1. – TRAVEL AND TRANSPORTATION

The "Travel Zone" described as follows are depicted on the map in the last page of this agreement.

The "Travel Zone" referred to in this agreement is Racine, Kenosha, and Walworth counties of the State of Wisconsin and an area within a 50 mile arc centered at Highways KR & I-94 extending into both Wisconsin and Illinois. When employed in a shop or on a job within the limits of the Travel Zone, employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within said limits from home to shop or job at starting time and from shop or job to home at quitting time. Travel within the Travel Zone from job to job during the workday in a personal vehicle is compensated at the current IRS mileage rate. No mileage is paid for travel in a company vehicle within the Travel Zone.

Travel in a company vehicle outside of the Travel Zone as defined above, will be compensated by paying travel time paid at the straight time wage rate with no benefits. No mileage is paid for travel in a company vehicle.

Travel in a personal vehicle outside of the Travel Zone as defined above, will be compensated by mileage paid at the IRS rate and travel time paid at the straight time wage rate with no benefits.

When a member works less than an eight (8) hour workday outside of the Travel Zone the time spent traveling will then have straight time wages and benefits paid for all hours worked.

When working inside or outside the Travel Zone, employees subject to this Agreement shall be on the job no later than the designated starting time and shall not leave such job before the designated quitting time.

In a radius greater than 80 miles of Highways KR & I-94, travel expenses shall be determined in a written agreement between the employer and the employee with a copy provided to Local 18.

ADDENDUM III

SECTION 1. - FRINGE BENEFIT CONTRIBUTIONS:

The Employer and Union agree to be bound by and assent to all of the terms of the Trust Agreements creating the Wisconsin Sheet Metal Health and Benefit Fund, the Sheet Metal Workers' National Pension Fund, the Southeastern Sheet Metal Joint Apprenticeship Training Fund, Sheet Metal Occupational Health Institute Trust, and any other Funds that are created that will include Trust Agreements. The Employer and Union further agree to accept the Trustees appointed under said Trust Agreements.

SECTION 2. - INCREASE IN PREMIUMS:

In the event the premiums or contribution rates should be increased over and above those rates stated herein during the term of this contract, the journeyman base rate shall be adjusted downward to the extent of the increase and be remitted to the respective fund by the employer upon notification by the Union.

ADDENDUM IV

SECTION 1. - HEALTH AND WELFARE:

It is agreed that the Employer shall, as an obligation under this Agreement, execute and honor the terms of the Wisconsin Sheet Metal Health and Benefit Fund Trust Agreement and such executed document shall be deemed incorporated herein by reference and be as effective as if fully set forth herein.

Effective September 1, 2019 the employer agrees to forward by the twentieth (20th) of each month an amount equal to eight dollars and sixty five cents (\$8.65) per hour for all hours worked, by all employees employed under the terms of the Agreement in the preceding month, to the Wisconsin Sheet Metal Health and Benefit Fund on forms prescribed for that purpose by the Joint Board of Trustees.

A portion of the contribution that the employer submits to the Health and Benefit Fund for work performed on and after July 1, 2004, will be redirected and paid to the Health Savings Accounts ("HSA") established by the Trustees on behalf of employees participating in the HSA's in an amount to be established by the Trustees. The Health and Benefit Fund will merely act as a receiving agent or conduit for the HSA's; the amount of the monthly health and benefit fund contributions and the manner and timing of payment shall not be modified by this paragraph.

ADDENDUM V

SECTION 1. - SHEET METAL WORKERS NATIONAL PENSION FUND

"STANDARD FORM OF PARTICIPATION AGREEMENT"

It is agreed that the employer shall, as an obligation under this Agreement, execute and honor the terms of "Sheet Metal Workers National Pension Fund Standard Form of Participation Agreement (Plan A)".

The undersigned Employer and Union represent that the only agreement between them regarding participation in the Sheet Metal Workers' National Pension Fund (the "Fund") is as follows:

(a)

1. The Employer will contribute to the Fund twelve dollars and thirty-one cents (12.31) per hour worked (or any increased amount included in subsequent agreements) as outlined in Addendum I. It is understood by both parties that where the word contribute is used in this addendum that it is intended to include both a contribution by the Employer and any pre-tax additional allocation made by the employees at the Union's annual allocation meeting. The Employer will forward the entire amount to the National Pension Fund.
2. Contributions shall be paid on behalf of an employee starting with the employee's first day of employment in a job classification covered by the collective bargaining agreement.
3. The Agreement and Declaration of Trust establishing the fund is incorporated herein by reference and by signing the Participation Agreement by Employer adopts the provisions of that Trust Agreement.
4. It is agreed that all contributions shall be made at such time and in such manner as the Trustees require. The Trustees shall have the authority to have their auditor or an independent Certified Public Accountant audit the payroll and wage records of the employer for the purpose of determining the accuracy of contributions made to the Fund. If the audit reveals that inaccurate contributions or an insufficient number of contributions have been made, the Employer agrees to pay all accountants' fees incurred in making the audit but not to exceed the extent of his delinquency and also all legal fees and costs incurred in collecting said accountants' fees if judicial enforcement of this paragraph is necessary.
5. Employers shall submit a remittance report and the required contributions to the Fund by the twentieth (20th) of the month following the month when covered employment was performed. Failure to file that report shall constitute a delinquency in violations of the Employer's obligation under this Agreement. The Trustees may take whatever steps they deem necessary, including legal action, to collect such delinquent payments, any provisions of the collective bargaining agreement to the contrary notwithstanding. If delinquent, the Employer agrees

to pay the interest, liquidated damages, attorney's fees and costs as provided for in Article V, Section 4 of the Trust Agreement. An Employer's liability for payment of a delinquency shall not be subject to the grievance or arbitration procedures contained in the collective bargaining agreement.

6. If an Employer's work force did not perform any covered employment within a particular month, a remittance report shall be filed on the twentieth (20th) day of the following month indicating that no covered employment was performed.

Failure to do so shall subject the Employer to liability for all fees and costs resulting from his failure to file such a report or one hundred dollars (\$100.00) whichever is greater.

7. It is agreed that the Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer to treat contributions to the Fund as a deduction for income tax purposes.
8. The parties agree that the Participation Agreement shall be considered a part of their collective bargaining agreement.
9. The expiration date of the present collective bargaining agreement between the undersigned parties is August 31, 2019. Copies of renewal or extension agreements will be furnished promptly to the Fund's office and, if not consistent with this Participation Agreement, can be used by the Trustees as the basis for terminating the Employer's participation in the Fund.
10. The Employer will forward said payments directly to the National Benefit Funds, P.O. Box 79321, Baltimore, MD 21279-0321, on remittance reporting forms furnished by the National Benefit Funds.
11. Contributions for apprentices to the National Pension Fund will be made at the same percentage of the journeyman's contribution as their base wage rate.

(b)

1. If, during the term of this agreement, including any renewal or extension of this agreement, the parties are provided with one or more schedules under Section 305 of the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006, because of an actuary's certification that the Sheet Metal Workers' National Pension Fund (NPF) is in critical or endangered status for a plan year, the Union may automatically adopt a schedule as described in the next paragraph, without the consent of the Association, because the labor agreement provides for the automatic allocation of the wage and fringe packages.
2. 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 sufficient to cover fully any increases in the contribution rates to the NPF under that schedule. The Union shall have the sole right to allocate, at any time during the term of this agreement, such amounts from the wage package to increase the contribution rates to the amount required for one of the schedules provided by the NPF.

3. 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.
4. If the NPF requires any contributions or payments of any kind that are in excess of these amounts, or if additional payments or contributions of any kind are required by law to be paid by the Employer, same will be deducted from the overall negotiated Wage Package including the base wage, if necessary provided that the Employer has remained in strict compliance with any relevant regulation. For example, in the event the employer assessments (e.g. surcharges) or excise taxes are required to be paid to the National Pension Fund (or the IRS in the case of an excise tax) for work performed under this Labor Agreement, the Employer shall be entitled to make an equal offset to the taxable base rate. As an example, if the Employer is required to pay an assessment of 10¢ per hour to the National Pension Fund, the Employer shall deduct an equal amount from the employee's taxable base pay. The Union shall not reduce or eliminate contributions to the National Pension Fund if it could trigger withdrawal liability or excise taxes for the Employer.

SECTION 2. - LOCAL PENSION FUND - The Employer agrees to pay to the Local Pension Fund eight dollars and thirty-eight cents (\$8.38) per hour for all employees covered by this Agreement. Apprentices shall have their local pension contribution rate at their respective percentage of the construction journeyman rate. In the event the Trustees of the National Pension Fund determined an increase is mandatory to maintain present benefit levels; there shall be no allocations to the Local Pension Fund until such time the mandatory increase to the National Pension Fund is met. Payments shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Local Pension Fund Trustees.

The parties to this Agreement agree to be bound by all of the terms of the Trust Agreements governing the establishment, administration, and operation of this Local Pension Fund, as amended from time to time, and further, agree to be bound by all of the actions, rules, and regulations heretofore and hereafter adopted by the Trustees in accordance with the Trust Agreement. The Employer and the Union hereby ratify all of the actions already taken or to be taken by such Trustees within the scope of their authority.

ADDENDUM VI

SECTION 1. - REOPENER AND NEGOTIATING SCHEDULE:

If, during the term of this contract, any agency of government should impose wage and compensation controls of any kind, the parties agree to reopen this contract and renegotiate all provisions in response to such controls. Should such government wage and compensation controls terminate or expire during the term of this contract, the parties agree to reopen and renegotiate all provisions at the time of such termination or expiration.

ADDENDUM VII

MISCELLANEOUS PROVISIONS

SECTION 1. - INSURANCE: For all employees covered by this Agreement the employer shall carry Workers' Compensation Insurance with an insurance company authorized to do business in this State. Social Security and such other protective insurance as may be required by the laws of this State, and shall furnish satisfactory proof of such to the Union. He shall also make contributions to the Wisconsin Unemployment Compensation Commission, and shall pay into the Unemployment Reserve Fund established thereunder the payments required to provide unemployment benefits to their respective employees, regardless of the number of such employees.

SECTION 2. - (a) WORK ON PICKET LINES AND NON AFL-CIO JOBS:

It shall not be a violation of this Agreement for a member of the Union to refuse to work on any Building Trades job on which there are employees who receive less than the prevailing wage scale of wages, benefits, and other conditions of employment provided for in current collective bargaining agreements of Local AFL-CIO unions representing such employees trades.

(b) **PICKET LINE:** It shall not be a cause for disciplinary action for any employee or worker to refuse to cross a primary picket line of any Union.

SECTION 3. - STEWARDS: The Business Manager shall appoint such stewards as may be necessary. In the event a shop steward is to be shown disciplinary action or discharged for reasons which he and the Business Representative feel are unjust, for duly carrying out his responsibilities as steward, the Local Joint Adjustment Board agrees to meet within twenty-four (24) hours upon notification from the Business Representative. To be appointed steward, the worker must have one (1) year seniority in the shop.

The Union shall notify the owner in writing as to who will be the Steward on a particular job or in a particular shop. The Business Manager will appoint the steward on jobs being performed by "outside" contractors who are performing work within the geographical jurisdiction as outlined in this Agreement. No written notice as to the identity of the steward need be given to an outside contractor. The steward on the work of an outside contractor need not have been on the job or in the shop for one (1) year.

SECTION 4 - FRINGE BENEFIT TRUST FUND: (a) Contributions - During the term of this Agreement, each employer covered by this Agreement shall pay the sum per hour, as outlined in this Agreement, for each hour worked by all employees covered by this Agreement to:

- 1) Wisconsin Sheet Metal Health and Benefit Fund.
 - 2) Southeastern Sheet Metal Joint Apprenticeship and Journeymen Training Fund.
 - 3) National Pension Fund
 - 4) Sheet Metal Occupational Health Institute Trust (SMOHIT).
 - 5) International Training Institute (ITI)
 - 6) Local Pension Fund
 - 7) International Scholarship Fund
 - 8) NEMI
 - 9) CLMC/BIG STEP
- (b) The parties to this Agreement, and all employers covered thereby, agree to be bound by all of the terms of the Trust Agreements governing the establishment, administration, and operation of the Trust Funds referred to in Section (a), as amended from time to time, and further, agree to be bound by all of the actions, rules, and regulations heretofore and hereafter adopted by the Trustees in accordance with the Trust Agreements. The parties to this Agreement and all employers covered thereby, hereby accept as trustees, the trustees appointed under and in accordance with each such trust agreement, and all succeeding trustees as shall have been or will be appointed under and in accordance with each such trust agreement. The employers and the Union hereby ratify all of the actions already taken or to be taken by such trustees within the scope of this authority.
- Electronic and/or automatic deposit may be implemented for collection purposes of fringe benefit contributions.
- (c) LIQUIDATED DAMAGES - The Trustees are hereby authorized to establish a schedule of liquidated damages to be assessed against, and to be paid by, any employer who fails to make timely payments to the Trustees of the Trust Funds referred to in and in accordance with Section (a).
- (d) The Employer's obligation under this Agreement to make payments and contributions to any Fund referred to in Section (a) above for all employees covered by this Agreement applies to all employees regardless of membership or non-membership in the Union.

The Employer shall promptly furnish to the Trustees of any fund referred to in Section (a) above, or to their authorized agents on demand, all necessary employment, personnel or payroll records relating to its former and present employees covered by this Agreement, including any relevant information that may be required in connection with the administration of any Fund referred to in Section

(a) above. The Trustees or their authorized agents may examine such employment, personnel or payroll records whenever such examination is deemed necessary by the Trustees, or its authorized agents, in connection with the proper administration of any Fund referred to in Section (a) above.

The Trustees of any Fund referred to in Section (a) above may for the purpose of collecting any payments required to be made to such Fund, including damages and costs, and for the purpose of enforcing rules of the Trustees concerning the inspection and audit of payroll records, seek any appropriate legal, equitable and administrative relief, and they shall not be required to invoke or resort to the grievance or arbitration procedure otherwise provided for in this Agreement.

(e) (1) The Employees may be removed from the job by the Union to enforce payments to the funds listed in Section (a) of this Article.

(2)The Employer shall pay his employees for all monies lost due to action taken under (1) of this Section (e).

(f) **RETIREES' COVERAGE SUBJECT TO MODIFICATION OR TERMINATION** - Employees who retire may continue to receive from the Wisconsin Sheet Metal Health and Benefit Fund benefits of such type and amount and under such terms and conditions as may be provided and established from time to time by the Trustees of the Fund, upon the payment by such retired employees of the required periodic contributions, established by the Trustees; provided, however, that the Trustees may, in their discretion, change, limit, modify or discontinue any such benefits for retired employees.

SECTION 5. - BONDING CLAUSE: The Employer agrees to maintain during the term of this Agreement, a Surety Bond from a bonding company licensed to do business in the State of Wisconsin in an amount equal to an averaged two (2) month's fringe benefit payment, to guarantee the payments required by this Agreement to the Wisconsin Sheet Metal Health and Benefit Fund, Sheet Metal Occupational Health Institute Trust, the Sheet Metal Workers' National Pension Fund, the Southeastern Sheet Metal Local Training Fund, the Sheet Metal Contractors' National Industry Fund, the International Training Institute (ITI), Local Pension Fund, International Scholarship Fund, and Local Industry Fund.

No bond will be required if the Employer has no delinquencies for a period of three (3) years. If an Employer becomes delinquent, they will be required to furnish the above referenced Surety Bond.

SECTION 6. - FIRST AID/CPR All members covered by this Agreement shall receive and certify in a recognized First Aid/CPR Training Course within the first year of this Agreement and shall subsequently renew said certification prior to each contract year.

SECTION 7. - NOTICE TO UNION OF HIRING OR SEVERANCE: The Employer shall notify the Union immediately of any layoff, discharge, or hiring by phone or other informal communication and shall send written notice, on forms supplied by the Union within two (2) working days to the Union. If written notice is not received by the Union within two (2) working days of any layoff or discharge, the employer shall be subject to the grievance procedure contained in Article X. If a worker is to be laid off, he must be so notified not later than the morning of the day he is to be laid off. Failure to give such timely notice shall entitle the worker to two (2) hours pay at the established base wage rate.

SECTION 8. - LIST OF CONTRACTORS: The Association shall provide the Union with the list of all members of the Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc., and shall identify those members who have assigned negotiating rights to the Association and are thereby bound by the terms of this contract. The Association shall also provide the Union with a list of non-members who have assigned negotiating rights to the Association and are thereby bound by the terms of this contract.

SECTION 9. - COFFEE BREAK: A coffee break not to exceed ten (10) minutes in the morning shall be allowed. This is not to be construed as an organized break, but rather a break to be taken in the general area of the job being performed. There shall be an additional ten (10) minute afternoon coffee break when there is a ten (10) hour or more work day.

SECTION 10. – PAL and/or PAC Checkoff: The employer will withhold those hourly amounts that are published in the contract or on the most current wage data sheets. Those monies will be remitted along with all other remittances at the depository currently listed where all other home local benefits are remitted. Employers must remit these funds, identified as 'PAL Check-off' and/or 'PAC Check-off', which are to be received before the 20th day of the succeeding month.

SECTION 11. – SMART CODE OF EXCELLENCE PROGRAM: Both parties agree to follow the **SMART Code of Excellence Program** in order to demonstrate and promote the advanced skills and professionalism of our industry.

SECTION 12. – JOURNEYMAN RETRAINING: Each journeyman shall complete a minimum of eight (8) hours of trade-related retraining per year. Records of such schooling shall be kept by the JATC and Union with copies submitted to the contractor upon request and each employer shall notify the Local Union and the JATC of all completed company training. This retraining requirement may be completed by taking a course or courses totaling required hours within one (1) year. Employer sponsored classes can be included to meet this requirement.

ADDENDUM VIII

RESIDENTIAL ADDENDUM

(As per attached.)

ADDENDUM IX

UNION LABEL:

During compliance with all of the provisions of this Agreement, the Company shall display the appropriate union label of the Sheet Metal, Air, Rail and Transportation Association Local #18 on all items produced for sale to the trade exclusively under the terms of this Agreement. The Company agrees that all union labels shall be the property of the Union and said permission to display the union label may be revoked by the Union for causes the Union deems adequate.

ADDENDUM X

RIGHT OF ALLOCATION:

The Union reserves the right to allocate additional amounts from the base wage and/or any increases covered by this Agreement to any of the existing fringe benefits to improve or maintain present benefit levels.

ADDENDUM XI

SAFETY AND HEALTH

SECTION 1. - There shall be no smoking during working hours for all members covered by this Agreement and also all management and supervisory personnel.

SECTION 2. - Shop temperatures shall be a minimum of 55 Degrees Fahrenheit.

SECTION 3. - All members covered by this Agreement shall be required to maintain a valid driver's license as a condition of employment. The employee must report, for insurance purposes, if he has lost nine (9) points on his driver's license, or if he/she was convicted for DUI/DWI.

SECTION 4. - Substance Abuse Policy: (a)- Effective September 1, 2010 – Adopt the same Joint Labor-Management Substance Abuse Testing and Assistance Program as has been adopted in Milwaukee by Local 18 and Milwaukee SMACNA. (Will be paid for from industry fund) Drug testing will be a separate line item, amount of allocation to be determined between the union and the association. A Joint Labor-Management Committee will be appointed to establish the program.

- (b) - Alcohol or Drug Abuse, Testing and Job Security.

After an employee, who has turned himself in to an alcohol or drug abuse clinic for treatment is released from the clinic, he shall be rehired depending upon the availability of work.

- (c) - Employees shall abide by the Joint Labor-Management Substance Abuse Policy. Each employee shall receive a copy of the policy.

SECTION 5. - All Building Trades journeyman must complete OSHA 30 training. Effective January 1, 2018, a journeyman who does not complete OSHA 30 training will not receive any scheduled wage increase until such training is completed and then only on a prospective basis.

ADDENDUM XII

LABOR/MANAGEMENT

SECTION 1. A Joint Labor-Management Committee will be established to improve communications between labor and management. It will explore solutions to industry problems and foster understanding between labor and management. The Committee will consist of representatives of the Union and of the Employers, and if a vote is necessary both sides shall cast an equal number of votes.

SECTION 2. The Committee will meet at least three times per year. The Committee designated herein shall serve for the life of this Agreement, except that vacancies in said Joint Labor-Management Committee caused by resignation or otherwise, may be filled by either party hereto.

ADDENDUM XIII

EQUIPMENT

SECTION 1 - The Employer shall, with due regard for personal hygiene, furnish hard hats, regular non-prescription safety glasses, welding lenses, ear plugs and ear muffs where required to perform the job. Replacements will be made on the basis of worn-out or broken gear only.

ADDENDUM XIV

CO-OP WORKERS

Employers may employ co-op workers from local high schools under the following conditions:

Pay is 30% of journeyman wage. No health insurance, pension fund benefits or service fee payments are required.

- A co-op employee is only employed while in high school. Upon their scheduled date of graduation they must either be hired as an apprentice, providing they have passed the test and are on the list, or be employed as a preapprentice and work under the contractual conditions of that classification.
- Liaison and implementation of this program will be done by the area JATC.
- Each company that employs an apprentice will be allowed one co-op employee with a maximum of five assigned at any time in the contractually defined area.
- The co-op member will always work under journeyman supervision and never work in the field.

ADDENDUM XV

RESIDENTIAL ADDENDUM

RACINE/KENOSHA/WALWORTH COUNTIES

Agreement between Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc., hereinafter referred to as the *Employer* and Sheet Metal, Air, Rail and Transportation Association Local #18 hereinafter referred to as the *Union* for Kenosha, Racine, and Walworth Counties.

SECTION 1. - This Addendum covers the rates of pay, rules, and working conditions of all employees of the employer engaged in fabrication, erection, installation, repairing, service and maintenance, replacing of all residential heating and air conditioning systems and the architectural sheet metal work on such residences.

SECTION 2. - Residential shall be defined as applying to work on any single family dwelling or multiple family housing unit three (3) stories of family living space, where each individual family apartment is individually conditioned by a separate and independent unit or system. (This does not include installations on projects under Davis-Bacon Act, Federal, State or City projects). The three story limit may be waived upon a plan review by Union Representatives and their written acknowledgement of this waiver.

SECTION 3. - (a) The signing of the Local Basic or Local Standard Form of Union Agreement and Addenda thereto shall be a prerequisite to becoming a signatory party to this Addendum. Grievances of the Employer or the Union, arising out of the interpretation

or enforcement of this Addendum shall be settled in accordance with Article X of the Standard Form of Union Agreement.

- (b) No employer shall subcontract or assign any of the work described herein which is to be performed at a job site to any contractor, subcontractor, or 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 4. - The Employer agrees that none but regular building trades journeymen and regular building trades apprentice sheet metal workers and residential journeyman and residential trainees shall be employed on any work described in Section II of this Residential Addendum.

SECTION 5. - 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 this Residential Addendum, within eight (8) days following the beginning of such employment or the effective date of this Addendum, whichever is later. The employee shall be required to make application to the Union within eight (8) days and such application must be accompanied by the required initiation fee or required down payment on same and/or the required amount of dues payable in advance. The employer shall notify the Union in writing, within twenty-four (24) hours after employment of the name, address, social security number of such employee who is employed under the terms of this Residential Addendum.

SECTION 6. - The Employer agrees that no employee shall suffer a reduction in wages or benefits due to the signing of this Residential Addendum. Effective September 1, 2001, current members working at full building trade or apprentice rates on residential service and maintenance will not be subjected to the residential rate for residential work. Contractors will use residential addendum to secure the residential market.

SECTION 7. - The Employer agrees that he will not deny any employee unemployment compensation for refusing to work under the Residential Addendum when laid off under the existing Agreement.

SECTION 8. - The Employer shall notify the Union of all opportunities of employment and shall give the Union the opportunity to provide suitable applicants for such employment for a forty-eight (48) hour period. If the Union cannot furnish suitable applicants within this period, the employer shall be free to hire applicants from any source to perform residential work covered under this Addendum.

SECTION 9. - Regular Building Trades Journeymen and Apprentice Sheet Metal Workers, when unemployed, shall be permitted to register on the residential out-of-work list, if they so desire, and if hired by the employer shall be permitted to work at the residential journeyman wage rate, hours and conditions after having received a written referral from the Union, provided the regular apprentice and journeyman shall be recalled from such job to fill any job opening that may occur for a regular building trades sheet

metal worker while he is temporarily employed at residential work.

SECTION 10. - (a) The work week shall consist of a forty (40) hour week divided into five (5) work days of eight (8) hours each running consecutively from Monday to Friday. The work day shall consist of eight (8) hours, exclusive of lunch period of thirty (30) minutes, starting at 8:00 AM and ending at 4:30 PM, daily.

(b) All work performed outside the regular eight (8) working hours during the regular work week and on Saturdays shall be compensated for at one and one-half (1/2) times the basic hourly residential wage rate.

(c) All other work performed after 4:30 PM Saturday shall be compensated for at two (2) times the basic hourly residential wage rate. Sunday and holidays shall be compensated at two (2) times the basic hourly residential wage rate.

(d) In the event second or third shift is necessary, these shifts shall be compensated for at 10% or 20% respectively. Shift work shall not be considered as such unless established for a period of five (5) days or more.

SECTION 11. - (a) The minimum regular basic hourly wage rate for residential journeymen sheet metal workers covered by this Addendum shall be **eighty-five percent (85%)** of the taxable rate specified in the Local Basic or Local Standard Form of Union Agreement.

(b) The Employer agrees to contribute to all funds in the amounts specified in the Local Basic or Local Standard Form of Union Agreement.

(c) Residential trainees :

First six (6) months and 1,000 hours50% of Residential Journeymen base rate, plus fringe benefits as outlined in Local Basic Agreement.

Second six (6) months and 1,000 hours55% of Residential Journeyman base rate, plus fringe benefits as outlined in Local Basic Agreement.

Third six (6) months and 1,000 hours65% of Residential Journeyman base rate, plus fringe benefits as outlined in Local Basic Agreement.

Fourth six (6) months and 1,000 hours75% of Residential Journeyman base rate, plus fringe benefits as outlined in Local Basic Agreement.

Fifty six (6) months and 1,000 hours85% of Residential Journeyman base rate, plus fringe benefits as outlined in Local Basic Agreement.

Sixth six (6) months and 1,000 hours95% of Residential Journeyman base rate, plus fringe benefits as outlined in Local Basic Agreement.

Residential Trainees will have Wisconsin Sheet Metal Workers' Health and Benefit Fund contributions made on their behalf and the corresponding benefits received equal to the preapprentice rate for their first two calendar years of employment. After which, they will have Wisconsin Sheet Metal Workers' Health and Benefit Fund contributions made on their behalf and receive the corresponding benefits equal to building trades journeymen.

Residential Trainees will be paid wage percentage and health fund payments as per existing language - payments to the National Pension Fund and Local Pension Fund will be equal to their wage percentage.

Trainee to be required to attend night school classes for the duration of training period. Classes to be set up by the Local Joint Apprenticeship Committee. Upon completion of residential training period, Residential Sheet Metal Workers to receive 100% of the residential base wage rate, plus fringe benefits as outlined in the Local Basic Agreement.

SECTION 12. - Holidays shall be the same as in the Local Basic or Local Standard Form of Union Agreement.

SECTION 13. - (a) Permanent transfers from journeyman sheet metal worker to residential journeymen sheet metal worker may be made on a voluntary basis once only and with the approval of the Local Union and the signing of a form so stating.

(b) Temporary transfers from journeyman sheet metal worker to residential journeyman sheet metal worker may be made on a voluntary basis with the approval of the Local Union and the signing of a form so stating.

SECTION 14. - All vacation dates shall be arranged for in advance mutually agreeable to employer and employee.

SECTION 15. - All dues receipts for residential employees will be stamped *Residential Only*.

SECTION 16. - The Employer agrees not to place any member with a residential card on any work except that covered in the terms of this Addendum.

SECTION 17. - The Union reserves the right, in its sole discretion, to cancel this Addendum with any employer who has been found, in accordance with Article X of the Standard Form of Union Agreement, to have violated the provisions of this Addendum. It is expressly agreed and understood that on any specific conditions not enumerated in this Addendum, the Local Basic or Standard Form of Union Agreement shall apply.

ADDENDUM XVI

INDUSTRIAL FABRICATING AND MANUFACTURING ADDENDUM TO THE STANDARD FORM OF UNION AGREEMENT

RACINE/KENOSHA/WALWORTH AREA

ARTICLE I

SCOPE OF ADDENDUM

SECTION 1. - This Addendum covers the rates of pay, rules and working conditions of all employees of the employer engaged in the manufacture, fabrication, assembling, handling and altering and repairing of all ferrous and non-ferrous metals, including other materials used in lieu thereof, as required for installation within the confines of an industrial jobsite and defined in Section 2 of this Article.

SECTION 2. - Section 1 of this Article relates to the fabrication only, of air pollution systems, noise abatement materials and all other industrial work excluding all work normally performed by Journeymen Sheet Metal Workers, such as air conditioning, heating, ventilating, exhaust systems, blow pipe systems, architectural sheet metal work and all other work included in the claimed jurisdiction of the Sheet Metal Workers' International Association and included also shall be such work as may be specifically excluded from coverage under this Addendum by mutual agreement of the parties.

SECTION 3. - In addition to work defined in Section 2 of this Article, fabrication of items or products normally manufactured under production agreements, permitted buy-out items, and/or other items as may be mutually agreed to by the parties, may be included in the scope of this Addendum.

SECTION 4. - The Employer assures the Union that every effort will be made to obtain all work covered by this Addendum and will attempt to secure such work as the turnkey contractor to design, fabricate and install. All work so obtained under this Addendum shall be assigned to members of the Sheet Metal Workers' International Association to fabricate and install.

SECTION 5. - The Company recognizes the Union as the sole and exclusive representative for the purpose of collective bargaining with respect to wages, hours, and other conditions of employment for all fabricating and manufacturing employees of the Company excluding only supervisors, office clerical help, watchmen and guards as defined in the National Labor Relations Act of 1947 as amended.

ARTICLE II

ERECTION OR INSTALLATION OF COMPANY'S PRODUCTS

The Company agrees that it will follow the following procedure relative to the installation or erection of products and/or equipment manufactured under this Agreement for use in the building and construction industry, and coming within the trade jurisdiction of journeymen members of Sheet Metal Workers' International Association.

1. Whenever the company subcontracts such products and/or equipment, it agrees to subcontract same to a contractor who employs journeymen Sheet Metal Workers' for this type of work.
2. Whenever the Company erects such work itself, it shall call upon the building and construction trades union affiliated with Sheet Metal Workers' International Association having jurisdiction over the area in which such work is to be performed to furnish it with men at the prevailing wages and conditions of said local union.
3. Whenever the Company sells such products and/or equipment directly to a general or specialty contractor or an owner, it shall furnish the Union with information on all such products on a mutually agreed upon basis. Such information shall include the type of products or equipment shipped, the date of shipment, name and address of consignee and/or location of delivery site.

ARTICLE III

RATES AND CLASSIFICATIONS

SECTION 1. - CLASSIFICATIONS

Building Trades Journeyman

Work in this classification includes all work specified under Article I Section 1 of the Building Trades Standard Form of Union Agreement (SFUA) between the Southeastern Sheet Metal Contractors Association of Wisconsin and Sheet Metal Workers Local Union No. 18. The Total Wage Package for journeymen shall be in accordance with the Building Trades SFUA.

Industrial Sheet Metal Worker Level 3, Level 2, and Level 1 (Machine Operators, Welders, Fabricators)

Work included in this classification includes tacking, welding, burning, operating of all shop equipment, all duties of Industrial Workers Level 4, work associated with Article I of this addendum, and such other work as may be mutually agreed upon by the parties.

Industrial Sheet Metal Worker Level 4 (Grinders, Material Handlers, Painters and Polishers)

Work included in this classification: shipping, receiving, material handling, preparation for painting, painting, wire brushing, grinding, polishing, housecleaning, delivery of materials to job sites, and other such work as may be mutually agreed upon.

Industrial Sheet Metal Workers, also referred to as Sheet Metal Industrial Addendum Workers, will work only in the shop of the Employer and perform only the work described in the Industrial Addendum Agreement. The Employer can employ Industrial Addendum Workers at a ratio of no more than one (1) Industrial Addendum Worker for every five (5) Sheet Metal Journeymen.

SECTION 2. - WAGE RATES

Wages for Industrial Sheet Metal Workers shall be as outlined in this Section. The Base Wage rate and the Local Pension Fund rate shall be a fixed percentage of the Building Trades Journeymen rates.

INDUSTRIAL SHEET METAL WORKER:

	Probationary	Level 4	Level 3	Level 2	Level 1
Health and Welfare	\$ 5.40	\$ 5.40	\$ 8.65	\$ 8.65	\$ 8.65
National Pension Fund	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.46
Local Training Fund	\$ 0.13	\$ 0.13	\$ 0.13	\$ 0.13	\$ 0.13
iTi, SMOHIT, NEMI	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.17
Drug Testing	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
PAL	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
PAC	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
% of BT Journeyman	45%	50%	55%	60%	65%
Base Wage Rate	\$16.79	\$18.66	\$20.53	\$22.40	\$24.26
Local Pension Fund	<u>\$ 3.77</u>	<u>\$ 4.19</u>	<u>\$ 4.61</u>	<u>\$ 5.03</u>	<u>\$ 5.45</u>
TOTAL PACKAGE	\$27.74	\$30.03	\$35.57	\$37.86	\$40.14

An employee's classification and pay rate will follow them from shop to shop, within the jurisdiction of the Racine/Kenosha/Walworth area.

SECTION 3. - PROBATIONARY EMPLOYEES AND PAY GRADES: When the Union cannot supply qualified Industrial Sheet Metal Workers, Employers may hire may hire workers of their choosing (New Hires). New hires shall be required to join the union as defined in Article V of the SFUA. It is agreed that new hires shall be considered probationary employees for the first 180 (180) days of employment.

A Probationary Industrial Sheet Metal Worker shall have a base wage rate and local pension fund rate at **45%** of the Building Trades Journeyman rate. Their Health Fund contribution shall be at the preapprentice rate. Probationary Industrial Sheet Metal Workers shall be able to perform all work associated with Article I of this addendum. Upon completion of the probationary period (180 days), the Company shall notify the Union in writing whether they are placing the employee as an Industrial Sheet Metal Worker in Level 4 or Level 3.

An Industrial Sheet Metal Worker Level 4 shall have a base wage rate and local pension fund rate at **50%** of the Building Trades Journeyman rate. Their Health Fund contribution shall be at the preapprentice rate. A Level 4 worker is limited in their duties, as defined under their classification, and shall stay in the classification unless the employee and the company agree to advance the worker to Level 3.

An Industrial Sheet Metal Worker Level 3 shall have a base wage rate and local pension fund rate at **55%** of the Building Trades Journeyman rate. Their Health Fund contribution shall be at the Building Trades Journeymen rate. After one (1) year, a Level 3 worker shall be upgraded to an Industrial Sheet Metal Worker Level 2.

An Industrial Sheet Metal Worker Level 2 shall have a base wage rate and local pension fund rate at **60%** of the Building Trades Journeyman rate. Their Health Fund contribution shall be at the Building Trades Journeymen rate. After one (1) year, a Level 2 worker shall be upgraded to an Industrial Sheet Metal Worker Level 1.

An Industrial Sheet Metal Worker Level 1 shall have a base wage rate and local pension fund rate at **65%** of the Building Trades Journeyman rate. Their Health Fund contribution shall be at the Building Trades Journeymen rate.

SECTION 4. - The Union reserves the right to allocate additional amounts from the base wage and/or any increases covered by this Agreement to any of the existing fringe benefits to improve or maintain present benefit levels.

SECTION 5. - Building Trades Journeymen, Apprentice, and Preapprentice Sheet Metal Workers, on the payroll of the employer on the effective date of this Addendum, shall be accorded all wages, fringes and other contractual conditions of employment as established in the local basic or Building Trades Standard Form of Union Agreement (SFUA) and as may be amended from time to time. Building Trades Journeymen and Apprentices may be assigned to perform any work specified in Article I of this Addendum. Preapprentices may be assigned to perform work as defined under their classification in the Building Trades Standard Form of Union Agreement (SFUA).

SECTION 6. - In the event of a layoff, employees shall be laid off by their ability and qualifications to immediately perform the remaining work competently. Provided further, that it is expressly understood that in all cases probationary employees shall be the first laid off.

ARTICLE IV

HOURS OF WORK - OVERTIME

SECTION 1. - All work performed on Sundays and Holidays, as well as all work performed after twelve (12) consecutive hours in the shop, shall be paid for at two (2) times the employee's regular hourly rate of pay.

ARTICLE V

HOLIDAYS

There will be six (6) paid holidays:

New Year's Day
Memorial Day
July 4th

Labor Day
Thanksgiving Day
Christmas Day

Employee must have completed his probationary period prior to the holiday to receive holiday pay. If there is an absence the day before a holiday or the day after a holiday, employees will not be paid for said holiday. An absence excused by the company would be accepted.

ARTICLE VI

VACATIONS

SECTION 1. - Vacations for Sheet Metal Industrial Addendum Workers shall be computed on the following conditions:

One (1) full year of employment one (1) week paid vacation
Four (4) full years of employment two (2) weeks paid vacation
Ten (10) full years of employment three (3) weeks paid vacation

- a) An Industrial Addendum Worker becomes eligible for their number of weeks of vacation, and their prorated portion earned, during a calendar year based upon the anniversary of their date of hire.
- b) Vacation is accrued in a calendar year and paid out in the following calendar year.
- c) Vacation time based on forty (40) hour work week.
- d) Vacation checks are issued at time vacation is taken. Vacation pay will include contributions to the Health and Benefit Fund.
- e) Vacation time earned is to be taken, however, if circumstances warrant and mutually agreed upon between the employer and employee, vacation may be paid instead of taken.
- f) An Industrial Addendum Worker who has worked less than 1,700 hours, shall receive a prorated hourly rate for each hour of vacation entitlement. For the purposes of this calculation, the denominator shall be 1,700 and the numerator shall be the number of

- hours worked. (hours worked/1,700)
- g) Termination under one (1) year..... vacation time is lost
 - h) If an Industrial Addendum Worker is recalled to work within one (1) year of layoff, or an excused absence, he shall retain credit for service prior to the layoff as far as vacation allowance is concerned. After one (1) year out of the industry, or break in service without an excused absence, an industrial addendum worker loses vacation credit for prior service.
 - i) An Industrial Addendum Worker laid off from one industrial addendum shop within the jurisdictional area and starts with another company within the jurisdictional area, would have to work the one hundred eighty (180) days probationary period before vacation time could start to accumulate. Once the employee has passed the probationary period with the new company, his total years of employment, for the purpose of calculating number of weeks of vacation time, will go back to his time as an Industrial Addendum member.

ARTICLE VII

HEALTH INSURANCE

SECTION 1. – Health Insurance coverage shall be as defined in the Building Trades Standard Form of Union Agreement (SFUA). Their Health Fund contribution for probationary and Level 4 Industrial Addendum Workers shall be at the preapprentice rate. The Health and Welfare contribution rate for all other Sheet Metal Industrial Addendum Workers shall be the same as for Building Trades Journeymen.

ARTICLE VIII

PENSION FUNDS

SECTION 1. - The Employer shall contribute to the Sheet Metal Workers' National Pension Fund the sum of one dollar forty-six cents (\$1.46) per hour for each employee covered by this Addendum. The Employer agrees to be bound by Addendum V (Pension) of the Standard Form of Union Agreement, Section 1.

SECTION 2 - The Employer agrees to pay to the Retirement Plan for employees represented by Sheet Metal Workers Local Union 18 (Local Pension Fund), on behalf of the Sheet Metal Industrial Addendum Workers, their respective percentage of the construction journeyman rate.

ARTICLE IX
TRAINING FUNDS

SECTION 1. - Effective as of the date of this Agreement the employer will forward to the International Training Institute (ITI) for the Sheet Metal and Air Conditioning Industry twelve cents (\$0.12) per hour for each hour worked by each Sheet Metal Industrial Addendum Worker covered by this Agreement.

Effective as of the date of this Agreement, the employers will forward to the Sheet Metal Occupational Health Institute Trust two cents (\$0.02) per hour for each hour worked by each Sheet Metal Industrial Addendum Worker covered by this Agreement.

Effective as of the date of this Agreement, the employer will contribute to the National Energy Management Institute Committee (NEMI) a jointly administered trust fund three cents (\$0.03) per hour for each hour worked by each Sheet Metal Industrial Addendum Worker covered by this Agreement.

Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees of the Fund.

SECTION 2. - Effective as of the date of this Agreement the employer will forward to the Southeastern Sheet Metal Joint Apprenticeship Training Fund thirteen cents (\$0.13) per hour for each hour worked by each Sheet Metal Industrial Addendum Worker covered by this Agreement. Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees of the Fund.

SECTION 3. - All Sheet Metal Industrial Addendum Workers are encouraged to attend night school classes to advance their ability to do their jobs.

ARTICLE X
STANDARD FORM OF UNION AGREEMENT

SECTION 1. - The Employer agrees to be bound by all of the provisions of the Building Trades Standard Form of Union Agreement (SFUA), or Local Basic Agreement, with the exception of those Articles, Sections or provisions specifically altered or amended by this Addendum.

ARTICLE XI
PLANT VISITATION

SECTION 1. - A representative of the Union shall be permitted to visit the office or plant of the Company for the purpose of investigating any matter arising out of this Agreement after notifying the owner/officer of the Company of his intention to do so.

ASSUMPTION OF AGREEMENT

SECTION 1. - The undersigned Employer hereby agrees to assume, and assumes, all of the terms and provisions of the attached collective bargaining agreement entered into between the **Southeastern Sheet Metal Contractors' Association of Wisconsin, Inc.** (hereinafter referred to as (*Association*)), and Sheet Metal, Air, Rail and Transportation Association Local #18 (hereinafter referred to as (*Union*)) and therefore it agrees to be bound to all of the terms and provisions of the attached collective bargaining agreement which is incorporated by reference as if fully set forth herein this Assumption Agreement. The parties agree that both the attached collective bargaining agreement and the Assumption Agreement are collectively referred to as the "*Labor Agreement*" between the Employer and the Union.

SECTION 2. - The Labor Agreement shall be effective as of September 1, 2019

SECTION 3 - It is specifically understood that the Labor Agreement may be reopened in the manner set forth in Article XII of said labor agreement, but that, in event of an inadvertent failure of the Union to notify the undersigned Employer of its desire to so reopen, this Labor Agreement shall nevertheless be reopened for negotiations upon proof that timely notice of said desire had been sent to the aforesaid Association by the Union.

Dated this ____ day of _____.

CONTRACTOR

UNION

Company: _____

Sheet Metal, Air, Rail and
Transportation Association Local #18

Address _____

By: _____

By: _____



