

AGREEMENT

between the

SMACNA Greater Chicago

and the

**INTERNATIONAL ASSOCIATION
OF SHEET METAL, AIR, RAIL
AND TRANSPORTATION
(SMART)
LOCAL NO. 73,
OF CHICAGO, COOK AND LAKE
COUNTIES, ILLINOIS**

JUNE 8, 2016

TO

JUNE 7, 2019

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AGREEMENT

between the

SMACNA Greater Chicago

and the

**INTERNATIONAL ASSOCIATION
OF SHEET METAL, AIR, RAIL
AND TRANSPORTATION
(SMART)
LOCAL NO. 73,
OF CHICAGO, COOK AND LAKE
COUNTIES, ILLINOIS**

**JUNE 8, 2016
THROUGH,
JUNE 7, 2019**

PREAMBLE

This Agreement is entered into to prevent strikes and lockouts; to facilitate peaceful adjustment of grievances and disputes between employer and employee in this trade; to prevent waste and unnecessary and avoidable delays and expenses; for the purpose of making available to the employer sufficient skilled workmen and so far as possible to provide continuous employment of labor. Such employment shall be in accordance with the conditions herein set forth and at the wages herein agreed upon so that stable conditions may prevail in building construction; that building costs may be as low as possible consistent with fair wages and conditions and finally to establish the necessary procedure by which these ends may be accomplished.

SMACNA Greater Chicago (the "Association"), Employers of Local No. 73 labor, recognize the International Association of Sheet Metal, Air, Rail and Transportation (SMART) Local No. 73 (the "Union"), and the Union recognizes the Association as the respective bargaining agency for the purpose of collective bargaining for all of the employees referred to in this Agreement.

ARTICLE I JURISDICTION

Section 1.1. This Agreement covers the rates of pay, rules and working conditions 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 non-ferrous metal work of the U.S. No. 10 gauge or its equivalent or lighter gauge and all other materials used in lieu thereof and of all air-veyor systems and all 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, and (e) all other work included in the jurisdictional claims of Sheet Metal Workers' International Association.

Section 1.2. All computerized equipment used in the performance of work described in Section 1.1 shall be operated by a journeyman member of Local No. 73.

ARTICLE II SUBCONTRACTING

Section 2.1. Conditions of Employment Requirement. 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 2.2. Prefabrication. 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 any fabricators who pay their employees engaged in such fabrication not less than the wage scale for comparable sheet metal fabrication, as established under provisions of this Agreement.

Section 2.3. Precedence Clause. The provisions of this Article in no manner relieve the Employer of its obligation established pursuant to Section 13.11 of Article XIII of this Agreement.

ARTICLE III TYPE OF WORK

The Employer agrees that none but journeymen or apprentices and probationary apprentice sheet metal workers under the jurisdiction of the Joint Apprenticeship Committee shall be employed on any work described in Article I.

ARTICLE IV FURNISHING OF EMPLOYEES

The Union agrees to furnish upon request by the Employer, duly qualified journeymen, apprentices and probationary apprentice 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. If the Union fails to provide qualified sheet metal workers within 48 hours, the Employer may hire workers of his own choosing. The Union shall provide these workers with temporary work permits. To the extent allowed by law, the Employer agrees to cooperate with the Union and to employ, to the extent practicable, journeymen 50 years of age and older, taking into consideration their experience, work record and capabilities.

ARTICLE V UNION SECURITY

Section 5.1. Recognition. In as much as the Union has submitted proof and the Employer is satisfied that the Union represents an uncoerced majority of its employees in the bargaining unit described herein, the Employer recognizes the Union as the exclusive collective bargaining agent for all employees now or hereafter within that bargaining unit, unless and until such time as the Union loses its status as the employees' exclusive representative as a result of an NLRB election requested by the employees. The Employer agrees that it will not request an NLRB election and expressly waives any right it may have to do so. The Employer acknowledges by execution of this Agreement that it has an Agreement pursuant to Section 9(a) of the National Labor Relations Act, as amended.

Section 5.2. Union Security. 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 5.3. LMRA Amendment. If during the term of this Agreement the Labor-Management Relations Act of 1947 shall be amended by Congress in such manner as to change the time within which an employee may be required to acquire Union membership, such time limit shall become immediately effective instead of and without regard to the time limit specified in Section 5.2 of this Article.

Section 5.4. Savings Clause, Union Security. 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.

ARTICLE VI
HOURS, WAGES, WELFARE AND
PENSION, SAVINGS PLAN, ORGANIZING,
APPRENTICE/ ORGANIZING AND
EDUCATION, ANNUITY PLAN

Wage and fringe benefit contribution rates for June 8, 2016 through June 7, 2019 shall be as provided in Schedules A, B and C. Schedules A, B, and C shall be adjusted to reflect that the wage and fringe benefit package shall be increased by a total of \$2.25 per hour, to be allocated to existing wage and/or fringe benefits as follows:

Apprentice	\$.03
International Pension	\$.34
Welfare Fund	\$.10
Local Pension	\$.40
Retiree Subsidy	\$.10
LMCC	\$.03
Annuity	\$.45
Wages	\$.80

Effective June 8, 2017, the wage and fringe benefit package shall be increased by a total of \$2.40 per hour, to be allocated to existing wage and/or fringe benefits by mutual agreement between the Association and the Union.

Effective June 8, 2018, the wage and fringe benefit package shall be increased by a total of \$2.50 per hour, to be allocated to existing wage and/or fringe benefits by mutual agreement between the Association and the Union.

Approval of any of the following in this Article must be given by any officer or business representative of the Union. Failure to obtain prior approval when required shall give the Union the right to take men from the job.

Section 6.1. Regular Workday and Workweek. Prior approval to change any work hours is required. The regular workday shall be eight (8) hours, plus one-half hour for lunch between 7:00 a.m. and 3:30 p.m., Monday through Friday.

By the majority agreement of workers at the job site or shop, and by approval of the Employer or as job site conditions mandate, and notification by the Employer to the Union, the regular 7:00 a.m. starting time may be changed a maximum of one hour in either direction.

Section 6.2. Work on Occupied Buildings. When installation work cannot be done on an occupied building during the regular workday because of disturbance or interference with tenants, the Employer will be required to obtain prior approval from a union officer or business representative, then the Employer may start the job between the hours of 4:00 p.m. to 6:00 p.m. and time and one quarter shall be paid for eight (8) hours work. Any jobs starting after 6:00 p.m. shall be paid at time and one half for eight (8) hours of work. Double time shall be paid for all hours after eight (8) hours of work.

Section 6.3. Wages. The hourly rate of wages for journeymen and apprentice Sheet Metal Workers and others employed under the apprenticeship program shall be in accordance with Schedules A, B and C of this Agreement.

Section 6.4. Overtime. Prior approval for overtime and work on holidays is required from any officer or business representative.

- A. The first four (4) hours of overtime each day, Monday through Friday, and on Saturday between 7:00 a.m. and 3:30 p.m. shall be paid for at one and one-half times the regular straight time hourly rate of pay. All other overtime hours shall be paid for at double the straight time hourly rate of pay.

- B. All overtime pay on emergency work shall be one and one-half times the regular hourly rate. In the event such overtime on emergency work shall be performed beyond 12:01 a.m. Sunday or on any holiday specified herein, the hourly overtime pay shall be double the regular hourly rate. Emergency work shall be any work that cannot be done on a regular basis. Emergency work applies to both shop and field labor, but does not apply on new construction.
- C. All work performed on legal holidays viz.: New Year's Day, Memorial Day, Fourth of July, Thanksgiving Day and Christmas Day, or days celebrated as such shall be paid for at the rate of double time. There shall be no work performed on Labor Day.

Legal holidays occurring on a Saturday will be celebrated on that Saturday and if work is performed on that Saturday it will be paid at double time. Legal holidays occurring on a Sunday will be celebrated on the following Monday, and if work is performed on Monday, double time shall be paid for hours worked.

Section 6.5. Shift Work. Shift work shall be permitted, but only with the prior approval of any Officer or Business Representative of the Union. Where such approval has been given the following conditions shall prevail:

- A. Shift work in the field or shop shall be from 12:01 a.m. Monday to 11:59 p.m. Friday.
- B. Where two (2) shifts in the field or shop are permitted, the first shift shall work eight (8) hours from 7:00 a.m. to 3:30 p.m. (with one-half hour for lunch) at the regular hourly rate.

The second shift in the field or shop shall work eight (8) hours from 3:30 p.m. to midnight (with one-half hour for dinner) and shall receive one and one-quarter times the regular hourly rate.

- C. Where three (3) shifts in the field or shop are permitted, the first shift shall work eight (8) hours from 7:00 a.m. to 3:30 p.m., (with one-half hour for lunch) at the regular hourly rate.

The second shift shall work seven and one-half (7 1/2) hours from 3:30 p.m. to 11:30 p.m. (with one-half hour for dinner) and shall receive one and one-quarter times the regular hourly rate.

The third shift shall work seven (7) hours from 11:30 p.m. to 7:00 a.m. (with one-half hour for breakfast) and shall receive one and one-quarter times the regular hourly rate.

- D. In the event of a dispute on the part of the Union as to whether or not the work qualifies as shift work, if no other abrogation of the contract is involved, a meeting of the Joint Arbitration Board will be called within forty-eight (48) hours to resolve the dispute. In the meantime, the men will not be removed from the work.
- E. Shift work hours can also be adjusted in accordance with Article VI, Section 6.1.
- F. There shall be no shift work on Saturday, Sunday or holidays without prior approval of any Officer or Business Representative of the Union.

Section 6.6. Savings Plan. Effective June 1, 1977, there shall be established in the individual name of each employee, covered by this Collective Bargaining Agreement who is employed and for whom hours are reported, a personal savings account in a bank depository, designated by the Joint Arbitration Board, into which there shall be deducted by the Employer from the employee's wages an amount specified in Schedules A, B and C, on all hours worked by said journeyman and apprentice covered by this Agreement. Said amount deducted and any interest accrued thereon shall be the sole property of the individual employee to whose account it has been credited. Said amount deducted and personal account shall be designated with the title "Savings Plan" for purpose of this Agreement.

Employees who do not have a personal savings account will have their monthly savings deduction held by the union office. Funds held by the union office are eligible for distribution on the second Friday of each month. Distributions can be made available for pickup or transmitted to the employee via U.S. Mail or private courier service.

The above deduction is a part of the employee's gross

earnings. Such deduction shall be subject to all Federal, state and local income and FICA tax withholdings. The Employer shall remit to the depository the gross amount as computed under this Section without regard to such Federal, state and local income and FICA tax withholdings

In the event that deduction to the Savings Plan Fund remains unpaid on the thirtieth day of the aforementioned month, an additional charge of fifteen percent (15%) of the amount of the deduction due must be paid.

Every employer shall make available to the Union any and all records of the covered employees that the Union may require in connection with the sound and efficient operation of the Savings Plan.

Section 6.7. Organizing, Apprentice Organizing and Education Fund. The Union has established pursuant to the approval of its membership a Program for Journeymen Organizing, Apprentice Organizing and Education Fund in compliance with Article 24 of the Constitution of International Association of Sheet Metal, Air, Rail and Transportation (SMART).

The hourly deduction from the employee's wages pursuant to this section for any classification covered by this Agreement are set forth in the attached Schedules A, B, and C.

The above deduction is a part of the employee's gross earnings. Such deduction shall be subject to all Federal, state and local income and FICA tax withholdings. The Employer shall remit to the depository the gross amount as computed under this Section without regard to such Federal, state and local income and FICA tax withholdings.

In the event the Organizing, Apprentice Organizing and Education Fund deduction remains unpaid on the thirtieth (30th) day of the month in which it is required to be filed, an additional charge of fifteen percent (15%) of the amount of the deduction due must be paid.

The Employer shall make available to the Union any and all records of the covered employees that the Union may require in connection with the sound and efficient operation of the Fund.

Section 6.8. Paydays. In instances where payment is made by personal delivery or direct deposit, such payment must be delivered to the employee or deposited into his or her account within four (4) regular working days immediately following the termination of each pay period.

In instances where payment is made by mailing, the Employer shall allow an adequate mailing period to provide for payment to be in the hands of the employee on the regular payday as provided in the preceding paragraph of this Section 6.8.

Where payment is made by mail, and is postmarked within 2 working days immediately following the termination of the pay period, then the Employer will be in compliance with this section.

In the event of a layoff, employees must be paid in full at time of layoff.

In the event of a termination for cause the terminated employee must be paid in full at time of termination.

If an Employer fails to comply with the terms of this section concerning payment of wages at the time of layoff or termination, such failure will result in the Employer being required to pay the Employee an additional two hours pay at the rate of pay he was receiving at the time of termination or layoff.

Section 6.9. Welfare Fund. The rate of Welfare contribution shall be in accordance with Schedules A, B and C attached hereto and made a part hereof and shall be paid based upon all hours worked. The welfare contribution covering all employees performing work performed by members and apprentices as required of Local No. 73 shall be made to the Sheet Metal Workers' Local No. 73 Welfare Fund. The contributions of the Employer shall be used to purchase group insurance such as life, hospitalization, accident and health, sick benefits, and such other forms of group insurance as the said Welfare Fund may wish to provide.

The Welfare Fund shall be administered pursuant to the Agreement and Declaration of Trust dated February 1, 1950, and amended from time to time since that date, and executed jointly by equal representatives of the Union and representatives of SMACNA Greater Chicago and shall be considered to be a part hereof as if set forth in detail. The Employer confirms and ratifies the appointment of the three (3) Employer Trustees who, with their successors designated in the manner provided in said Agreement and Declaration of Trust, are called Employer Trustees.

Each Union Trustee must be an elected official of the Union and a member of the Union in good standing. Each Employer Trustee must represent an Employer which is a signatory to this Collective Bargaining Agreement and which maintains a shop within the jurisdiction of the Union or be the Executive Director of the Association.

The trust is lawful and is qualified under all applicable laws and specifically with regard to Section 302(c)(5) of the Labor-Management Relations Act of 1947, as amended, and the trust is qualified under the applicable provisions of the Internal Revenue Code, so that all contributions by the Employer will be deductible for income tax purposes.

The Welfare Fund contributions shall be paid monthly up to and including the last payroll date in each and every calendar month on or before the fifteenth day of the following month.

The Employer's sole liability shall be for the payment of the monthly contributions set forth above and in no way guarantees payment of the benefits established by Trust Fund nor the solvency of the Fund. Furthermore, the Employer shall not be liable for any fund deficiency within the meaning of the Employee Retirement Income Security Act of 1974, as amended.

The contributions are to be stated on forms provided by the Fund or other acceptable forms.

In the event the Welfare Fund contribution remains unpaid on the thirtieth (30th) day of the month in which it is required to be filed, an additional charge of fifteen percent (15%) of the amount of the contribution due must be paid.

Every Employer shall make available to the Welfare Fund any and all records of the covered employees that the Welfare Fund may require in connection with the sound and efficient operation of the Welfare Fund.

The Welfare Fund will provide coverage to non-bargaining unit employees of employers under Plan C pursuant to terms established by the Trustees from time to time and at the contribution rate for Residential Service Specialists set forth in Schedule D. Contributions will be based on 160 hours per month for each month during which eligible non-bargaining unit employees are paid wage income by the employer.

Welfare Plan coverage will be provided to Residential Service Specialists hired on or after June 1, 2005 under Plan C only at the rate of four dollars (\$4.70) per hour in accordance with the resolutions of the Welfare Fund Board of Trustees.

Section 6.10. Pension Fund. The rate of Pension contributions shall be in accordance with Schedules A, B and C attached hereto and made a part hereof and shall be paid based upon all hours worked. The Pension contributions covering all employees, except apprentices and Residential Service Specialists hired on or after June 1, 2005, performing work performed by members of Local No. 73 shall be made to the Sheet Metal Workers' Local No. 73 Pension Fund. The contributions of the Employer shall be used for the establishment of such pension and retirement benefits as the said Pension Fund may wish to provide.

The Pension Fund shall be administered pursuant to the Agreement and Declaration of Trust dated September 9, 1950, and amended from time to time since that date, and executed jointly by equal representatives of the Union and representatives of SMACNA Greater Chicago and shall be considered to be a part hereof as if set forth in detail. The Employer confirms and ratifies the appointment of the three (3) Employer Trustees who, with their successors designated in the manner provided in said Agreement and Declaration of Trust, are called Employer Trustees.

Each Union Trustee must be an elected official of the Union and a member of the Union in good standing. Each Employer Trustee must represent an Employer which is a signatory to this Collective Bargaining Agreement and which maintains a shop within the jurisdiction of the Union or be the Executive Director of the Association.

The trust is lawful and is qualified under all applicable laws and specifically with Section 302(c)(5) of the Labor-Management Relations Act of 1947, as amended and the Trust has been approved under applicable provisions of the Internal Revenue Code so that all contributions by the Employer to said Fund will be fully deductible for federal income tax purposes.

The Pension Fund contributions shall be paid monthly up to and including the last payroll date in each and every calendar month on or before the fifteenth day of the following month. The contributions are to be as stated on forms provided by the Pension Fund, or other acceptable forms.

The Employer shall be liable for the payment of monthly contributions set forth above and Employer in no way guarantees payment of the benefits established by the Trust Fund, nor does Employer guarantee the solvency of the Fund.

However, it is understood that the foregoing is not to be construed as exempting the employer from withdrawal liability for the Trust Fund as determined in accordance with the Multi-Employer Pension Plan Amendments Act of 1980 and amendments thereto.

In the event the Pension Fund contributions remain unpaid on the thirtieth day of the month in which it is required to be filed, an additional charge of fifteen percent (15%) of the amount of the contribution due must be paid.

Every Employer shall make available to the Pension Fund any and all records of the covered employees that the Pension Fund may require in connection with the sound and efficient operation of the Pension Fund.

Section 6.11. Annuity Plan. The rate of Annuity contributions shall be in accordance with Schedules A, B and C attached hereto and made a part hereof and shall be paid based upon all hours worked. The Annuity contributions covering all employees, except first and second year apprentices, performing work performed by members of Local No. 73 shall be made to the Sheet Metal Workers' Local No. 73 Annuity Plan. The contributions of the Employer shall be used for the establishment of such Annuity benefits as the said Annuity Plan provides.

The Annuity Plan contributions shall be paid monthly up to and including the last payroll date in each and every calendar month on or before the fifteenth day of the following month. The contributions are to be as stated on forms provided by the Annuity Plan, or other acceptable forms.

The Employer shall be liable for the payment of monthly contributions set forth above and Employer in no way guarantees payment of the benefits established by the Annuity Plan, nor does Employer guarantee the solvency of the Annuity Plan.

In the event the Annuity Plan contributions remain unpaid on the thirtieth day of the month in which it is required to be filed, an additional charge of fifteen percent (15%) of the amount of the contribution due must be paid.

Every employer shall make available to the Annuity Plan any and all records of the covered employees that the Annuity Plan may require in connection with the sound and efficient operation of the Annuity Plan.

Section 6.12. Moonlighting. Members and apprentices of Local No. 73 and others employed under the Apprenticeship Program are strictly prohibited from performing side jobs on their own, or from contracting with their employer, or other contractor, as an independent contractor. Members, apprentices and others employed under the Apprenticeship Program violating this Section of this Agreement shall have Article No. 17 Section 1(e) and Section 1(h) of the International Association of Sheet Metal, Air, Rail and Transportation (SMART) Constitution invoked against his continuing membership in Local No. 73.

Section 6.13. Building Fund. Effective June 1, 2001, the Union has established pursuant to the approval of its membership a Building Fund. The rate of the Building Fund deduction shall be in accordance with Schedules A, B and C attached hereto and made a part hereof and shall be paid based upon all hours worked. The Building Fund deduction from the wages of all employees performing work performed by members of Local No. 73 shall be made to the Sheet Metal Workers' Local No. 73 Building Fund.

The above deduction is a part of the employee's gross earnings. Such deduction shall be subject to all Federal, State and local income and FICA tax withholdings. The Employer shall remit to the depository the gross amount as computed under this Section without regard to such Federal, state and local income and FICA tax withholdings.

The Building Fund deductions shall be paid monthly up to and including the last payroll date in each and every calendar month on or before the fifteenth day of the following month.

The deductions are to be as stated on forms provided by the Building Fund, or other acceptable forms.

In the event Building Fund deductions remain unpaid on the thirtieth day of the month in which they are required to be paid, an additional charge of fifteen percent (15%) of the amount of the deductions due must be paid by the Employer.

Every employer shall make available to the Building Fund any and all records of the covered employees that the Building Fund may require in connection with the sound and efficient operation of the Building Fund.

Section 6.14. Working Assessment and Per Capita Dues. Working Assessments and Per Capita Dues shall be deducted by the Employer from the employee's wages in the amounts specified in the attached Schedules A, B, and C on all hours worked by journeyman and apprentice members covered by this Agreement as required by the S.M.A.R.T. Constitution.

These deductions are to be remitted monthly together with a report stating the number of hours worked by each employee and the Union shall deposit said monies in its General Fund. The above deductions are part of the employee's gross earnings. Such deduction shall be subject to all Federal, States and local income and FICA tax withholdings.

In the event any of the deductions referenced in this section remain unpaid on the thirtieth day of the month following the month to be reported on, an additional charge of fifteen percent (15%) of the amount of the deduction must be paid.

The employer shall make available to the Union any and all records of the covered employees that the Union may require in connection with the sound and efficient collection of the deductions referenced in this section.

6.15 Joint Audit and Collection Program. The Employer agrees to be bound by all terms of a Joint Audit and Collection Program as established or amended from time to time with respect to obligations under Sections 6.6, 6.7, 6.9, 6.10, 6.11, 6.13, 6.14, 12.1, 12.2, 13.18, 13.24, 15.2, and 17.2. The Joint Audit and Collection Program as established or amended from time to time is expressly incorporated herein by reference in its entirety. The parties unequivocally agree to submit the matters referenced in this section for final and binding resolution in accordance with the dispute resolution procedures set forth in the Joint Audit and Collection Program, as presently established or periodically amended. The Joint Audit and Collection Program is in addition to the Grievance Procedure set forth in Article X. The parties to the Joint Audit and Collection Program shall not be required to exhaust the Grievance Procedure prior to pursuing collection under the Joint Audit and Collection Program.

ARTICLE VII TRANSPORTATION

Section 7.1. Shop to Job Site/Job Site to Job Site Transportation Expense. Transportation expense going to and/or from residence to shop shall be paid by the employee. Transportation expenses from shop to job site or job site to job site shall be paid by the Employer when directed by the Employer, in accordance with the latest Internal Revenue Service mileage allowance.

Section 7.2. Residence to Job Site Transportation within Jurisdiction. No transportation expense shall be paid to workmen in going to and from residence to job site within the geographical jurisdiction of Local No. 73.

Section 7.3. Residence to Job Site Transportation Beyond Jurisdiction. Transportation expense shall be paid to workmen in going to and from residence to job site beyond the geographical jurisdiction of Local No. 73 based on the shortest distance from the county line in which the job is located to the job site on the basis of the latest Internal Revenue Service mileage allowance.

Workmen to report on job site at regular starting time and leave site at regular quitting time. This section applies only to Will County, DuPage County, Kane County, and McHenry County in Illinois; and Lake County in Indiana and Kenosha County in Wisconsin. Travel pay for job sites in areas other than the above-named counties shall be determined in a written agreement between employer and employee.

Section 7.4. Expense Dispute. Any workman demanding transportation expense in excess of that herein provided for, or any employer refusing to pay transportation expense shall be subject to action by the Joint Arbitration Board.

ARTICLE VIII

WORK REQUIREMENTS

Section 8.1. Work Rates. The minimum hourly rate of wages for journeymen sheet metal workers covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be as set out in Schedule A, except as hereinafter specified in Section 8.2 of this Article.

Section 8.2. Higher Scale. On all work specified in Article I of this Agreement, fabricated and/or assembled by journeymen, apprentices, and/or pre-apprentices within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other Local Union affiliated with Sheet Metal Workers' International Association, whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the job site Union shall be paid to the journeymen employed on such work in the home shop or sent to the job site.

Section 8.3. Work Exceptions. The provisions of Section 8.2 of this Article, Section 2.2 of Article II and 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 only
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air diffusers, grilles, registers
9. Sound attenuators
10. Chutes
11. Double wall panel plenums
12. Angle rings

Section 8.4. Plenums and Air Pollution Control Systems. The provisions of Section 8.2 of this Article shall not be applicable to the manufacture for sale to the

trade or purchase of PLENUMS-Double wall panels for use in construction of air housing, or to AIR POLLUTION CONTROL SYSTEMS fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems.

Section 8.5. Outside Workers. Except as provided in Sections 8.2 and 8.6 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 covering the territory in which such work is performed or supervised.

Section 8.6. Out of Jurisdiction Work. 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 Workers' International Association, and if qualified sheet metal workers are available in such area, he may send no more than two (2) journeymen 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 8.1 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 International Association of Sheet Metal, Air, Rail and Transportation (SMART) covering the area then the minimum conditions of the home local union shall apply.

Section 8.7. Wage Scale Definition. In applying the provisions of Sections 8.2, 8.5 and 8.6 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 8.8. No Duplication of Welfare Benefit.

Welfare benefit contributions shall not be duplicated.

Section 8.9. Reporting Pay. Qualified journeymen, apprentice and probationary apprentice 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. It is agreed that employees who start work at the beginning of any work period shall receive not less than four (4) hours pay unless discharged for cause. This provision shall not apply when occasioned by conditions over which the Employer has no control.

Section 8.10. Non-Firm Journeymen. 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.

ARTICLE IX TOOLS AND VEHICLES

Section 9.1. Hand Tools. Journeymen and apprentice sheet metal workers covered by this Agreement shall provide for themselves all necessary hand tools.

Section 9.2. Transportation of Equipment and Materials. Journeymen and apprentice sheet metal workers covered by this Agreement shall not be permitted or required as a condition of employment to furnish the use of automobile or other conveyance to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop; facilities for such transportation to be provided by the Employer. This provision shall not restrict the use of an automobile or other conveyance to transport its owner and personal tools from home to shop or job at starting time or from job to home at quitting time.

ARTICLE X GRIEVANCE PROCEDURE

The Union and the Employer, whether party to this Agreement independently or as a member of the Multi-Employer Bargaining Agency, agree to utilize and be bound by this Article.

Section 10.1. Grievance, Step 1. Grievances of the Employer or the Union, arising out of interpretation or enforcement of this Agreement, shall be settled between the Employer directly involved and the duly authorized representative of the Union, if possible. An Employer may have the local Employers' Association present to act as his representative.

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

Section 10.1(a). Joint Arbitration Board. The Joint Arbitration Board shall be composed of three (3) representatives of SMACNA Greater Chicago, which may include its Executive Director, or their alternates, each representative having one (1) vote, and three representatives of the Union, each having one (1) vote. The Joint Arbitration Board shall meet regularly on the third (3rd) Wednesday of each calendar month and at other times as it decides. The Joint Arbitration Board will adopt rules or procedures under which it will operate. At the regular January meeting it shall select from its members a Chairman and a Secretary to serve until the next following January meeting. Chairman and Secretary shall be alternately occupied by representatives of the Union and the Association. For example, when a Union representative holds the position of Chairman, the Association's representative will hold the position of Secretary.

Section 10.2. Grievance, Step 2 - Joint Arbitration Board. Grievances not settled as provided in Section 10.1 of this Article may be appealed by either party to the Joint Arbitration Board 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, to render a final and binding determination, except as provided in Sections 10.3 and 10.6 of this Article. The Employers' Association, on its own initiative, may submit grievances for determination by the Board as provided in this Section.

Notice of appeal to the Joint Arbitration Board shall be given thirty (30) days after termination of the procedures described in Section 10.1 of this Article, unless the time is extended by a mutual agreement of the parties. Such notice by a party shall be in writing and will be forwarded by certified mail to the Chairman and Secretary of the Joint Arbitration Board and to the other party involved (Employer or Union, as the case may be).

Section 10.3. Grievance, Step 3 - Three-Member Panel. Grievances not disposed of under the procedure prescribed in Section 10.2 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 Union and one (1) representative appointed by the Employer's Association or by the Employer involved if said Employer is not a member of the Employers' Association. The panel representatives of the Union, and of the Employers' Association or Employer which is not a member of the Employers' Association shall come from Cook or Lake Counties. This panel will then select an impartial third party to sit as the third member of the panel. If the two representatives are unable to select an impartial third party within ten (10) days of meeting, then they will immediately jointly apply to the American Arbitration Association for a panel of five impartial arbitrators' names. The representatives will then alternately strike names from the panel. The person whose name remains shall be the impartial third party. Before such name striking procedure commences, both representatives shall have the right to reject one complete panel.

Notice of appeal to the panel shall be given within thirty (30) days after termination of the procedures prescribed in Section 10.2 of this Article. Such notice will be in writing and will be forwarded by certified mail to the President of the Union, the President of the Employers Association and to the other party involved (Employer or Union, as the case may be).

The panel shall meet promptly to select the impartial third party, 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.

The three-member panel shall promptly schedule a hearing at which each party shall have a right to present evidence, examine and cross-examine witnesses, make a record and file arguments.

The panel's duly rendered decision shall be final and binding on the Employer(s), Union and employees involved. In the event a majority decision is not rendered, the Step 3 procedure will be commenced again.

The fees and expenses of the third party (arbitrator) and the hearing room shall be shared equally by the Employer(s) and the Union. All other expenses shall be borne by the party incurring them.

Section 10.4. Remedies. The Joint Arbitration Board and the three-member panel are empowered to render such decisions and grant such relief to either party as they deem necessary and proper, including awards of damages, fines or other compensation. The authority to impose fines includes, but is not limited to, the power to fine parties who fail to appear in an amount to be determined by the Joint Arbitration Board for each occurrence. The jurisdiction of the Joint Arbitration Board and the three-member panel shall be only in regard to the particular dispute before it and neither the Board nor the panel shall have the power or authority to add to, subtract from, modify or change, in any way, the terms of this Agreement.

Section 10.5. Enforceability. If a decision is rendered by the three-member panel and it is not contested within thirty (30) days of its issuance to the parties involved, and it is not complied with, the Joint Arbitration Board may direct that the collective bargaining agreement between the Employer involved in the grievance and the Union be cancelled. In the event that the decision is not complied with within thirty (30) days, the Joint Arbitration Board will give the parties involved thirty (30) days' notice prior to cancelling the agreement, during which time the parties involved may show their compliance.

Section 10.6. Time Limits. 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 aforementioned pro-

cedures and there shall be no cessation of work by strike or lockout by any party to a grievance against whom a final decision is rendered pursuant to the provisions of Article X of this Agreement.

ARTICLE XI

NATIONAL AGREEMENTS

Section 11.1 Agreements, national in scope, between International Association of Sheet Metal, Air, Rail and Transportation (SMART) and other International Unions, covering work jurisdiction and the assignment, allocation and division of work among employees represented for the purposes of collective bargaining by such labor organizations, shall be respected and applied by the Employer, provided such Agreements have been consummated with the knowledge of and without objection from Sheet Metal and Air Conditioning Contractors' National Association, Inc.

Section 11.2 Notwithstanding any other provision of this Article, or any other Article of this Agreement, whenever an amendment to the Standard Form of Union Agreement shall be adopted by the 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.

ARTICLE XII

APPRENTICE TRAINING PROGRAM

Section 12.1. Employer's Contribution. The rate of Apprentice and Journeymen's Training Fund contribution shall be in accordance with Schedules A, B and C attached hereto and made a part hereof and shall be paid based on all hours worked. The Apprentice and Journeymen's Training Fund contribution covering all Apprentices performing work as required by Local No.

73 shall be made to the Apprentice and Journeymen's Training Fund. The time spent by the Apprentice attending school shall be excluded. There shall be no contributions for hours worked by Residential Service Specialists and Commercial Service Specialists.

The Sheet Metal Workers' Local No. 73 Apprentice and Journeymen's Training Fund shall be administered pursuant to the Agreement and Declaration of Trust dated June 1, 1965, and amended from time to time since that date, and executed jointly by equal representatives of the Union and representatives of SMACNA Greater Chicago, which may include its Executive Director, and shall be considered to be a part hereof, as if set forth in detail. The Employer confirms and ratifies the appointment of three (3) Employer Trustees who with their successors designated in the manner provided in said Agreement and Declaration of Trust, are called Employer Trustees.

The Trust is lawful and is qualified under all applicable laws and specifically with Section 302(c)(5) of the Labor-Management Relations Act of 1947, as amended and the Trust has been approved under applicable provisions of the Internal Revenue Code so that all contributions by the Employer to said Fund will be fully deductible for federal income tax purposes.

The contributions shall be paid monthly up to and including the last payroll date in each and every calendar month on or before the fifteenth (15th) day of the following month. The contributions are to be stated on forms provided or approved by the Sheet Metal Workers' Local No. 73 Apprentice and Journeymen's Training Fund.

In the event contributions remain unpaid on the thirtieth (30th) day of the aforesaid following month, a charge of fifteen percent (15%) of the amount of the contribution due must be paid.

The Employer shall make available to the Sheet Metal Workers' Local No. 73 Apprentice and Journey-men's Training Fund any and all records of the covered employees that the Fund may require in connection with the sound and efficient operation of the Sheet Metal Workers' Local No. 73 Apprentice and Journey-men's Training Fund.

Section 12.2. Additional Contribution. Upon demand of either party hereto, the Joint Apprenticeship Committee shall review the expenses incurred by the Fund in the operation of and the carrying out of the apprenticeship program to determine whether or not the current contribution is sufficient to pay the necessary and proper costs of this program. It is agreed that in the event that an increase in said contribution is warranted by economic conditions during the term of this Agreement, such increase shall be negotiated by the Joint Arbitration Board and made a part of this Agreement. Such increased contribution shall not become effective until fifteen (15) days prior written notice is given to all Employers who sign this Agreement.

Section 12.3. Apprentice Selection. The selection of apprentices shall be in accordance with written policies and procedures adopted by the Joint Apprenticeship Committee. Said written statement of policy shall be considered to be a part hereof as if fully set forth in detail herein.

Section 12.4. Joint Apprenticeship Committee Authority. The Joint Apprenticeship Committee is hereby declared to be the joint authority to carry on the work of the apprenticeship program. Articles VI and VIII of this Agreement, hereof are hereby declared to govern respectively.

Section 12.5. Joint Apprenticeship Committee Composition. For the purposes of this Agreement the Joint Apprenticeship Committee has been formed by the Joint Arbitration Board for the purpose of administering the Apprenticeship program. The Joint Apprenticeship Committee shall be composed of three (3) representatives of Employers' Association, which may include its Executive Director, each representative having one (1) vote, and three (3) representatives of the Union, each having one (1) vote.

Section 12.6. Apprentice Application. Application for apprenticeship shall be filed with the Joint Apprenticeship Committee through its Apprentice Coordinator pursuant to the procedure established by the Joint Apprenticeship Committee.

Section 12.7. Employer Application to Employ Apprentice. Any Employer qualified under the rules of the Joint Apprenticeship Committee desiring an apprentice shall make application for said apprentice to the Joint Apprenticeship Committee through its Apprentice Coordinator. The Employers, however, shall have the option to accept or reject any and all apprentices offered him by said Committee's Coordinator pursuant to the Rules established by the Joint Apprenticeship Committee.

Section 12.8. Apprentice Jurisdiction. Apprentices during the entire training period shall be under the jurisdiction and control of the Joint Apprenticeship Committee which has authority to protect the welfare and also to instruct, direct and discipline them.

Section 12.9. Apprentice Employment. Any Employer assigned an apprentice and said apprentice is indentured to said Employer by the Joint Apprenticeship Committee shall keep him at work at the trade for not less than ten (10) months, in each year, (this period of ten months shall include the time spent by the Apprentice in concentrated training) except in case of strikes, lockout, sickness or other unavoidable causes, or by action of the Joint Apprenticeship Committee.

Section 12.10. Probation. Any Employer assigned an Apprentice who has successfully completed the 10 week Pre Apprentice Program may take him or her on a trial basis for ninety (90) days after date of employment, but thereafter shall keep him or her at work at the trade for not less than ten (10) months, in each year, except in case of strikes, lockout, sickness or other unavoidable causes, or by action of the Joint Apprenticeship Committee. Any Employer discharging an apprentice during the ninety (90) day trial period, or at any time thereafter shall immediately notify the Joint Apprenticeship Committee in writing, giving the name of the apprentice and the reason for said Discharge.

Disposition of such apprentice shall be made by the Committee within thirty (30) days of receipt of notice of discharge.

Section 12.11. Employer Training. The Employer agrees that the apprentice shall work under such conditions as will result in normal advancement, and shall have him attend classes or do the required amount of study or manual training work as prescribed by the Joint Apprenticeship Committee, and if required shall submit proof to the Committee of such attendance to studies or lectures. Employer shall also agree that apprentices will not be employed in a manner that may be considered by the Joint Apprenticeship Committee as unfair to either party to this Agreement.

Section 12.12. Apprentice School Pay. The apprentice shall attend school with pay in accordance with the Rules and Standards of the Apprenticeship Program for the Sheet Metal Trade Local No. 73 as established by the Joint Apprenticeship Committee. Pay for days of school shall be paid by the Apprentice and Journeymen's Training Fund.

Section 12.13. Apprenticeship Assignment. The apprentice shall serve and complete his apprenticeship with the Employer to whom he is indentured by the Joint Apprenticeship Committee.

Section 12.14. Apprentice Reassignment. Only the Joint Apprenticeship Committee may reassign an apprentice to work, either temporarily or permanently, for another contractor party to this Agreement other than the one to whom he is indentured, provided that the Employer to whom the apprentice is reassigned will assume all the obligations so designated by the Joint Apprenticeship Committee.

Section 12.15. Apprentice Ratio. The Joint Apprenticeship Committee shall assign, transfer, and reassign all apprentices to regular members of the Employer's Association and to individual Employers who are covered by this Agreement or who subscribe to its terms and who employ at least three (3) journeymen for ten (10) months of the year.

The Employer shall be entitled to employ apprentices on the following basis:

- Ratio of apprentices to journeymen shall not exceed one (1) apprentice for every three (3) journeymen; two (2) apprentices for every five (5) journeymen; three (3) apprentices for every six (6) journeymen; and then one (1) apprentice for every two (2) journeymen thereafter.
- At no time shall the proportion of apprentices in training be greater than 33.33% of the total company work force represented by the Sheet Metal Workers' Local No. 73.
- It shall be compulsory to train one (1) apprentice if the contractor employs at least seven (7) journeymen ten (10) months of the year and for each ten (10) additional journeymen employed ten (10) months of the year, the contractor will train one (1) additional apprentice.

Section 12.16. Apprenticeship Term. An apprenticeship shall be for a period of not less than four (4) years, except as designated by the Joint Apprenticeship Committee, at the expiration of which time his or her Employer during this period shall prepare a statement for consideration by the Joint Apprenticeship Committee, which statement shall set forth the department, experience and general knowledge of the trade that the apprentice has acquired. The Committee will then recommend he or she be raised to journeymen, provided that he or she has received sufficient credit at such schools, selected by the said Committee, and provided his or her knowledge of the trade, is such as will satisfy the said Committee, that he or she is a good and efficient journeyman.

The Joint Apprenticeship Committee shall hold examinations of apprentices and shall certify as to the elevation to the next wage classification.

Apprentices failing to fulfill the requirements of the Apprenticeship Program may be set back in the program or dropped from the program by the Joint Apprenticeship Committee and also dismissed from the service of Employer pursuant to the Rules and Standards of the Joint Apprenticeship Committee.

Section 12.17. Certification. When the Joint Apprenticeship Committee has examined and passed on the qualifications of an apprentice to be a journeyman, it shall so certify in writing to the Local No. 73.

Section 12.18. Apprentice Wage Rate. The rate of wages for apprentices will be in accordance with Schedule C hereof.

Section 12.19. Administration. The Joint Apprenticeship Committee shall conduct its meetings and transact all the business in connection with the Apprenticeship Rules in the same manner as otherwise provided for in this Agreement. Between meetings of the Committee routine matters may be handled by the Chairman, Coordinator or Secretary of the Joint Apprenticeship Committee, acting jointly, and their action shall be subject to approval or revision by the Joint Apprenticeship Committee.

Section 12.20. Apprentice Rule Changes. These Apprentice rules shall not be amended, altered or suspended except by two-thirds vote of the Joint Apprenticeship Committee and ratification by the Joint Arbitration Board.

Section 12.21. Apprenticeship Committee Expenses. The expenses incurred by the Joint Apprenticeship Committee in carrying out the provisions of this Agreement with relationship to apprentices shall be borne by the Sheet Metal Workers' Local No. 73 Apprentice and Journeymen's Training Fund.

Section 12.22. Coordinator of Apprenticeship. The Apprenticeship Program shall be administered by a Coordinator of Apprenticeship and the Joint Apprenticeship Committee under the direction and control of the Joint Arbitration Board. The Coordinator shall be selected by the Trustees of the Sheet Metal Workers' Local No. 73 Apprentice and Journeymen's Training Fund.

Section 12.23. Concentrated Training. The parties have agreed to a Concentrated Training Program and the Joint Apprenticeship Committee has the authority to adopt and implement that program.

Section 12.24. Scholarship Loan Agreement. It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the International Training Institute and Local No. 73 Apprentice and Journeymen's Training Fund will not be used to train apprentices or journeymen who will be employed by employers in the Sheet Metal Industry not signatory to a collective bargaining agreement providing for contributions to the International Training Institute and the Local No. 73 Apprentice and Journeymen's Training Fund. Therefore, the trustees of the International Training Institute and the Local No. 73 Apprentice and Journeymen's Training Fund shall adopt and implement a Scholarship Loan Agreement Program which will require apprentices and journeymen employed by signatory Employers to repay the cost of training either by service following training within the union sector of the industry or by actual repayment of the cost of training if the individual goes to work for a non-signatory Employer in the Sheet Metal Industry. The cost of training shall include the reasonable value of all International Training Institute and the Local No. 73 Apprentice and Journeymen's Training Fund materials, facilities and personnel utilized in training. If a Local JATC does not implement the Scholarship Loan Agreement, the Local JATC shall be prohibited from utilizing International Training Institute materials and programs.

Section 12.25. Probationary Apprentice. The Joint Apprenticeship Committee has adopted a Probationary Apprentice Program. The Probationary Apprentice Program will be supervised by the Joint Apprenticeship Training Committee.

A. Probationary Apprentices will be selected from the list of apprentice applicants maintained by the Joint Apprenticeship Training Committee ("JATC"). Probationary Apprentices will be selected in accordance with the same ranking system utilized by the JATC for purposes of selecting apprentices.

B. No Probationary Apprentice shall perform work on any job unless he or she is under the direct supervision of a journeyman sheet metal worker/supervisor, nor shall he or she be assigned by his employer to work on a job in the jurisdiction of another local union.

C. The following are the ratios which will be maintained in the assignment of Probationary Apprentices. Initially, no contractor may employ a Probationary Apprentice unless he employs at least one apprentice. The remaining employment ratios will be maintained:

- i. One (1) apprentice and one (1) Probationary Apprentice;
- ii. Three (3) apprentices and two (2) Probationary Apprentices;
- iii. Thereafter, one (1) Probationary Apprentice may be assigned for each additional three (3) apprentices employed by the contractor.

It is understood that the Apprentice/Probationary Apprentice ratios will be maintained by each contractor employing Probationary Apprentices. Thus, if the number of apprentices at a contractor decreases, the number of Probationary Apprentices must decrease as well, so that the above-mentioned ratios are maintained.

D. Probationary Apprentices will be paid at a rate of thirty-five percent (35%) of the Journeyman's wage rate (as defined in the attached Wage Rate and Benefit Schedule). All overtime to Probationary Apprentices will be paid at overtime rates as per the Bargaining Agreement. Each contractor will determine what other benefits, if any, will be provided to Probationary Apprentices. No fringe contributions to Pension, Savings, Annuity, Journeymen Organizing, Apprentice Organizing and Education Fund, International Training Institute, National Pension Fund, and Industry Fund. Thereafter, the Joint Apprenticeship Training Committee shall annually review the status of the probationary apprentice

wage and make recommendations to the Joint Arbitration Board for adjustments.

E. In addition to wages each contractor will pay \$1.00 per hour of every hour of work by a Probationary Apprentice to the Welfare Fund.

F. Probationary Apprentices will work no more than one year as a Probationary Apprentice for a contractor(s).

Section 12.26. Apprentice Safety Training. All apprentices shall be required to attend a thirty hour safety course on OSHA both at the beginning of their indentured apprenticeship course work and not more than six months prior to the end of their course work at the Apprentice School.

Section 12.27. Job-Site/Shop Flexibility. Flexibility with regard to the use of apprentice and probationary apprentices per job site or shop location is as follows:

- For the first six (6) apprentices that a contractor employs, a one (1) to one (1) journeyman to apprentice ratio may be used in the shop and/or at a specific job location(s), thereafter a two (2) to one (1) journeyman to apprentice in training ratio will be in effect.
- A companywide journeyman to apprentice ratio will be maintained as per section 12.15 Apprentice Ratio.

ARTICLE XIII

GENERAL CONDITIONS

Section 13.1. Work, No Limitation. There shall be no limitation as to the amount of work a man shall perform during his working day.

Section 13.2. Tools, No Restrictions. There shall be no restriction of the use of machinery, tools or appliances.

Section 13.3. Employment of Apprentices. The employment of apprentices shall not be prohibited as long as the Employer remains qualified to train apprentices. The Joint Apprenticeship Committee is to be the sole judge of said Employer qualification. No apprentice shall perform work on any job unless he is under the direct supervision of a qualified journeyman

sheet metal worker, nor shall he be assigned by his employer to work on a job in the jurisdiction of another local union.

Section 13.4. Supervision. Foreman, General Foreman and Superintendents shall be agents of the Employer.

Section 13.5. Workers' Right. The worker is at liberty to work for whomever he or she sees fit, but he or she shall demand and receive the hourly wage rate and fringe benefits agreed upon by the Joint Arbitration Board in this trade under all circumstances.

Section 13.6. Employer's Right. The Employer or his agents are at liberty to employ and discharge whomever they see fit. See Sec. 13.19.

Section 13.7. Small Task Assignments. In the interest of economy, and at the discretion of the Employer, all small tasks covered by this Agreement may be done by workmen, or laborers of other trades, if mechanics or apprentices of this trade are not on the building or job, but the said small tasks are not to be of longer duration than one-half hour in any one day.

Section 13.8. Conflict with Agreement. The parties hereto shall not pass or enforce bylaws or working rules conflicting with this Agreement.

Section 13.9. Accidents. The Foreman shall report to the Union and to the Employer any serious accident which may occur upon the work.

Section 13.10. Agreement Execution. There shall be individual signing of agreements by all contractors except those contractors listed as members of SMACNA Greater Chicago which is designated as bargaining agent for the industry. In the event a contractor resigns his membership in the Association, the Union shall be notified immediately. Obtaining membership in the aforementioned Contractor Association does in no way guarantee an agreement with the Union.

Section 13.11. Shop Fabrication Requirement. All employers within the bargaining unit who are bound by this Agreement must maintain a shop and fabricate all items installed on the jobs that fall within the jurisdictional boundaries of Local No. 73, except as otherwise agreed with relation to any particular job. Items listed

in this Agreement, Article VIII, Section 8.3 are not governed by this section. Subject to the prior approval of the union, contractors engaged only in the installation of specialty items such as decking, siding, lockers, shelving, kitchen equipment, convactor covers, cooling towers, and work strictly limited to testing and balancing only, shall not be required to maintain a fabrication shop.

Section 13.12. High Pay. Where employees are required to work from boatswain chairs, trusses, frames, ladders, scaffolds not attached to structures, and mechanical lifts, at a distance of forty (40) feet or more from the ground or floor level, they shall receive seventy Five cents (75 cents) per hour above the regular hourly rate.

Section 13.13. Bad Checks. Where an employee receives a check from an Employer and the employee cashes or deposits said check and it is returned by the bank marked N.S.F. or Account Closed, the Employer shall pay a penalty of \$75.00 to the employee who received such check.

Section 13.14. Parking Fees. Employees assigned to all job sites located in areas where parking fees are required shall be reimbursed for parking fees for their first and last day on such job sites. This shall not apply where the next job site is less than one-quarter (1/4) mile away.

Section 13.15. Eight (8) Floors Restriction. Under no circumstances shall a man be required to walk up more than eight (8) floors to get to his work place. Where Employer has no control Article VIII, Section 8.9 shall apply.

Section 13.16. Work Stoppage. The Officials of the Union shall take its members and apprentices from the work of the Employer under the following conditions:

- A. To collect wages due its members.
- B. To collect contributions and penalties to the Welfare, Pension and Apprentice and Journeymen's Training Fund, Annuity Plan, Organizing, Apprentice Organizing and Education Fund, Savings Plan and Industry Fund due under the provisions of this Agreement.
- C. Where the Employer has failed to obtain the prior approval of the Union where required.

D. For failure of the Employer to guarantee Wages and Welfare, Pension and Apprentice and Journeymen's Training Fund, Annuity Plan, Organizing, Apprentice Organizing and Education Fund, Savings and Industry Fund Plan contributions required by this Agreement.

E. For failure of the Employer to maintain the statutory limit of Workers' Compensation Insurance.

F. For failure of the Employer to contribute under the Unemployment Compensation Act.

G. For failure of the Employer to pay Social Security (F.I.C.A.) tax on each employee.

H. For failure of an Employer to sign this Agreement.

Section 13.17. Owners Handling Tools. No owner-employee who is not a member of International Association of Sheet Metal, Air, Rail and Transportation (SMART) No. 73 and employed by a firm, corporation or individual proprietorship shall be allowed to handle tools on outside work. Only one owner-employee who is not a member of the Union may handle tools in the shop, only during regular working hours and with at least one (1) journeyman sheet metal worker employed in the shop at the time. An owner-member of the Union may handle tools on outside work or in the shop subject to the terms of Section 8.10 of this Agreement.

Section 13.18. Owner-Member-Immediate Family Contribution. Employers shall pay on behalf of an owner-member immediate family member at the rate of 160 hours per month to all fringe benefit programs under this Collective Bargaining Agreement whether or not working with the tools of the trade. Immediate family is defined as the spouse of an owner or owner-member and children (whether adopted or stepchildren) of an owner or owner-member. The fringe benefit programs referenced in this section are the Pension Fund, the Welfare Fund, the Apprentice and Journeymen's Training Fund, the Savings Plan, the Annuity Fund, the Building Fund, the Organizing, Apprentice Organizing and Education Fund, the Industry Fund, the National Pension Fund and the International Training Institute.

Section 13.19. Stewards. Whenever two (2) or more journeymen members of the Union are working together in the shop, the Union and the Employer shall jointly select one (1) man as Steward. In the field, Stewards are appointed by the Union. The Steward shall be given a reasonable time during working hours to perform his duties as Steward. The Steward shall not be discharged or replaced except for termination of the work at the job site for the Job Site Steward, within 30 days of a bona fide change of ownership for the Shop Steward, or for any steward at any time for sufficient reasons. (For the purpose of this Agreement, the term "bona fide change of controlling ownership" does not include transfers among family members or to trusts that benefit family members.) In the event the Steward is discharged for reason, prior notification shall be given to the Union and Employer and the matter adjusted between the parties involved.

Section 13.20. Business Agent. The Officers (full time) or Business Agents of the Union shall at all times have the privilege, during working hours, to enter any employer's shop or to go on any jobs to transact whatever business he may have to perform, but they shall in no way interfere with the progress of the work.

Section 13.21. Labor-Management Meetings. The parties have agreed to mandatory quarterly meetings of representatives of the Association and the Union to discuss industry issues.

Section 13.22. Safety Training. The Union will host voluntary OSHA thirty-hour safety course up to two times a year.

Section 13.23. Architectural Trainees. The Union shall require architectural trainees to attend evening training classes. All cost and expense of such training whatsoever shall be borne solely by the Apprentice and Journeymen Training Fund.

Section 13.24. Dues Check Off. The Employers agree to implement a dues check off with respect to Local No. 73 Union dues, if requested by the Union. The dues check off must comply with all applicable laws. The Union agrees to indemnify the Employer for any claims, losses or attorney's fees incurred in relation to the dues check off.

ARTICLE XIV

JOINT CONFERENCE BOARD

Section 14.1. General. A Joint Conference Board has been created by agreement between the Construction Employers' Association of Chicago and the Building Trades Council of Chicago. It is hereby agreed by the parties to this Agreement that they will recognize the authority of said Joint Conference Board and that its decision shall be final and binding upon them.

Section 14.2. Settlement Procedure. In cases of jurisdictional or other disputes between the Sheet Metal Workers' Local No. 73 and a union member of the same International Association, the matter in dispute shall be settled in the manner set forth by their International Constitution, but there shall be no abandonment of the work pending such settlement.

Section 14.3. Appeals. All decisions of the Joint Conference Board upon questions of jurisdiction over work shall be subject to appeal of the National Board of Jurisdictional Awards, but the decisions of the Joint Conference Board shall be final and binding until such time as the National Board for Jurisdictional Awards shall thereafter make its decision.

Section 14.4. Arbitration. All disputes must be arbitrated and the decision of the Arbiters shall be final and binding upon the parties hereto. There shall be no abandonment of work during such arbitration.

ARTICLE XV

GUARANTEES

Section 15.1. Contribution Guarantees. All Employers, parties to this Agreement, shall guarantee wages, Welfare, Pension, Annuity Plan, Organizing, Apprentice Organizing and Education Fund, Savings Plan and Apprentice and Journeymen's Training Fund and the Industry Fund contributions in the following manner:

Section 15.2. Surety Bond. Each employer shall procure and maintain, at his own expense, a Surety Bond in the principal sum designated below to guarantee payment of wages and Pension, Welfare, Savings Plan, Apprentice and Journeymen's Training Fund, An-

nunity Plan, Organizing, Apprentice Organizing and Education Fund, the International Training Institute and the Industry Fund contributions, assessments and fines during the term of this Agreement:

Number of Employees	Principal Bond Sum
1 - 3	\$ 10,000.00
4 - 6	\$ 20,000.00
7 - 9	\$ 35,000.00
10 - 14	\$ 50,000.00
15 - 20	\$ 70,000.00
21 - 30	\$100,000.00
31 - 40	\$140,000.00
41 - 50	\$180,000.00
51 - 60	\$220,000.00
61 - 75	\$260,000.00
76 & Over	\$300,000.00

The Joint Arbitration Board may amend this schedule once per year by mutual agreement. The Joint Arbitration Board may also require increased Bonds or other security in individual cases.

Section 15.3. Surety Bond Application. The form of application and their terms of said Surety Bond shall be made on a standard basis as determined by the Joint Arbitration Board. In lieu of a bond, the Joint Arbitration Board is authorized to provide for a Letter of Credit or an Escrow Agreement for the amount of the Surety Bond required and in a form acceptable to the Joint Arbitration Board.

Section 15.4. Surety Bond Certification. Each Employer shall certify to the Joint Arbitration Board, on forms approved by the Joint Arbitration Board, attesting to the procurement of the Surety Bond, Letter of Credit or Escrow Agreement required in Section 15.2 above. An original or certified copy of the Surety Bond, Letter of Credit or Escrow Agreement shall be in the hands of the Joint Arbitration Board within sixty (60) days after the effective date of this Agreement. Any employer who becomes subject to this Agreement by executing a supplemental agreement shall file a certified or original copy of the Surety Bond, Letter of Credit or

Escrow Agreement with the Joint Arbitration Board before he can employ members of Local No. 73.

Section 15.5. Workers' Compensation. Every Employer who shall come within the provisions of Section 3 of the Workers Compensation Act of Illinois or who shall have elected to provide for any pay the compensation provided for in said Act, must insure his entire liability to pay such compensation by some insurance carrier authorized, licensed or permitted to do such business in the State of Illinois. Each Employer shall file with the Union a certificate of such insurance containing no less than a ten-day notice of cancellation.

Section 15.6. Unemployment Compensation. In order to insure all employees covered by this Agreement against the hazards of unemployment resulting through no fault of their own, it is agreed that all Employers not already required to pay contributions under said Unemployment Compensation Act, shall hereby waive any objections so to do and take such steps as shall be required to become liable for the payment of contributions thereunder in the manner provided by the aforesaid Act, and regulations promulgated pursuant thereto.

ARTICLE XVI

VALIDITY

Section 16.1. Signing Agreement. It is understood that a condition of this Agreement is that all Employers of Local No. 73 members shall sign this Standard Form of Union Agreement and all Supplemental Agreements.

Section 16.2. Savings Clause Agreement. Any provision of this Agreement which is contrary to any valid applicable local, State or Federal law shall not be effective nor shall the invalidity of any part of the Agreement affect the remaining part hereof.

Section 16.3. Gender. The use of masculine (feminine) gender shall be understood to include both masculine and feminine genders.

ARTICLE XVII

METROPOLITAN CHICAGOLAND SHEET METAL INDUSTRY FUND

Section 17.1. General. The Employer has established a Trust Fund known as the Metropolitan Chicagoland Sheet Metal Industry Fund which Trust Fund is used to establish and conduct educational programs for the (1) General Public, (2) Employer Member, (3) Employee Members, and (4) Others with respect to new techniques and ideas and methods which will improve the Industry and increase the contribution that the Industry and its employees can make to the community and to carry out such other purposes as may be set forth in the Agreement and Declaration of Trust executed by said Metropolitan Chicagoland Sheet Metal Industry Fund and the Trustees of the Industry Fund with the purpose and intent to promote, support and improve the employment opportunities for the employees of such employer.

Section 17.2. Contribution. The Employer shall pay to the Metropolitan Chicagoland Sheet Metal Industry Fund, and the Industry Fund of the United States, c/o 4550 Roosevelt Road, Hillside, Illinois 60162-2053 an amount as specified in Schedules A, B and C attached hereto and made a part hereof, applicable to all hours worked by all members and apprentices of Local No. 73 employed by the Employer covered by this Agreement. Such payments shall be made monthly and directly to said Fund on or before the 20th day of the succeeding month, with respect to Residential Service Specialists, the Employer shall contribute to the Industry Fund an amount equal to 50% of the Journeymen Industry Fund contribution rate, as specified in the applicable schedules.

The contributions are to be stated on forms provided by the Fund or other acceptable forms.

In the event the Industry Fund contribution remains unpaid on the thirtieth (30th) day of the month in which it is required to be filed, an additional charge of fifteen percent (15%) of the amount of the contributions due must be paid.

Section 17.3. Reporting. The Metropolitan Chicagoland Sheet Metal Industry Fund shall submit to the Sheet Metal Workers' International Association, Local No. 73, 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 Metropolitan Chicagoland Sheet Metal Industry Fund 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 the Metropolitan Chicagoland Sheet Metal Industry Fund activities or its receipts and/or expenditures shall be furnished to the International Association of Sheet Metal, Air, Rail and Transportation (SMART), Local No. 73 upon written request.

ARTICLE XVIII

NATIONAL BENEFIT FUNDS

Section 18.1. National Pension Fund. The Trust is lawful and is qualified under all applicable laws and specifically, Section 302(c)(5) of the Labor Management Relations Act of 1947, as amended, and the Trust has been approved under applicable provisions of the Internal Revenue Code so that all contributions by the Employer to said fund will be fully deductible for federal income tax purposes.

The National Pension Fund contributions shall be paid monthly up to and including the last payroll date in each and every calendar month on or before the 20th of the following month. The contributions are to be stated on forms provided by the International Association of Sheet Metal, Air, Rail and Transportation (SMART) National Pension Fund or other acceptable forms.

The Employer in no way guarantees the payment of any benefits provided under the Plan or the solvency of the Fund. The Employer's sole obligation and liability shall be limited to making monthly contributions to the Fund as herein provided. Furthermore, the Employer shall not be liable for any fund deficiency within the meaning of the Employee Retirement Income Security

Act of 1974, as amended. If an Employer is required to pay any amount regardless of the nature or source (including, but not limited to, additional contributions, contribution surcharges, excise taxes, any amounts required under Internal Revenue Code Section 432 or any other amount) relating in any way to the National Pension Fund other than the contributions set forth in Schedules A, B and C, damages set forth under section 502(g)(2) of ERISA, or multiemployer pension plan withdrawal liability required by 29 U.S.C. Section 1001 et. seq., the package shall be reduced or reallocated so as to make the Employer whole.

In the event the Pension Fund contributions remain unpaid on the 20th day of the month they are due, an additional charge of fifteen percent (15%) of the amount of the contribution due must be paid.

Every Employer shall make available to the National Pension Fund any and all records of the covered employees that the National Pension Fund may require in connection with the sound and efficient operation of the Pension Fund.

Employers will contribute to the National Pension Fund for the Sheet Metal and Air Conditioning industry in accordance with Schedules A, B and C for each hour worked by all employees of the Employer covered by this Agreement.

For the term of this Agreement, the Parties to this Agreement have adopted National Pension Fund's First Alternative Option under the 2015 Funding Improvement Plan as in effect when the Collective Bargaining Agreement is entered into and as amended from time to time. The Employer will contribute to the Sheet Metal Workers National Pension Fund at the hourly Contribution Rates set forth in this Agreement, and in accordance with the First Alternative Option and National Pension Fund's Trust Document. The First Alternative Option and the National Pension Fund Trust Document are incorporated into this Agreement and form a part of this Agreement.

The Employer's Contribution Rate to the National Pension Fund will be increased by the date and in the amount required in the First Alternative Option, no later than the eighth (8th) day of June, 2016 and the eighth (8th) day of such month in each succeeding calendar year. In no event may this date, notwithstanding any other term of the Agreement, be later than the date specified in the First Alternative Option. The parties further agree that any increase in contributions that is required by the First Alternative Option shall be allocated from the existing package.

Section 18.2. International Training Funds.

Effective as of the date of this Agreement, the Employer shall contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI), National Energy Management Institute Committee (NEMIC), and Sheet Metal Occupational Health Institute Trust (SMOHIT) the hourly contribution rates in accordance with Schedules A, B and C for each hour worked by all employees of the Employer covered by this Agreement. Payments 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, NEMIC or SMOHIT, or, for purposes of collection and transmittal electronically. Contributions to SMOHIT shall cease when the Institute Trustees determine that the Trust is financially self-sufficient.

The parties recognize that the National Funds can receive and process contribution reports and remittances electronically. The parties agree to encourage employers to utilize the electronic reporting and remittance system.

The parties agree to be bound by, and act in accordance with, the respective Plan Documents, Agreements and Declarations of Trusts and/or Trust Documents establishing or governing the International Training Institute for the Sheet Metal and Air Conditioning Industry, the National Energy

Management Institute Committee, the Sheet Metal Occupational Health Institute Trust, and the Industry Fund of the United States.

ARTICLE XIX MANAGEMENT RIGHTS

The Employer shall retain the sole right to manage his business and direct his work force; to supervise the work of his employees in scheduling all construction work; to judge the satisfactory performance of his employees without discrimination and to select and utilize tools and fabricating equipment in the shop and on the job site.

To maintain order and efficiency on the job site including the right to hire, discharge, assign, transfer and direct his work force.

To determine the number of hours worked in the shop and field; to determine the starting and quitting time of the employees; subject to regulations and restrictions imposed in this Agreement; to reserve the sole right to schedule the shipment of all goods which are covered by this Agreement, subject to such regulations and restrictions governing the exercise of these rights as are expressly provided in this Agreement.

ARTICLE XX LABOR MANAGEMENT COOPERATIVE COMMITTEE (LMCC)

SMACNA Greater Chicago and the Union are committed to promoting productive and cooperative Labor-Management relations. In furtherance of this goal, the parties agree to participate in a Labor-Management Cooperation Fund, under authority of, and for the purposes stated in, Section 6(b) of the Labor-Management Cooperation Act of 1978, 29 U.S.C. §175(a). The parties intend this arrangement to comply with Section 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. §186(c)(9).

Representative of SMACNA Greater Chicago and the Union shall meet and adopt a Trust Agreement

which establishes the operation and structure of the Fund. All questions concerning the Fund's operation and structure shall be resolved exclusively as set forth in the Trust Agreement as interpreted by the Trustees. Disputes arising under the Trust Agreement shall not be subject to the grievance arbitration mechanism outlined herein. This exception shall not apply to rights or duties which are established pursuant to the instant Agreement, which remains arbitrable, as specified herein.

Beginning June 8th of 2016, three cents (\$0.03) per man-hour worked will be allocated from the wage and fringe package to the SMACNA Greater Chicago Industry Fund, and transferred to the LMCC Account. In addition, SMACNA Greater Chicago agrees to make a one-time contribution of fifty-thousand dollars (\$50,000) in furtherance of the goals stated herein.

ARTICLE XXI

NON-DISCRIMINATION

The Employer and the Union agree to provide an opportunity for equal employment regardless of race, sex, color, creed, national origin, marital status, age, veteran or handicap status as those terms are defined by law.

ARTICLE XXII

POLITICAL ACTION CHECK-OFF

The Employer shall deduct five cents (\$0.05) per hour for each hour worked from wages of employees who are members of the Union, provided no such deduction shall be made from the wages of any employee who has not executed and delivered to the Employer his revocable written authorization for such deduction. This deduction is to be remitted monthly together with a report stating the number of hours worked by each employee and the Union shall deposit said monies in an account designated as the International Association of Sheet Metal, Air, Rail and Transportation (SMART), Local No. 73 Political Action Committee Fund.

Said Committee will forward an amount (presently \$0.03 per hour) to the Sheet Metal Workers' International Association Political Action League Fund. There is no retroactivity to this Article of the contract. The effective date for deductions shall be the date as reflected on the authorization card signed by the member and provided by the Union.

In the event that deduction to the Political Action Committee Fund remains unpaid on the thirtieth day of the month following the month to be reported on, an additional charge of fifteen percent (15%) of the amount of the deduction due must be paid.

The employer shall make available to the Union any and all records of the covered employees that the Union may require in connection with the sound and efficient operation of the Fund.

ARTICLE XXIII SERVICE SPECIALIST AGREEMENT

A Service Specialist Agreement has been entered into between the parties to this Agreement and ratified by the membership. The parties agreed to jointly author a service addendum to go into effect July 1, 1994. The Agreement covers scope of work, wages and employment ratios for residential, commercial, and journeyman service specialists. The agreed upon addendum shall be deemed a part of this agreement.

ARTICLE XXIV TERM

This Agreement is entered into this 8th day of June, 2016 between SMACNA Greater Chicago and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local No. 73, International Association of Sheet Metal, Air, Rail and Transportation (SMART) hereinafter referred to as the Union for Lake and Cook Counties, Illinois.

By the execution of this Agreement, the Employer authorizes SMACNA Greater Chicago to act as the collective bargaining representative for all matters relating to this Agreement. The parties agree that the Employer will be hereafter 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 ninety (90) days prior to the then current expiration date of this Agreement.

This Agreement and Addenda attached hereto shall become effective on the 8th day of June, 2016, and remain in full force and effect until the end of the 7th day of June 2019 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.

IN WITNESS WHEREOF, the parties hereto affix their signatures and seal this 8th day of June, 2016.

INTERNATIONAL
ASSOCIATION OF
SHEET METAL, AIR,
RAIL AND
TRANSPORTATION
(SMART)
LOCAL NO. 73

SMACNA Greater
Chicago
/s/ Jim Billard

/s/ Rocco Terranova

POLICY STATEMENTS

I. It is the joint policy of the parties to this Agreement to encourage all sheet metal workers, in the interest of their personal safety and well-being, to voluntarily participate in OSHA and HAZCOM training.

II. Joint Substance Abuse Policy

Section 1. Policy Statement. The parties to this agreement recognize that substance abuse is a major national concern and that reducing substance abuse in the workplace will improve the safety, health, well-being and productivity of sheet metal workers at all levels of employment. To those ends, individuals with substance abuse problems must be identified and encouraged to participate in proper treatment.

Section 2. Prohibitions. Sheet metal workers subject to the terms and conditions of this agreement are prohibited from engaging in any of the following activities:

A. Use, possession, manufacture, distribution, dispensation, or sale of alcohol or illegal drugs on company premises or while on company business, or while in a company supplied vehicle.

B. Storing in a locker, desk, or other repository on company premises or jobsite, any alcohol or controlled substance whose use is unauthorized.

C. Being under the influence of alcohol or a controlled substance on company premises or jobsite, or while on company business, or while in a company supplied vehicle.

D. Any possession, use, manufacture, distribution, dispensation, or sale of alcohol or of illegal drugs that adversely affects the individual's work performance, his own or others' safety at work.

E. Failure to adhere to the requirements of an approved alcohol or drug treatment or counseling program in which the employee is enrolled.

Section 3. Prescribed and Over-the-Counter Medication. A sheet metal worker using prescribed medication, which according to the prescribing physician may impair his/her physical or mental ability, or

using an over-the-counter medication that warns of similar impairment, must report such usage to his/her immediate supervisor in order to determine if a job reassignment is warranted.

Section 4. Substance Testing. Substance testing is warranted under any one of four (4) conditions. These are pre-employment screening (see Section 6 of Policy Statement), probable cause, work opportunity mandated testing and random testing. Probable cause may be indicated in a variety of situations, including but not limited to, an individual's involvement in an on the job accident involving fatality, serious bodily injury, or substantial property damage.

Section 5. General Provisions. Certain circumstances support substance testing as a warranted vehicle for determining possible impairment and/or a propensity for substance abuse. These include:

1. Pre-employment screening.
2. Probable cause.
3. Work opportunity mandated testing.
4. Random testing/Drug Free Workplace.

Whenever testing is utilized it shall be accomplished through dignified and humane procedures insuring complete confidentiality of specimen custody and test results. The individual being tested and EAP shall have access to the test results. When applicable, the sheet metal employer shall be notified of the positive or negative results, only.

For all testing, tests shall be conducted by qualified and accredited laboratories which comply with the Scientific and Technical Guidelines for Federal Drug Testing Programs and the Standards for Certification of Laboratories Engaged in Urine Drug Testing for Federal Agencies issued by the Alcohol, Drug Abuse and Mental Health Administration of the United States Department of Health and Human Services, or standards established by the applicable State having jurisdiction, whichever are the more stringent; maintain high quality control procedures; and, follow manufacturer's protocols. All initial positive tests shall be subject to a confirmation assay, such as a Gas Chromatography with Mass Spectrometry (GC/MS). The levels of detected substances for determining positive results shall be those

established as legitimate by the Alcohol, Drug Abuse and Mental Health Administration of the United States Department of Health and Human Services, or those established by the State having jurisdiction, whichever are the more stringent.

Section 6. Pre-Employment Screening. The screening of new prospective employees may be implemented to ascertain whether an applicant is capable of safely performing the duties of and meeting the prerequisites for the employment proffered. Therefore, pre-employment drug/alcohol testing of applicants for the sheet metal positions covered by the terms of this collective bargaining agreement may screen out those with a substance abuse.

Employers requiring pre-employment drug screening will pay for all costs of the test, wages and fringes for union members for a minimum of 2 hours or the actual time required.

Section 7. Probable Cause. Substance testing may be implemented when there is "probable cause". Probable cause shall be defined as those circumstances, based on objective evidence about the employee's conduct in the workplace, that would cause a reasonable person to believe that the employee is demonstrating signs of impairment due to alcohol or drugs. Examples of objective evidence include, when an employee shows signs of impairment such as difficulty in maintaining balance, slurred speech, erratic or atypical behavior, or otherwise appears unable to perform his/her job in a safe manner.

Section 8. Work Opportunity Mandated Testing. In all situations where an employer is required to agree to a testing program in order to qualify as a bidder on the project, testing may be required, but only if performed in accordance with these standards and applied uniformly to all personnel having access to the workplace. There shall be no discrimination against any employee who refuses a job assignment to a project that has alcohol/ drug testing.

Section 9. Drug Free Workplace with Random Testing. The parties have agreed to a mandatory Drug Free Workplace testing program which is expressly incorporated herein. The Drug Free Workplace Program is intended to supplement the terms hereof and shall not diminish any rights of an Employer hereunder.

Section 10. Alcohol/substance abuse is recognized as treatable. The desired result is rehabilitation. The preferred procedure is rehabilitation. The preferred procedure is through referral to a locally operated industry Employee Assistance Program (EAP). The EAP should provide employee and supervisor educational programming, individual and family counseling, as well as treatment referral services. Workplace problems arising out of an employee's relationship with substance abuse may warrant a variety of management responses, including referral for treatment, testing, disciplinary action, or even termination of employment.

The employer will bear the cost of all employer mandated testing.

The employer agrees to hold the union harmless and to bear any expenses incurred by the union in defending litigation arising out of the employer's activities in carrying out the drug testing program.

III. SMACNA Greater Chicago Policy Regarding Direct Bidding of Sheet Metal Work

Whereas, the customary system of having the mechanical contractor as a prime subcontractor and the sheet metal contractor as a sub-subcontractor originated years ago because the primary method of heating our buildings by boilers and steam and hot water systems involved large amounts of piping work, and

Whereas, modern technology has changed the industry so that now the primary systems in our buildings are sophisticated heating, ventilating and air conditioning systems which require large amounts of duct work and air handling units, and

Whereas, the sheet metal contractor, who is the primary air handling contractor, is most qualified by reason of training and experience to have direct responsibility to the general contractor, and

Whereas, the ratio on commercial HVAC jobs may have a ductwork to piping breakdown between 80% and 20%, and

Whereas, direct bidding reduces costs to the construction purchaser, provides better control by general contractors of HVAC work which is the major part of the

work, eliminates the third party in the payment process from the general contractor, and

Whereas, mechanical contractors who have their own sheet metal shops and perform the sheet metal work with their own forces are already providing the benefits of a direct sheet metal bid, so therefore

Be It Resolved, that SMACNA Greater Chicago encourages the concept of direct bidding whenever appropriate and practical on jobs where the ductwork/air handling out- weighs the piping work and that the sheet metal contractor should be a prime subcontractor to the general contractor.

CONDITIONS LISTED BELOW ARE IN EFFECT REGARDING FOREMAN, GENERAL FOREMAN AND SUPERINTENDENT

Wages. The rate of wages for Foreman, General Foreman and Superintendent shall be in accordance with Schedules A, B and C and are minimum rates.

FOREMAN

A Foreman shall be required on any job site where there are from four (4) to twelve (12) men working together. The Foreman shall be a member of the Union in good standing. He shall be subject to the terms of this Agreement.

GENERAL FOREMAN

A General Foreman shall be required on any job site where there are two (2) Foremen or twenty-five (25) men. The General Foreman shall be a member of the Union in good standing. He shall be selected by and be the Agent of the Employer. He shall be subject to the terms of this Agreement.

SUPERINTENDENT

Where a Superintendent is employed, he shall be a member of the Union in good standing. He shall be selected by and be the Agent of the Employer. He shall be subject to the terms of this Agreement.

WAGE RATE AND FRINGE BENEFIT SCHEDULE
INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND
TRANSPORTATION WORKERS, LOCAL NO. 73

AND

SMACNA GREATER CHICAGO
EFFECTIVE JULY 1, 2016 THROUGH JUNE 7, 2017

JOURNEYMAN TAXABLE WAGE RATE-SCHEDULE A		JOURNEYMAN FRINGE BENEFITS							
07-01-16 (DEDUCTIONS)	Wage \$43.03	LOCAL ANNUITY		APPRENTICE ITI		INDUSTRY FUND	WELFARE FUND	NATIONAL PENSION	LMCC
		PENSION	FUND	TRAINING	NTF				
***	Organizing/Education	8.01	8.65	.75	.18	.47	10.73	5.21	0.03
	Building Fund								
	Per Capita Tax								
	**** Working Assessment								
(1.16) - ON THE FIRST FORTY (40) HOURS PER WEEK									
RESIDENTIAL GUTTER TAXABLE WAGE RATE-SCHEDULE B		RESIDENTIAL GUTTER FRINGE BENEFITS							
07-01-16 (DEDUCTIONS)	Wage	\$30.10	8.01	8.65	.75	.18	10.73	5.21	0.03
	Savings Plan	(1.50)							
	Organizing/Education	(.44)							
	*** Building Fund	(.10)							
	Per Capita Tax	(.16)							
	**** Working Assessment	(.96)							
(ON THE FIRST FORTY (40) HOURS PER WEEK									
APPRENTICE TAXABLE WAGE RATE-SCHEDULE C		APPRENTICE FRINGE BENEFITS							
PROBATIONARY APPRENTICE		14.38	0	0	0	0	1.00	0	0
		35%/JS*							

07-01-16-FIRST YEAR

1 ST - 6 Months	40%/JS*	16.44	0	.36	.18	8.10	.36	5.21	0.03
2 ND - 6 Months	45%/JS*	18.49	0	.36	.18	8.10	.36	5.21	0.03
(DEDUCTION)	*** Building Fund	(.10)							
	Per Capita Tax	(.16)							
	**** Working Assessment	ON THE FIRST							
		FORTY (40)							
		HOURS PER							
		WEEK							
	1 st -6 Months	(.46)							
	2 nd -6 Months	(.49)							

07-01-16-SECOND YEAR

1 ST - 6 Months	50%/JS*	20.55	0	.75	.18	9.73	.47	5.21	0.03
2 ND - 6 Months	55%/JS*	22.60	0	.75	.18	9.73	.47	5.21	0.03
(DEDUCTION)	*** Building Fund	(.10)							
	Per Capita Tax	(.16)							
	**** Working Assessment	ON THE FIRST							
		FORTY (40)							
		HOURS PER							
		WEEK							
	1 st -6 Months	(.55)							
	2 nd -6 Months	(.58)							

07-01-16-THIRD YEAR

1 ST - 6 Months	60%/JS**	25.82	0	5.19	.75	.18	10.73	.47	5.21	0.03
2 ND - 6 Months	65%/JS**	27.97	0	5.62	.75	.18	10.73	.47	5.21	0.03
(DEDUCTIONS)	Savings Plan	(.90)								
	(1 ST 6 Months)	(.98)								
	(2 ND 6 Months)	(.44)								
	O/E	(.10)								
	*** Building Fund	(.16)								
	Per Capita Tax									
	**** Working Assessment									
	ON THE FIRST									
	FORTY (40)									
	HOURS PER									
	WEEK									
	1 st -6 Months	(.73)								
	2 nd -6 Months	(.76)								

07-01-16-FOURTH YEAR

1 ST - 6 Months	70%/JS**	30.12	0	6.06	.75	.18	10.73	.47	5.21	0.03
2 ND - 6 Months	75%/JS**	31.15	0	6.00	.75	.18	10.73	.47	5.21	0.03
(DEDUCTIONS)	Savings Plan	(1.05)								
	(1 ST 6 Months)	(1.13)								
	(2 ND 6 Months)	(.44)								
	O/E	(.10)								
	*** Building Fund	(.16)								
	Per Capita Tax									
	**** Working Assessment									
	ON THE FIRST									
	FORTY (40)									
	HOURS									
	1 st -6 Months	(.80)								
	2 nd -6 Months	(.84)								

First and Second Year Apprentices do not receive contributions for Annuity Fund, Savings Plan or Organizing and Education. Employer contributions to the Annuity Fund and Savings Plan for Third and Fourth Year Apprentices will be based on a percentage of Journeyman contributions as listed above and shall include \$44 for Organizing and Education.

FOREMAN	07-01-16	8% OVER SCALE	\$3.44 in addition to wage = \$46.47
GENERAL FOREMAN	07-01-16	9% OVER SCALE	\$3.87 in addition to wage = \$46.90
SUPERINTENDENT	07-01-16	11% OVER SCALE	\$4.73 in addition to wage = \$47.76

The General Foreman category applies to all shop foremen, regardless of number of men up to 25. Above 25 men, the Superintendent scale applies.

- * PERCENTAGE OF JOURNEYMAN WAGE OF \$41.09
 - ** PERCENTAGE OF JOURNEYMAN WAGE OF \$43.03
 - *** BUILDING FUND IS INCLUDED IN OVERTIME CALCULATIONS
 - **** WORKING ASSESSMENT IS CALCULATED ONLY ON THE FIRST FORTY (40) HOURS OF THE WORK WEEK.
- CALCULATION IS ON THE JOURNEYMAN WAGE PACKAGE

SAMPLE JOURNEYMAN WAGE SCALES:

Straight Time Hourly Wage	\$43.03
Time and One Quarter Hourly Wage	\$53.79
Time and One Half Hourly Wage	\$64.55
Double Time Hourly Wage	\$86.06

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