

**SERVICE AND RESIDENTIAL ADDENDUM
TO THE
STANDARD FORM OF UNION AGREEMENT**

Entered into this 1st day of July, 2020, by and between _____

(Name of Contractor or Contractor Association)

hereinafter referred to as the Employer, and Local Union No. 20 of the International Association of Sheet Metal, Air, Rail and Transportation Workers (SMART), hereinafter referred to as the Union of Indianapolis, Indiana (including the entire State of Indiana with the exception of Clark, Crawford, Dearborn, Floyd, Harrison, Jefferson, Ohio, Perry, Randolph, Scott, Switzerland and Wayne Counties in IN; Clark, Crawford, Edgar and Lawrence Cos., IL; Daviess, Henderson, Union and Webster Counties in KY and Berrien, Cass, St. Joseph Counties, and extreme western end of Van Burren County in MI.).

ARTICLE I

This Addendum covers the rates of pay, rules and working conditions of all employees of the Employer engaged in the fabrication, erection, installation, repairing, replacing, servicing and control systems of all residential heating and air conditioning systems and the architectural sheet metal work on such residences. The definition of service and control systems shall be expanded to include commercial, industrial and institutional heating and air conditioning systems.

ARTICLE II

Section 1. Residential shall be defined as applying to work on any single family dwelling or multiple family housing unit where each individual family apartment is individually conditioned by a separate and independent unit or system.

Section 2. Service shall be defined as applying to all work on any heating, air conditioning and refrigeration equipment and control system installation.

Section 3. Work performed by Service Technicians, Master Mechanics and Apprentices shall include service maintenance of Air Conditioning and Refrigeration systems incorporating:

- a. Work on any system after its initial operation.
- b. Repair, exchange or replacement of any components of a system.
- c. Installation of new equipment to replace existing equipment in a system.
- d. After a system is initially installed, to test, dehydrate, charge, start-up, set controls and make adjustments for proper operation of the system.
- e. Service Technicians, Master Mechanics and Apprentices will be permitted to make installations on new work in private residences.

Section 4. Control/Service Technicians, Master Mechanics, Journeymen and Apprentices will be permitted to make installations and maintain control systems on new or existing projects including commercial, industrial, and institutional systems.

ARTICLE III

Section 1. The Employer agrees that none but journeymen, Service Technicians, Master Mechanics and apprentice sheet metal workers shall be employed on any work described in this Addendum except as noted herein provided, however, that building trades members may be, voluntarily, employed on such work provided no residential members are available and prior approval has been granted by the Union.

ARTICLE IV HOURS OF WORK

Section 1. New Construction. 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 through Friday. The work day shall consist of eight (8) hours, exclusive of the lunch period, between 7:00 A.M. and 5:00 P.M. However, the regular hours may be adjusted for inclement weather conditions by mutual consent of the parties to this Addendum. It is agreed that Saturday will be allowed to be scheduled as a make-up day of any particular week for regular straight time pay up to and including eight (8) hours provided that forty (40) hours have not been previously worked. Where conditions warrant, the regular work day may consist of ten (10) hours labor on the job and the regular work week of four (4) consecutive ten (10) hour days between Monday and Friday when mutually agreed between the Local Union and Employer. [If the fifth (5th) day is worked, then compensation will be paid at one and one half (1½), times the regular hourly rate, up to 10 hours. All work over ten (10) hours shall be paid at two (2) times the regular hourly rate].

Section 2. All work performed outside the regular working hours or after the first eight (8) hours of the day during the regular work week and on Saturdays shall be compensated at one and one-half (1½) times the hourly wage rate and up to and including the first four (4) hours Monday through Friday; thereafter, at two (2) times the basic hourly residential rate.

Section 3. All other work performed on Sundays, holidays and after the first ten (10) hours on Saturday shall be compensated at two (2) times the hourly wage rate.

ARTICLE V SERVICE AND MAINTENANCE

Section 1. On all work specified in Article I, Section 1 of this Addendum, the following conditions are applicable:

- A. The regular workday shall consist of up to ten (10) consecutive hours of work between the hours of 6:00 a.m. and 7:00 p.m. with one-half (1/2) hour for lunch.
- B. The work week may consist of no less than four (4) days for a forty (40) hour week Monday through Saturday.

- C. The regular workday hours worked before 6:00 a.m. and after 7:00 p.m. Monday through Saturday shall be paid at the rate of one and one-half (1½) times the established regular hourly rate.
- D. All hours worked over a forty (40) hour week, Monday through Saturday shall be paid at one and one-half (1½) times the established regular hourly rate. All hours worked on Sunday shall be paid at two (2) times the established regular hourly rate.
- E. HVAC Master Mechanics, HVAC Technicians HVAC Mechanics, and HVAC Assistants when applicable, who report to work by the direction of the Employer between the hours of 12:00 midnight and 6:00 a.m. for service call lasting less than two hours shall be entitled to two (2) hours pay including fringe benefits at the established rate. Employees who report for work by the direction of the Employer or the Employer's representative, and are not placed to work shall be entitled to two (2) hours pay including fringe benefits at the established rate.
- F. Shift Break: On overtime work consisting of eight (8) hours or more or a combination of overtime and straight time consisting of eight (8) hours or more, straight time may not be reverted to without an eight (8) hour break.
- G. There will be a one-half (1/2) hour lunch break, on employer's time, after twelve (12) hours, if shift continues. Pay will be at straight time for one-half (1/2) hour lunch break.
- H. Shift work may be scheduled at the option of the Employer provided it is scheduled for a minimum of five (5) consecutive working days.
 - The first shift (regular day shift) shall be compensated at the regular rate of pay. Second shift (swing shift) shall be compensated at the regular rate of pay plus 15%. Third shift (grave yard) shall be compensated at the regular rate of pay plus 15%.
 - Hours worked and overtime to be in compliance with sub-paragraph B and D of this Article.

Section 2. When a particular employee(s) is required to be available (on call or standby) to make service calls that may come during a period when the employee is not otherwise scheduled to work, such employee(s) is considered on call or standby. When an employee is required to be on call or standby at night (7:00 P.M. to 6:00 A.M.) he shall receive a minimum of twenty five dollars (\$25.00) per night for being on call plus one and one-half (1½) times for all hours worked over eight (8) in a work day. If he has in excess of forty (40) hours worked for the week he would then receive one and one-half (1½) times the regular rate plus his nightly call minimum.

ARTICLE VI

Section 1. The parties hereto agree to promote, by any means possible, work covered under this Section and shall cooperate fully in the establishment of training courses and/or facilities, where none presently exist, in order to properly train sufficient personnel to maintain jurisdiction over this work and provide consumer satisfaction.

ARTICLE VII

Section 1. The Employer shall provide, or pay, for all necessary transportation for transporting employees, tools and materials from shop to job, job to job, and job to shop during working hours.

ARTICLE VIII

Section 1. Wage and Job Classification Definitions for HVAC Service.

HVAC SERVICE MASTER MECHANIC A Service Master Mechanic shall be capable of completing all units of work contracted for by the Company regardless of the degree of difficulty including residential and with particular emphasis on commercial and industrial service work. He shall also possess all necessary skills and ability to perform all work and continue to upgrade their skills and knowledge to keep up with new technology and equipment if requested by the employer. A Service Master Mechanic shall also have the ability to design, size and build residential HVAC systems as required by the Company. It shall be the responsibility of any Service Master Mechanic to become familiar with new products and methods in the industry as they become available. A Service Master Mechanic shall also have the ability to manage his time and anyone working under him on a job. He shall also be capable of making decisions pertaining to work problems on each job. A Service Master Mechanic should possess current NATE certifications on gas fired furnaces, heat pumps residential, residential air distribution, and Universal EPA 608 certification.

HVAC SERVICE TECHNICIAN: A Service Technician shall be capable of performing all residential installation and be able to work on all units of work contracted by the Company including residential, commercial and industrial service on a limited basis with little or no additional training. A Service Technician should possess current NATE certifications on gas fired furnaces, heat pumps residential, residential air distribution, and Type 1 and 2 EPA certification.

HVAC SERVICE MECHANIC: A Service Mechanic shall be a full-time employee performing bargaining unit work in either installation or service departments or both. A Service Mechanic shall be required to possess all necessary hand tools to perform the work required.

HVAC SERVICE ASSISTANT: A Service Assistant will be an employee who is hired to assist any of the above mentioned classes, to do delivery work, clean up work or moving and hauling, on a temporary or full-time basis.

Section 2. Standard Job Classification and wage rates:

	HVAC SERVICE			
	Assistant <i>(50%)*</i>	Mechanic <i>(60%)*</i>	Technician <i>(75%)*</i>	Master Mechanic <i>(85%)*</i>
* Base Wage	\$18.57	\$22.19	\$27.62	\$31.24
Working Dues				
Check-Off (Deduct)	(0.69)	(0.87)	(0.99)	(1.06)
** 401 (a)	.20	.20	.20	.20
*** National Pension	----	6.42	6.42	6.42
Health & Welfare	10.00	10.00	10.00	10.00
SASMI 3%	----	----	1.33	1.44
**** Local Education <i>(\$0.07 of the \$0.57-6.15 School Pay)</i>	----	.61	.61	.61
Industry Fund	----	.06	.06	.06
I.U.C.S.A.T.	.08	.08	.08	.08
L.M.C.C.	.05	.05	.05	.05
Total	\$29.07	\$39.78	\$46.54	\$50.27

NOTE: *The Master Mechanic, Technician, Mechanic, and Assistant Base Wage is based on a percentage of the Journeyman's Wage Rate as per Addendum VIII, Ref. Article VIII, Section (a) of the Standard Form of Union Agreement and should be adjusted accordingly on July 1, 2020, July 1, 2021 and July 1, 2022*.

**\$0.20 per hour will be contributed to the 401(a) Plan for all classifications. Effective July 1, 2016, Service/Residential Workers taxable wages may be affected by their election to have a higher 401(a) contribution level = \$1.00, \$2.00, \$3.00, \$4.00 or \$5.00.

***Effective July 1, 2016, National Pension Fund contribution rate will be changed from the Alternative Schedule to the Default Schedule. However, the base wage will be the percentage of the Journeyman wage rate, plus one half (1/2) of any future Alternative Schedule increases projected by the National Pension Fund (as if we remained on the Alternative Schedule).

****Includes \$0.07 School Pay, which is over and above the Total Package.

The following classifications of Master Mechanics (B, C, D, E and F) indicate how taxable wages are affected by a Master Mechanic's election to have a higher 401(a) contribution level. All other fringes are the same as for Master Mechanic A above.

Master Mechanic B	Effective 07/01/20
Taxable Wage	\$ 30.24
Overtime Wage (x 1.5)	\$ 45.86
Overtime Wage (x 2)	\$ 61.48
401(a) Plan	\$ 1.20

Master Mechanic C	Effective 07/01/20
Taxable Wage	\$ 29.24
Overtime Wage (x 1.5)	\$ 44.86
Overtime Wage (x 2)	\$ 60.48

401(a) Plan	\$ 2.20
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Master Mechanic D	Effective 07/01/20
Taxable Wage	\$ 28.24
Overtime Wage (x 1.5)	\$ 43.86
Overtime Wage (x 2)	\$ 59.48
401(a) Plan	\$ 3.20

Master Mechanic E	Effective 07/01/20
Taxable Wage	\$ 27.24
Overtime Wage (x 1.5)	\$ 42.86
Overtime Wage (x 2)	\$ 58.48
401(a) Plan	\$ 4.20

Master Mechanic F	Effective 07/01/20
Taxable Wage	\$ 26.24
Overtime Wage (x 1.5)	\$ 41.86
Overtime Wage (x 2)	\$ 57.48
401(a) Plan	\$ 5.20

Section 3. Uniforms: Employers who require employees to wear uniforms, shall furnish and maintain such uniform at no cost to employees. Such uniforms are the property of the Employer and must be immediately returned to him by the employees when they voluntarily leave their employment, are laid off, or when new uniforms are issued to replace existing ones.

ARTICLE IX TOOLS

Section 1. Service Master Mechanics, Technicians, Mechanics and Apprentices shall continue to supply their own small hand tools, as benefiting his own particular equipment repair category, as he best sees fit to best do his job in his own manner. The Employer must maintain employee's tools in that all worn or broken tools, upon evidence of wear or breakage, shall be replaced by a tool of comparable value. Pipe threading or cutting tools, vises, oxygen and acetylene welding torches, diagnostic tools, vacuum pumps, manifold gauges and power/battery tools are not small hand tools, and will be consigned to the employee with a liability for loss during working hours, where the employee is at fault for the loss. Employee shall be responsible for securing all tools at the end of the working day. Employers shall provide proper security for such tools outside of working hours and be solely responsible for their loss at such time. Employers having insurance covering the theft or destruction of tools owned by the Employer shall extend coverage to include tools owned by their employees, but employees shall be responsible for any deductible amount required by the insurance carrier on their own tools. Apprentices are only required to furnish a specific list of tools which by reference is made a part of this Agreement. An advance list of tools on truck must be kept up to date.

ARTICLE X APPRENTICES

Section 1. Apprentice ratio shall be on the basis of one Apprentice for each Service Master Mechanic or Technician, or Mechanic or Assistant regularly employed throughout the year.

Section 2. Apprentice training period will be five (5) years with a thirty (30) day probationary period.

Section 3. The Apprentice training will be funded by the Training Fund.

Section 4. Apprentices will be allowed to work by themselves after a thirty (30) day probationary period.

Section 5. The parties will establish on a local basis the SMWIA Youth-to-Youth program (the program) and the procedures to enable all apprentices to participate in the program. The activities of the program that deal with organizing and other traditional union activities shall be funded by the Local Union through a check-off in compliance with the provisions of Section 302 (c) of the Labor-Management Relations Act of 1947. Activities that may be funded by Employer contributions shall be so funded if, and to the extent, the parties shall agree locally to sponsor and implement the same.

ARTICLE XI

The Employer agrees to be bound by the wages, hours and working conditions contained in the local basic or local Standard Form of Union Agreement on any work performed on commercial or industrial establishments, or on any work not specified in Articles I, II, III, or IV of this Addendum.

ARTICLE XII BENEFITS

Section 1. Health & Welfare. It is agreed that the Employer shall become a part of the Sheet Metal Workers Local Union No. 20 Health & Welfare Plan at the contribution rate specified in the local Standard Form of Union Agreement from date of hire for all Service Master Mechanics, Technicians, Mechanics and Assistants

Section 2. SASMI. It is agreed that the Employer shall participate in SASMI in the amount of 3% of gross wages plus fringes (401(a), National Pension and Health & Welfare) for all Service Master Mechanics and Technicians.

Section 3. National Pension. The Employer agrees to contribute \$6.42 for each hour worked, for all Service Master Mechanics, Technicians and Mechanics to the Sheet Metal Workers' National Pension Plan and become signatory to the "Participation Agreement" governing contributions to the Plan on behalf of its employees. Effective July 1, 2016, it has been mutually agreed to place this Addendum into default with no additional contributions being made unless elected in the future. Effective July 1, 2016, one half (1/2) of any increases mandated by the National Pension Fund will be added to the base wage.

Section 4. Local Education. It is agreed that the Employer shall participate in the Local Education Fund at the contribution rate specified in the local Standard Form of Union Agreement for all Service Master Mechanics, Technicians and Mechanics.

Section 5. Industry Fund. The Employer shall pay the Sheet Metal Contractors Industry Fund of Central Indiana six cents (\$0.06) per hour for each hour worked on or after the effective date of this Agreement, whichever is later, for all Service Master Mechanics, Technicians and Mechanics covered by this Agreement.

Section 6. L.M.C.C. – Labor/Management Trust Fund. Effective June 1, 2014, the Employer agrees to pay the amount specified in this Agreement – five cents (\$0.05) – for each hour worked by each employee covered by this Agreement to the Labor/Management Trust Fund. Payment shall be made on or before the 25th day of the succeeding month and shall be remitted for the purposes of collection and transmittal through the Local 20 Health & Welfare Fund, 2828 East 45th Street, P.O. Box 55287, Indianapolis, IN 46205.

Section 7. I.U.C.S.A.T – Indiana Union Construction Substance Abuse Trust. Effective June 1, 2014, the Employer will contribute to the Indiana Union Construction Substance Abuse Trust eight cents (\$0.08) per hour for each hour worked by each bargaining unit employee of the Employer covered by this Agreement.

Section 8. Defined Contribution Pension Plan (401(a)). The Employer agrees to pay the amount specified in this Agreement – twenty cents (\$0.20) for each hour worked by all Service Master Mechanics, Technicians, Mechanics and Assistants, and deposited as per the local Standard Form of Union Agreement.

Section 9. ITI, NEMI and SMOHIT. Effective as of the date of this Agreement the Employers will contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) twelve cents (\$0.12) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the ITI, or for purposes of collection and transmittal through Sheet Metal Workers National Benefit Funds.

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

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

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

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

ARTICLE XIII

Section 1. Upon receipt of a signed individual authorization from any employee covered under this Agreement, the Company shall withhold from employee's earnings, payment for union dues and other obligations under the terms and conditions specified in the individual's authorization. Deductions shall be made from the first pay of each month of said employee and promptly remitted to the Financial Secretary of the Union, together with a list of the names of the employees to whom said monies are to be credited. Shall any employee have no earnings due him on the first pay day of the month, deductions shall be made from the next succeeding pay of employee.

ARTICLE XIV

The Standard Form of Union Agreement's Article X will be used for the settlement of all grievances.

ARTICLE XV

This Addendum signed this _____ day of _____, 20_____, and shall remain in full force and effect for the duration of the basic agreement.

SIGNED:
Employer

Rae Wilson

SIGNED:
Union

[Signature]