SHEET METAL, AIR, RAIL, AND TRANSPORTATION WORKERS INTERNATIONAL ASSOCIATION, LOCAL #19

AND

SHEET METAL CONTRACTORS ASSOCIATION OF PHILADELPHIA AND VICINITY

Residential/Light Commercial Addendum

This Addendum to Sheet Metal, Air, Rail, and Transportation Workers' International Association Local 19's Philadelphia Building Trades Agreement applies only to the residential/light commercial work contained herein. This Addendum is made this May 1, 2020, extending through April 30, 2022 by and between:

Sheet Metal Contractors Association of Philadelphia and Vicinity,

Hereinafter referred to as "the Employer", and

Sheet Metal Workers' International Association - Local #19.

Hereinafter referred to as "the Union."

WHEREAS, the parties hereto have collectively bargained to promote and improve industrial and economic relations between the Employer and its employees and to set forth herein the Addendum covering rates of pay, hours of work and conditions of employment to be observed by the parties hereto.

NOW, therefore, in consideration of the foregoing, and of mutual covenants herein, the parties agree as follows:

ARTICLE I

UNION RECOGNITION AND WORK JURISDICTION

SECTION 1(a).

The Employer recognizes the Union as the exclusive bargaining representative for all of its employees performing new and re-hab residential and HVAC construction work as hereinafter defined at the Employer's facilities and at such various worksites as may from time to time exist, wherever located in the Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in the State of Pennsylvania, and the State of New Jersey.

The Employer signed to this Addendum is expected to utilize and adhere to these terms and conditions anywhere in Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in the State of Pennsylvania, and the State of New Jersey. The Local Unions with jurisdiction in these areas will honor this Addendum without prejudice.

SECTION 1(b).

This Addendum covers the rates of pay, rules, hours, and working conditions of all employees of the Employer engaged in a class or type of work referred to as "residential and light commercial construction" hereinafter defined wherever performed in the counties of Bucks, Chester, Delaware, Montgomery, and Philadelphia in the State of Pennsylvania, and the State of New Jersey.

Work performed in Philadelphia County will be in accordance with the Philadelphia Building
Trades Agreement with the exceptions of residential architectural sheet metal roofing work,
residential addon, residential and light commercial service and construction, HVAC
maintenance and repair work, HVAC duct cleaning not in conjunction with Building Trades

- construction, and HVAC unit replacement for units of 20 tons or less not in conjunction with Building Trades construction.
- 2. In no event shall work covered in this Addendum be performed at less than the predetermined wage rate established by Federal, State, and Local agencies, but where these rates are lower, the employees shall be paid the higher wage rate as prescribed by the governing authority.
- 3. The Union shall provide the Employer with a list of jobs it identifies as "residential and light commercial construction" as defined in this Addendum, to be updated weekly. Jobs added to the list shall include the name and location of the identified projects and/or service work and the general contractor involved.
- 4. Any work covered by a Project Labor Agreement, Building Trades Agreement, "Union only", Labor Harmony Agreement, or Prevailing Wage Laws is excluded from this Addendum. The Employer will confirm with the Union that any work described below is not covered by any such agreements.

This Addendum covers employees engaged in drafting and/or sketching, fabrication, erection, installation, piping, repair, replacing, dismantling, maintenance, and service work where such work is performed in residential and light commercial construction work.

The provisions of this Addendum shall apply exclusively to the classes or types of work hereinafter defined and/or described in the counties of Bucks, Chester, Delaware, Montgomery, and Philadelphia in the State of Pennsylvania, and the State of New Jersey.

SECTION 1(c)

All work performed by the Employer outside the scope of this Addendum is under and subject to the appropriate Building Trades Agreement to which this is an Addendum. Any matter not covered by this Addendum shall be subject to the terms of said Building Trades Agreement. In the event that the current Building Trades Agreement expires prior to the expiration of the Addendum and no new Building Trades Agreement has taken its place, the parties shall adhere to the expired Building Trades Agreement until a new Building Trades Agreement is negotiated.

SECTION 2. The work done pursuant to this Addendum is as follows:

SECTION 2(a). Miscellaneous Work

Any and all work performed in connection with drafting and/or sketching, fabrication, erection, installation, repairing, replacing, dismantling, maintenance, and service of miscellaneous metal and metal substitute material whether general construction, architectural, or mechanical in nature.

"Miscellaneous Work" shall include, but not be limited to, the subject matter or items specifically identified and incorporated herein as:

- 1. Residential siding and roofing.
- 2. Residential leaders, gutters, and downspouts.

SECTION 2(b). Residential Single-Family HVAC Systems

All work in connection with the drafting and/or sketching, fabrication, erection, piping, installation, repairing, replacing, dismantling, maintenance, and service of any HVAC duct system or systems in connection with any single-family dwelling or apartment/condominium unit.

SECTION 2(c). Residential Multi-Family HVAC Duct Systems

All work in connection with the drafting and/or sketching, fabrication, erection, piping, installation, repairing, dismantling, maintenance, and service of any HVAC duct system or systems in connection with any multifamily apartment building, excluding common areas and kitchens, not to exceed four (4) stories, unless specific waiver is granted by the Union.

- Apartment Buildings (four stories or fewer).
- 2. Single-Family Homes and/or Townhomes in the City of Philadelphia, up to a maximum of 10 homes. 11 Homes and/or Townhomes or more with Union agreement.

SECTION 2(d). Light Commercial Construction

All work in connection with the drafting and/or sketching, fabrication, erection, piping, installation, repairing, replacing, dismantling, maintenance, HVAC duct cleaning and service of any HVAC duct system in connection with any:

- Motels of four (4) stories or fewer, unless specific waiver is granted by the Union;
- 2. Hotels of four (4) stories or fewer (excluding common areas), unless specific waiver is granted by the Union;
- Fast-Food Restaurants and Convenience Stores;
- 4. Non-Public Community Centers and Club Houses in residential communities;
- 5. Gas Stations;
- 6. Strip Shopping Centers, excluding those with an anchor store;
- 7. Daycare Facilities;
- 8. Storage Centers;
- 9. Greenhouses:
- 10. Tenant fit-out and office space of 10,000 square feet or fewer, with Union agreement.

SECTION 2(e). HVAC Duct Cleaning

HVAC duct cleaning, when not in conjunction with Building Trades construction work, shall be performed under this Addendum as Residential/Light Commercial work provided that the Employer is the Lead Sheet Metal Contractor for said work. For purposes of this Addendum, a "Lead Sheet Metal Contractor" shall not be required to be the Prime Contractor and is defined as the sheet metal contractor responsible for work covered by this Addendum on a project.

SECTION 2(f). HVAC Unit Change Out

HVAC unit replacement, when the tonnage per unit is 20 tons or less, shall be performed under this Addendum as Residential/Light Commercial work provided that the Employer is the Lead Sheet Metal Contractor for said work. For purposes of this Addendum, "Lead Sheet Metal Contractor" shall not be required to be the Prime Contractor and is defined as the sheet metal contractor responsible for work covered by this Addendum on a project.

SECTION 3.

The Employer, to assist the Union in the policing of the Light Commercial market, agrees to report to the Union all jobs bid and those successfully awarded. The Employer shall report job locations and the number of units involved.

SECTION 4.

The parties to this Addendum agree that the Employer may purchase round pipe and fittings, and that the purchase for usage is restricted to lateral run-outs and smoke pipe ventilation. Such round pipe and fittings must be fabricated by employers who are in signed agreement with a Local Union affiliated with the Sheet Metal, Air, Rail, and Transportation Workers' International Association. The Employer shall require that any supplier of round pipe and fittings and/or rectangular duct and fittings will provide to them, written and signed evidence of equalization of the total beneficial wage package, which the Employer will provide the Union upon request.

SECTION 5.

The Employee shall provide all necessary transportation and necessary hand tools in order to perform said work

ARTICLE II

WAGES AND CLASSIFICATIONS

SECTION 1.

Classifications and Wage Rates covered by this Addendum shall be as follows.

CLASSIFICATIONS

1) Residential/Light Commercial Mechanic

This classification indicates that an employee had been serving in the title of Residential/Light Commercial Mechanic (RLC Mechanic) on or before May 1, 2018 pursuant to a previous Collective Bargaining Agreement and/or Addendum. An RLC Mechanic may perform any work covered by this Addendum. Forepersons, Shop Forepersons and Residential Company Stewards may be selected from this classification of employee.

RLC Mechanics may, from the time of settlement of this Addendum until the expiration of this Addendum, seek entry into the Building Trades Apprenticeship. Any RLC Mechanic who chooses to sign up for a Building Trades Apprenticeship shall submit to Joint Apprenticeship and Training Committee (JATC) testing and all other qualification requirements. Those RLC Mechanics accepted into the Building Trades Apprenticeship shall enter at a Period commensurate with their experience and demonstrated ability through JATC testing.

Should an RLC Mechanic choose not to seek entry into the Building Trades Apprenticeship, his/her decision to remain an RLC Mechanic shall not be a factor considered during layoffs. The RLC Mechanic shall maintain his/her accrued seniority.

The parties acknowledge that the RLC Mechanic position shall be considered a "red circle" position in order to create the position of HVAC Technician in this Addendum. The parties further acknowledge that those individuals in the "red circle" RLC Mechanic position shall continue to receive contractual raises.

Wages and Fund contributions shall be made in accordance with this Addendum.

2) HVAC Technician

An HVAC Technician may perform any work covered by this Addendum. Forepersons, Shop Forepersons and Residential Company Stewards may be selected from this classification of employee.

HVAC Installers must successfully complete a one-year training program administered by the JATC in order to advance to the HVAC Technician title.

Wages and Fund contributions shall be made in accordance with this Addendum.

3) Residential Installer

A Residential Installer shall install and fabricate products within the terms of this Addendum. Residential Company Stewards may be selected from this classification of employee.

Residential Installers must register for and successfully complete a one-year training program administered by the JATC in order to advance to the HVAC Technician title. After successful completion of the JATC program, the Residential Installer shall become an HVAC Technician. In the event a Residential Installer wants to advance into the Building Trades Apprenticeship, he/she may do so after completing the HVAC Technician course, if and when there are Building Trades Apprenticeship positions available, by taking a test administered by the JATC. If accepted, they shall enter the Building Trades Apprenticeship at a wage rate not less than their current wage rate and at the Period commensurate with their placement after JATC testing.

4) Residential Apprentice

The Residential Apprenticeship consists of four (4) periods: 1st Period (6 months), 2nd Period (6 months), 3nd Period (1 year), 4th Period (1 year). The basic hourly residential/light commercial construction wage rate for Residential Apprentices shall be calculated as set forth in this Addendum.

A Residential Apprentice must always be under the supervision of an RLC Mechanic, HVAC Technician, Residential Installer, or a Journeyperson Sheet Metal Worker. Residential Apprentices shall be required to attend training sessions as directed by the JATC in order to advance in their Apprenticeships.

If there is a calling for Building Trades Apprentices, a Residential Apprentice who has completed three (3) years of his/her Residential Apprenticeship and satisfied all Residential Apprenticeship training and all other requirements of the JATC and the Union may choose to apply for acceptance into the Building Trades Apprenticeship. Should such a Residential Apprentice be accepted into the Building Trades Apprenticeship, he/she shall be entered as a 1st Period Building Trades Apprentice.

Upon successful completion of the HVAC Apprenticeship Program, the Residential Apprentice shall become a Residential Installer eligible to rise to HVAC Technician upon satisfaction of all requirements.

Individuals currently in the 4th year of Apprenticeship may upgrade by attending classes designed by the JATC for Residential Installer classification when eligible.

5) Residential Novice

The Residential Novice classification shall consist of two consecutive six-month periods, designated as the Residential Novice 1 for the first period and Residential Novice 2 for the second period. A Residential Novice shall be on probationary status for the duration of the Residential Novice 1 and Residential Novice 2 periods.

Residential Novices shall complete OSHA 10 and rigging and signaling training within ninety (90) days of commencing employment.

A Residential Novice must always be under the supervision of an RLC Mechanic, HVAC Technician, Residential Installer, or a Journeyperson Sheet Metal Worker.

If there are any Residential Apprentices on the Out of Work List, the Employer shall not hire additional Novices until there are no Residential Apprentices on the Out of Work List.

CLASSIFICATION RATIOS

At a minimum, each Employer shall employ, within their company workforce, one (1) RLC Mechanic, HVAC Technician, or Residential Installer.

No Employer may exceed a companywide ratio of one (1) Residential Novice or Residential Apprentice for each Residential Installer, HVAC Technician, or RLC Mechanic without agreement between the Union and the Employer.

Employer shall maintain a ratio of one (1) Residential Apprentice for each Residential Novice hired.

The parties agree that Residential Novices shall be laid off before Residential Apprentices. 1st Period Residential Apprentices shall be laid off before 2nd Period Residential Apprentices. 2nd Period Residential Apprentices shall be laid off before 3nd Period Apprentices. 3nd Period Apprentices shall be laid off before 4nd Period Apprentices.

For work other than maintenance contracts, Employer shall use one (1) RLC Mechanic, HVAC Technician, or Residential Installer for every Residential Apprentice and Residential Novice.

When performing work under maintenance contracts, Employer may use one (1) RLC Mechanic or HVAC Technician and one (1) Residential Novice provided that the Employer is the Lead Sheet Metal Contractor for said work. For purposes of this Addendum, "Lead Sheet Metal Contractor" shall not be required to be the Prime Contractor and is defined as the sheet metal contractor responsible for work covered by this Addendum on a project.

The parties agree that a Building Trades Journeyperson may be used in place of an RLC Mechanic, HVAC Technician, or Residential Installer for purposes of maintaining these ratios.

WAGES

Effective May 1, 2020, the minimum beneficial wage rate for an RLC Mechanic shall be \$50.35 per hour. Increases to this beneficial wage rate shall be as follows:

May 1, 2021 \$1.15 per hour

Effective May 1, 2020, the minimum beneficial wage rate for an HVAC Technician shall be \$47.37 per hour. Increases to this beneficial wage rate shall be as follows:

May 1, 2021 \$1.15 per hour

Effective May 1, 2020, the minimum beneficial wage rate for a Residential Installer shall be \$43.30 per hour. Increases to this beneficial wage rate shall be as follows:

May 1, 2021 \$1.15 per hour

Residential Apprentice Wage Scale

4th Period 80% of Installer

3rd Period 70% of Installer

2nd Period

61% of Installer

1st Period 52% of Installer

HVAC Novices

Novice Period 2- \$11.87 per hour

Novice Period 1- \$10.81 per hour

Novice pay after the term of this contract shall increase at the cost of living raise as calculated by the Bureau of Labor Statistics, Consumer Price Index for all urban consumers with a minimum 2% increase.

In the event that Employer is a subcontractor to other trades working on a composite crew that is utilizing Building Trades rates and conditions for their workers on a project, any RLC Mechanics, HVAC Technicians, Residential Installers, Residential Apprentices, and Residential Novices shall be compensated at the equivalent Local #19 Building Trades wage rate and classification.

SECTION 2. WAGE CHART

Wage chart attached hereto (labeled Appendix A) denotes Wages, Contributions, and Deductions.

SECTION 3. TRAVEL

Any employee traveling to or from work, in his/her personal vehicle, from their residence will be compensated according to the following schedule:

40-59 miles from his/her home to work assignment: \$15.00 per day

60 or more miles from his/her home to work assignment: \$17.00 per day

In the event a dispute arises regarding the mileage between an employee's residence and the job assignment, the actual mileage will be determined by the average amount of mileage designated by Google Maps for direction and mileage.

Any employee traveling to or from work, in his/her personal vehicle, from his/her residence who submits to Employer a valid receipt for tolls shall be reimbursed by the Employer for 50% of tolls paid.

Travel pay is not taxable.

SECTION 4. PARKING

Any employee utilizing his or her personal vehicle and working within the Philadelphia city limits who submits to Employer a valid receipt for parking shall be reimbursed up to \$10.00 per day by Employer.

SECTION 5. FOREPERSONS

For work utilizing crews of two (2) or more, the Employer shall appoint one (1) as a Foreperson. The Foreperson shall receive additional consideration from the Employer in the form of either an increase of \$1.50 per hour to the Foreperson's beneficial wage rate or the Employer providing use of a company truck to the Foreperson.

ARTICLE III

HOURS OF WORK AND OVERTIME

SECTION 1.

The workweek shall consist of forty (40) hours from Monday through Saturday of each week, normally scheduled in five (5) working days. The Union must be notified in advance when the workweek will not be Monday to Friday.

SECTION 2.

Time and one-half shall be paid for all hours worked in excess of forty (40) hours per week. Sundays, holidays, and all hours over ten (10) hours per day shall be paid at double time plus the day's pay, if applicable.

SECTION 3.

The regular working day shall consist of eight (8) hours labor in the shop or on the job site between 8:00 AM and 4:30 PM, and the regular working week shall consist of five (5) consecutive eight (8) hour days labor in the shop or on the job site, beginning with Monday and ending with Friday of each week. All full-time or part-time labor performed during the hours specified herein shall be recognized as regular time and paid for not less than the regular hourly rates specified in this Addendum.

- A) The starting and quitting times provided in Article III, Section 3 may be changed to either 7:00 AM to 3:30 PM or 7:30 AM to 4:00 PM, with a thirty (30) minute lunch period.
- B) Exception may also be made to Article III, Section 3 in that Journeypersons and Apprentices may work from 6:00 AM to 2:30 PM with a thirty (30) minute lunch period, with permission of the Union.

SECTION 4.

All employees covered by this Addendum shall be at the Employer's shop or assigned work location, ready to work at starting time and shall work eight (8) hours until quitting time, except for the lunch period. If fewer than eight (8) hours of work are performed as the result of the employee's lateness or early quitting (including the lunch period), the Employer shall have the right to deduct any and all lost time in figuring the weekly payroll. All tools shall be put away, in a place provided by the Employer, during the established working period.

SECTION 5.

Employees who report to work by the Employer's direction and are not placed to work or are directed to cease work within four (4) hours after starting time, shall be paid a minimum of four (4) hours pay at the established rate. If more than four (4) hours, but fewer than eight (8) hours are worked, the employees shall be paid a minimum of eight (8) hours. This provision shall not be enforceable when conditions beyond the Employer's control cause the Employer to cease work.

ARTICLE IV

HOLIDAYS

SECTION 1.

The Employer shall recognize the following holidays:

New Year's Day

Labor Day

Memorial Day

Thanksgiving Day

Independence Day

Christmas Day

SECTION 1(a).

Recognizing that all Employers signatory to this Addendum must be signatory to the appropriate Building Trades Agreement, Election Day in November shall be handled as outlined in the Building Trades Agreement.

SECTION 1(b).

Whenever a holiday covered by this Addendum falls on Sunday, the following Monday shall be considered the holiday.

ARTICLE V

VACATION FUND

Effective May 1, 2020 contribution rates are based on hours paid and are as follows:

RLC Mechanics shall contribute \$.54 per hour on hours paid.

HVAC Technicians shall contribute \$.54 per hour on hours paid.

Residential Installers shall contribute \$.38 per hour on hours paid.

Residential Apprentices shall contribute \$.38 per hour on hours paid.

Contributions to the Vacation Fund will remain for the life of this Addendum unless the Vacation Fund is eliminated through negotiation of the Building Trades Agreement and/or in the event that the Health Fund Trustees terminate this Fund, in which case contributions previously made to the Vacation Fund shall be paid to the employee as taxable wage.

ARTICLE VI

HEALTH & WELFARE FUND

Effective May 1, 2020 contribution rates are based on hours paid and are as follows

RLC Mechanic at the sum of \$9.55 per hour. HVAC Technician at the sum of \$9.55 per hour. Residential Installer at the sum of \$9.55 per hour. Residential Apprentice at the sum of \$8.55 per hour.

ARTICLE VII

PENSION FUND

Effective May 1, 2020 contribution rates are based on hours paid and are as follows:

The Employer agrees to make contributions on behalf of: all RLC Mechanics in the sum of \$5.00 per hour paid; HVAC Technicians in the sum of \$5.00 per hour paid; Residential Installers in the sum of \$2.50 per hour paid; 2nd, 3rd, and 4th Period Residential Apprentices in the sum of \$2.00 per hour paid.

ARTICLE VIII

TRAINING FUND

SECTION 1.

The JATC shall determine the minimum training requirements for each Residential Novice and Residential Apprenticeship period in order for the Residential Novice/Apprentice to advance in his/her Apprenticeship. If deemed necessary by the JATC, additional training may be required and scheduled in the evening and/or on Saturdays.

SECTION 2.

The Employer agrees to transmit to the Joint Apprenticeship and Training Fund of the Union, a contribution of \$.25 per hour for each hour paid for all employees covered by this Addendum. Such contributions will be remitted to the fund by the 15th of the month for contributions made in the previous month.

ARTICLE IX

SUPPLEMENTAL UNEMPLOYMENT BENEFIT FUND (SUB)

Effective May 1, 2020 contribution rates are based on hours paid and are as follows:

The Employer agrees to make contributions on behalf of RLC Mechanics, HVAC Technicians, and Residential Installers in accordance with the Wage Chart attached hereto (labeled Appendix A).

The Employer agrees to make contributions on behalf of Residential Apprentices according to the following schedule:

1st Period \$.00

2nd Period \$.34

3rd Period \$.44

4th Period \$.54

ARTICLE X

MANAGEMENT RIGHT AND INDUSTRY FUND

The Employer retains the right to manage its facilities and projects, and to direct the workforce. The right to assign, layoff, discipline or discharge for just cause, and to maintain the discipline and efficiency of employees is the sole discretion and responsibility of the Employer, except when such rights are exercised contrary to the terms of this Addendum. In addition, the selection of products to be used, purchased, manufactured, serviced or installed, the location of facilities or projects, the selection of those with whom it will do the business, the establishment of reasonable rules of conduct, and schedules, methods, processes and means of manufacture, installation or service are solely and exclusively the responsibility and at the discretion of the Employer.

The Employer will contribute to the Industry Fund of the Sheet Metal Contractors Association of Philadelphia and Vicinity at a rate of \$.19 per hour for all RLC Mechanics; at a rate of \$.19 per hour for all HVAC Technicians; at a rate of \$.12 per hour for Residential Installers; at a rate of \$.12 per hour for all Residential Apprentices; at a rate of \$.12 per hour for all Residential Novices. Contributions are to be made on the basis of hours paid.

ARTICLE XI

DISCIPLINE

The Employer shall have the right to discipline employees up to and including discharge for cause, including but not limited to the following:

- 1. Drunk or drinking during the hours of work as described in Article III, Section 3 of this Addendum (including lunch period on the job).
- 2. Sleeping during the hours of work as described in Article III, Section 3 of this Addendum.
- 3. Fighting
- 4. Insubordination
- 5. Theft
- 6. Dishonesty
- 7. Assault on a foreperson or supervisor
- 8. Excessive lateness, absenteeism, or leaving the job early
- 9. Refusal to accept job assignment or to perform assigned duties unless safety oriented
- 10. Failure to properly secure/store or use company or customer equipment
- 11. Failure to comply with company or customer safety rules
- 12. Actions detrimental to good customer relations
- 13. Lack of productivity

ARTICLE XII

UNION REPRESENTATIVES

SECTION 1.

The Union may appoint one (1) Residential Company Steward for each Employer. Recognizing that all Employers signatory to this Addendum must be signatory to the appropriate Building Trades Agreement, the appointment of Residential Company Stewards shall be handled as outlined in the Company Steward Section of the Building Trades Agreement.

The Employer agrees to recognize Stewards in the settlement of minor or ordinary grievances and job problems.

SECTION 2.

Stewards shall be the next to last employee laid off and the first rehired, unless just cause is established by the Employer. In no case shall a Steward be laid off or transferred prior to consultation with the appropriate Union representative.

SECTION 3.

A duly authorized Union officer or representative shall have access to the Employer's shop during business hours for the purpose of ascertaining whether the Employer is fully complying with the provisions of this Addendum.

ARTICLE XIII

GRIEVANCE AND ARBITRATION

Recognizing that all Employers signatory to this Addendum must be signatory to the appropriate Building Trades Agreement, grievances and arbitration shall be handled as outlined in the Building Trades Agreement.

ARTICLE XIV

UNION SECURITY AND DUES CHECK-OFF

SECTION 1.

The Union agrees that membership in the Union shall be made available to all on an equal basis without discrimination. All employees covered by this Addendum shall be required, as a condition of employment, to become and remain members of the Union in good standing during the term of this Addendum.

SECTION 2.

All Employees shall make application for membership in the Union within thirty (30) days following the effective date of this Addendum, or the beginning of their employment, whichever is later.

SECTION 3.

Upon receipt of a written notice from the Union that an employee has not acquired or maintained membership in good standing therein, as provided for in this Section, the Employer shall immediately discharge the employee, and such an employee shall not be reemployed during the life of this Addendum unless or until they comply with the provisions of this Section.

SECTION 4.

Upon receipt of a signed individual authorization from any employee covered under this Addendum, the Employer shall withhold from such employee's earnings an amount of money which shall represent the employee's work assessment, service fee, and union dues. The amount shall be determined by a verified statement from the Union of the current assessment, service fee, and Union dues structure. Deductions shall be made weekly from 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.

ARTICLE XV

PRODUCTION EFFICIENCY

The Union and the employees covered by the terms of this Addendum agree that they will perform their respective duties to the Employer loyally, efficiently, and continuously under the terms of this Addendum.

In addition to this Addendum, a "piece work agreement" may be negotiated by, and between, the Sheet Metal Workers Local Union #19 and the Sheet Metal Contractors Association of Philadelphia and Vicinity. When negotiated, this "piece work agreement" may be implemented by mutual consent of the Union and the Employer.

ARTICLE XVI

HIRING

The Employer agrees that all referrals for employment will be referred through the Union.

If the Union is unable to furnish the Employer with RLC personnel in sufficient quantity and of suitable ability within a forty-eight (48) hour period from the original request, the Employer shall have the right to seek employees through other channels provided all the provisions of this Addendum are adhered to. Further, all Employees must report to the Union Hall for a referral slip before employment begins.

ARTICLE XVII

NON-DISCRIMINATION

The Union and the Employer agree that there shall be no discrimination against any employee because of race, sex, age, marital status, color, creed, religion or national origin.

ARTICLE XVIII

SEPARATE FACILITIES

The Employer shall not be required to maintain separate facilities for the production of light commercial or residential HVAC duct systems. A Shop Steward will be appointed according to the Building Trades Agreement. However, employees covered by this Addendum shall not be permitted to produce or fabricate HVAC duct systems covered by any other agreement with the Union.

ARTICLE XIX

TWO MAN RULE

For the purposes of this Addendum, the Sheet Metal Workers' International Association's "Two Man Rule" shall not apply to residential and light commercial work as defined in this Addendum, in the counties of Bucks, Chester, Delaware, and Montgomery in the State of Pennsylvania, and the State of New Jersey. The Employer reserves the right to interchange Light Commercial employees within its own companies at the Employer's discretion. The Employer will notify the Union of the changes when requested.

ARTICLE XX

DURATION

This Addendum shall become effective on May 1, 2020 and shall continue in full force and effect until its expiration on April 30, 2022. This Addendum shall automatically be renewed from year to year thereafter, unless both parties give notice in writing to the other at least sixty (60) days prior to the expiration date of this Addendum or the expiration date of any renewal periods of its intention to change, modify, or terminate this Addendum.

By execution of this Addendum the Employer authorizes the Sheet Metal Contractors Association of Philadelphia and Vicinity (SMCA) to act as its collective bargaining representative for all matters relating to this Addendum. The parties agree that the Employer will hereafter be a member of the Multi-Employer Bargaining Unit represented by SMCA unless this authorization is withdrawn by written notice to SMCA and the Union at least one hundred and fifty (150) days prior to the then current expiration date of this Addendum.

ARTICLE XXI

SUCCESSOR CLAUSE

In order to secure job opportunities for the employees covered by this Addendum, if the Employer sells its business to a purchaser that intends to operate the business as a going concern (that is, continue the operations of the business without substantial change), the Employer shall require the purchaser, as a condition of the sales transaction, to assume and be bound by this Addendum and to recognize the Union as the exclusive representative of the Employer's employees pursuant to Section 9(a) of the National Labor Relations Act. The word "sells" used herein shall include any sale of stock or the assets of the Employer whether in a single or series of transactions.

The Employer shall notify the Union of any sale contemplated by this Addendum immediately upon execution of the sales agreement.