

AGREEMENT

Between the

**SHEET METAL, AIR, RAIL
AND TRANSPORTATION WORKERS
INTERNATIONAL ASSOCIATION
LOCAL 268
SOUTHERN ILLINOIS**

And

**SOUTHERN ILLINOIS
SHEETMETAL CONTRACTORS
ORGANIZATION**

and

INDEPENDENT CONTRACTORS

Of

SOUTHERN ILLINOIS

July 1, 2015 – June 30, 2018

**SHEET METAL, AIR, RAIL
AND TRANSPORTATION WORKERS
INTERNATIONAL ASSOCIATION
LOCAL UNION 268
2701 NORTH 89TH STREET
CASEYVILLE, ILLINOIS 62232
(618) 397-1443
FAX (618) 397-3204**

JURISDICTION

The territorial jurisdiction of Local 268 consists of thirty-six counties in Southern Illinois. Namely: Alexander, Bond, Clay, Clinton, Edwards, Effingham, Fayette, Franklin, Gallatin, Greene, Hamilton, Hardin, Jackson, Jasper, Jefferson, Jersey, Johnson, Macoupin, Madison, Marion, Massac, Monroe, Montgomery, Perry, Pope, Pulaski, Randolph, Richland, St. Clair, Saline, Union, Wabash, Washington, Wayne, White and Williamson.

MEMORANDUM OF AGREEMENT

This Agreement is entered into this 1st day of July, **2015** by and between Southern Illinois Sheet Metal Contractors Organization and Independent Contractors hereinafter referred to as the Employer, and **Sheet Metal, Air, Rail and Transportation Workers International Association Local 268**, hereinafter referred to as the Union for Southern Illinois.

ARTICLE I

SECTION 1. This Agreement covers the rates of pay and conditions of employment of all employees of the Employer engaged in but not limited to the (a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or non-ferrous metal work and all other materials used in lieu thereof and of all HVAC systems, air-veyor systems, exhaust systems and air handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches and (e) all other work included in the jurisdictional claims of **Sheet Metal, Air, Rail and Transportation Workers International Association**.

ARTICLE II

SECTION 1. No Employer shall subcontract or assign any of the work described herein which is to be performed at a job site to any contractor, sub-contractor or other person or party who fails to agree in writing to comply with the conditions of employment contained herein including, without limitations, those relating to union security, rates of pay and working conditions, hiring and other matters covered hereby for the duration of the project.

SECTION 2. Subject to other applicable provisions of this Agreement, the Employer agrees that when subcontracting for prefabrication of materials covered herein, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication, as established under the provisions of this Agreement.

ARTICLE III

SECTION 1. The Employer agrees that none but journeymen, apprentice and pre-apprentice sheet metal workers shall be employed on any work described in Article 1 and, further, for the purpose of proving jurisdiction, agrees to provide the Union with written evidence of assignment on the Employer's letterhead for certain specified items of work to be performed at a jobsite prior to commencement of work at the site. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA and **SMART**, shall be provided to the Employer.

SECTION 2. Each Employer covered by this Agreement doing commercial or industrial projects, shall employ at least (1) journeyman sheet metal worker on a full time basis who is not a member of the firm and pay a minimum of 1,600 hours per year into all fringe benefit funds listed in Articles VIII, XI, XII, XIII, XIV and XV. In those cases where relief has been granted by the union to allow the owner, partner, or shareholder to act as meeting the above requirement of at least one (1) journeyman sheet metal worker, a minimum of 1,600 hours per year must be contributed into all fringe benefit funds as listed in Articles VIII, XI, XII, XIII, XIV and XV on that individual. Contractors signatory to any collective bargaining agreement with **Sheet Metal, Air, Rail And Transportation Workers International Association Local 268** prior to July 1, 1988 are exempt from the 1,600 hour minimum payment requirement. Contractors doing commercial or industrial projects shall hire a minimum of one journeyman, who is not a member of the firm, for the duration of the job.

ARTICLE IV

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

SECTION 2 (a). As a condition of employment and referral all employees working under the terms of this agreement must successfully complete and pass at a minimum, the 30 hour OSHA training program. The aforementioned 30 hour program shall be at no cost to the employer and shall not interfere with the regular work day. Any employee without a valid 30 hour OSHA card cannot be dispatched or employed under the terms of this agreement. A grace period (up to the next scheduled classes not to exceed six months) to obtain the above training may be granted by the Business Manager.

(b) As a condition of employment and referral, all employees working under the terms of this agreement must submit to Local 268's substance abuse testing program **with random testing of the working body of the Local**. No employee will be excused from the testing at any time. Any employee with a non-current, not available and/or any status otherwise removing them from workforce eligibility as per the current substance abuse testing program in effect, cannot be dispatched or employed under the terms of this agreement. Notification of the aforementioned status shall be provided to the Employer and Employee by traceable means of communication. Local 268 shall fund the substance abuse testing program. Employee(s) shall be granted time away from the workplace necessary to comply with the substance abuse testing program at no cost to the Employer.

Contractor(s) requesting additional and/or on site testing shall pay for any additional expenses in addition to the employee being duly compensated for his/her time incurred for said additional testing as described in Articles VI and VII of this agreement.

ARTICLE V

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

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

SECTION 3. The provisions of this Article shall be deemed to be of no force and effect in any state, to the extent to which the making or enforcement of such provisions is contrary to law. In any state where the making and enforcement of such provision is lawful only after compliance with certain conditions precedent, this Article shall be deemed to take effect as to involved employees immediately upon compliance with such conditions.

SECTION 4. The Employer will not discriminate against any employee because of race, color, creed, national origin, sex or age.

SECTION 5. The Contractor will furnish all health and safety equipment required to perform the work according to all safety specifications required for the job. Employer shall furnish all hard hats, goggles or safety glasses, respirators and ear protection, all of which are sanitary. The Union is in agreement that all our members shall comply with these health and safety requirements. The contractor is responsible for enforcing these regulations.

ARTICLE VI

SECTION 1. The regular working day shall consist of eight (8) hours labor in the shop or on the job site between 7:00 a.m. and 4:30 p.m. with no more than 2 (two) start time changes per year for shop work, June 1 through Oct. 1, field work as required by the job site. The regular working week shall consist of five (5) consecutive eight (8) hour days labor in the shop or on the job, beginning with Monday and ending with Friday of each week. All full time or part time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate. Any change in the regular working day from that set out in this Article must be by mutual agreement of the Employer and the Union.

SECTION 2. Except as otherwise provided pursuant to Section 5, Section 6 and Section 8 of this Article, all work performed outside the regular working day and on Saturdays shall be paid at one and one-half (1 ½) times the regular rate except for Sundays and Holidays which shall be paid at two (2) times the regular rate.

SECTION 3.

- a) The Union, upon mutual written agreement with the Employer, may establish a four-day work week consisting of Four (4) Ten (10) hour days. The work week shall consist of Four (4) consecutive days beginning Monday and ending Thursday. All work performed beyond ten (10) hours in one day or forty (40) hours in one (1) week in the four-day work week shall be paid at the prescribed overtime rate.

The "Four-Ten" work day shall consist of ten (10) hours labor in the shop or on the job site between 6:00 a.m. and 5:30 p.m. with no more than 2 (two) start time changes per year for shop work, June 1 through Oct. 1, field work as required by the job_site. The working week shall consist of four (4) consecutive ten (10) hour days labor in the shop or on the job, beginning with Monday and ending with Thursday of each week. All full time or part time labor performed during such hours shall be recognized as "four-ten" working hours and paid for at the regular hourly rate. Any change in the regular working day from that set out in this Article must be by mutual agreement of the Employer and the Union.

- (b) Except as otherwise provided pursuant to Section 6 and Section 8 of this Article, all work performed outside the regular working day and on Fridays and/or Saturdays shall be paid at one and one-half (1 ½) times the regular hourly rate except for Sundays and Holidays which shall be paid at two (2) times the regular hourly rate.

SECTION 4. New Year's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Presidential Election Day, Thanksgiving Day and Christmas Day or days locally observed as such, and Sunday shall be recognized as Holidays. When a holiday falls on a Saturday or a Sunday, work performed shall be paid at two times the regular rate. When a holiday falls on a Sunday, the following Monday shall be observed as the holiday.

SECTION 5. It is agreed that all work performed outside the regular working hours during the regular work week and on Holidays shall be performed only upon notification by the Employee to the Local Union in advance of scheduling such work.

SECTION 6. Shift work, where part or all of such shift is outside the regular work day, shall be paid for at the rate of 115%. Shift work shall be defined as an eight (8) hour shift where part or all of such shift is outside the normal working hours, which is expected to last for a minimum of three (3) consecutive normal work days. Shift work on maintenance work shall be covered by the Maintenance Addendum Number 1 dated **July 1, 1980**.

SECTION 7.

- (a) Starting time for service work, can be varied between 7:00 a.m. and 10:00 a.m. provided the same starting time is used each day for one week (Monday through Friday). All overtime residential service work after the regular 8-hour work day shall be paid at a rate of time and one-half (1 ½). All residential service work on Saturdays, Sundays and Holidays shall be paid at a rate of time and one-half (1 ½). Rules pertaining to residential work performed by Residential Sheet Metal Workers are covered by a separate Residential Addenda to this Agreement.
- (b) Service work in connection with commercial heating and air conditioning systems shall be paid at the rate of time and one-half (1 ½) for all overtime except on Sundays and Holidays.

SECTION 8. Any employee shall be granted time to put away tools and equipment on the Contractor's time. He shall be allowed five minutes with pay to fill out his time card, wash his hands and change clothes when working in the shop and/or on the job site.

SECTION 9. Maintenance work shall be covered by the Maintenance Addendum No. 1, dated **July 1, 1980**.

SECTION 10.

(a) Pertaining to eight (8) hour regular work day:

When it is necessary to work more than nine and one-half (9 ½) hours per working period there shall be a one-half (1/2) hour lunch period at the applicable overtime rate. When it is necessary to work more than thirteen (13) hours, sixteen and one-half (16 ½) hours or twenty (20) hours in a work period, there shall be an additional one-half (1/2) hour lunch period at the end of each of those work periods at the applicable overtime rate. The one-half (1/2) hour lunch period is not considered as time worked.

(b) Pertaining to ten (10) hour regular work day:

When it is necessary to work more than eleven and one-half (11 ½) hours per working period there shall be a one-half (1/2) hour lunch period at the applicable overtime rate. When it is necessary to work more than fifteen (15) hours, eighteen and one-half (18 ½) hours or twenty two (22) hours in a work period, there shall be an additional one-half (1/2) hour lunch period at the end of each of those work periods at the applicable overtime rate. The one-half (1/2) hour lunch period is not considered as time worked.

ARTICLE VII

SECTION 1. When employed in a shop, or on a job within forty five (45) road-miles of such shop, employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within the said limits from home to shop or job at starting time and from shop or job to home at quitting time, and the employer shall provide, or pay for all necessary additional transportation during working hours.

SECTION 2. When employed within the jurisdiction of the Union on a job in excess of forty five (45) road-miles from the Employer's shop, employees from the shop shall provide transportation for themselves which will assure their arrival at the forty five (45) road-miles limit at the regular starting time and such employees shall receive the current I.R.S. published mileage rate in effect at time of travel per mile for each additional mile to the job site and from the job site to the forty five (45) road-mile limit with pay.

SECTION 3. When dispatching men to a job site by truck from the shop, the Employer will not send truck from shop until the scheduled starting time and it must be back to the shop before the scheduled quitting time. When an employee is requested by the employer to be on the job-site at starting time within the jurisdiction of the local, and the employee has been permanently assigned an employer's vehicle for transportation to and from work and home, said vehicle can be loaded with equipment, material and tools.

SECTION 4. When an employee is requested by the Employer to be on a job site at starting time beyond the forty five road-mile line from the shop and within the jurisdiction of this Union, he shall be reimbursed at the following rates per working day for his expenses and shall be paid mileage as set out in Section 2 of this Article to the job site: \$8.50 per day, 45 to 59 miles; \$12.50 per day, 60 to 79 miles; \$20.50 per day, 80 to 119 miles; and \$35.00 per day over 119 miles.

SECTION 5. Out-of-jurisdiction Employers shall pay employees mileage at the current I.R.S. published mileage rate in effect at time of travel per mile from the forty five (45) road-mile point from the County Courthouse of Jefferson County, Illinois to the job site and return with pay for travel time unless subsistence as outlined in Section 4 of this Article is paid in addition to mileage, in which event the employee shall report at the job site at the regular starting time. When an employee of an out-of-jurisdiction Employer is requested by the employer to be on the job site at starting time, he shall be paid mileage to the job site at the current I.R.S. published mileage rate in effect at time of travel per mile from the forty five (45) mile point from the County Courthouse of Jefferson County, Illinois and he shall be paid subsistence as outlined in Section 4 of this Article.

SECTION 6. The term “shop” as used in this Article shall be the Employer’s shop or shops in existence at the time this Agreement is signed. Any new or relocated shops of the Employer occurring after the date of this Agreement may be included in the term “shop” as used in this Article only by mutual agreement of the Employer and the Union. The County Courthouse of Jefferson County, Illinois, shall be considered as the shop for out-of-jurisdiction Contractors when figuring mileage and subsistence.

SECTION 7. The Employer shall not hire any employee for employment before discussing it with the Business Representative of Local 268. **The Employer** shall also notify the Business Representative as soon as possible after terminating any employee. Upon termination the Employer shall provide a separation notice stating reason(s) for discharge to the Employee and the Union. All employees who have worked for an Employer that has or has had an agreement with Local 268 shall report to a Business Representative before seeking new employment. The Employee shall also report when his employment is terminated. This shall in no way be considered as a requirement to be eligible for employment. The purpose is to keep the Union advised as to where its members are working and also allow the Union a chance to recommend members for employment when they are out of work. Any Employee voluntarily ending their employment shall not be available for further dispatch or employment for a period of ten (10) working days following the final date of said employment.

ARTICLE VIII

SECTION 1. The minimum Journeyman total package wage rate effective:

July 1, 2015 -	\$ 54.73
July 1, 2016 -	\$ 56.08
July 1, 2017 -	\$ 57.43

Sheet Metal Workers Local Union #268 has the right to allocate moneys to any existing funds or the base wage. These wage rates apply on all work unless covered by an Addendum to the agreement of Section 2 of this article. (Refer to wage & fringe benefits page).

(b). When Sheet Metal Workers are employed by an agency, Federal, State, County or any employer not signatory to the Agreement, the basic hourly wage rate shall be the complete taxable wage rate plus the applicable fringe benefits.

SECTION 2. On all work specified in Article 1 of this Agreement, fabricated and/or assembled by journeymen sheet metal workers, 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 **SMART**, 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 journeyman, apprentices, and/or pre-apprentices at their respective pay rates employed on such work in the home shop or sent to the job site.

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

1. Ventilators
2. Louvers
3. Automatic and fire dampers
4. Radiator and air conditioning unit enclosures
5. Fabricated pipe and fittings for residential installations 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 4. The provisions of Section 2 of this Article shall not be applicable to AIR POLLUTION CONTROL SYSTEMS fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems. In addition, the provisions of Section 2 of this Article will not be applicable to the manufacture of spiral pipe and fittings for high pressure systems.

SECTION 5. Except as provided in Sections 2 and 6 of this Article, the Employer agrees that journeymen sheet metal workers hired outside of the territorial jurisdiction of this Agreement shall receive the wage scale and working conditions of the local Agreement covering the territory in which such work is performed or supervised.

SECTION 6. When the Employer has any work specified in Article 1 of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another union affiliated with the **Sheet Metal, Air, Rail And Transportation Workers International Association**, , and qualified sheet metal workers are available in such area, he may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employer's home jurisdiction. All additional

sheet metal workers shall come from the area in which the work is to be performed. Journeymen sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation, travel time, individual room per employee, 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 with the **Sheet Metal, Air, Rail And Transportation Workers International Association** covering the area then the minimum conditions of the home local union shall apply.

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

SECTION 8. Welfare benefit contributions shall not be duplicated. When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this Agreement agree to arrange through the Health & Welfare Trust Fund to transmit health and welfare contributions made on behalf of the employee to the Health and Welfare Fund in the employee's home local union.

The parties to this Agreement agree to establish a system for continuing health and welfare coverage for employees working temporarily outside of the jurisdiction of the local collective bargaining agreement when health and welfare contributions are transmitted on their behalf by trust funds from other areas.

SECTION 9. Wages at the established rates specified herein shall be paid weekly in the shop or on the job at or before quitting time on Friday of each week, and no more than two (2) days pay will be withheld. However, employees when discharged, shall be paid in full. In the event Social Security numbers are evident on employee's pay check and/or stub, only the last four digits shall be used. The Business Manager or Agent may grant permission to allow three days pay to be withheld if it is requested, and he deems it to be necessary. If the payroll is prepared by computer, the Business Manager or Business Agent may grant special relief, in writing, to permit the establishment of a pay day other than Friday.

SECTION 10. Journeymen sheet metal workers who report for work by direction of the Employer and are not placed at work, shall be entitled to two (2) hours pay at the established rate. When a journeyman sheet metal worker starts to work, he shall be entitled to four (4) hours work or pay **followed by a half (1/2) hour unpaid lunch**. When instructed to report to work after the half (1/2) hour lunch time, he shall be entitled to eight (8) hours pay. This provision does not apply to service work.

"The four (4) hour and eight (8) hour pay provisions in this section do not apply to architectural sheet metal or siding and decking work. The rule for this type of work shall be: when a sheet metal worker starts to work and the job is shut down due to inclement weather or other acts of God, he shall be paid for the actual hours worked but not less than two (2) hours."

Where conditions warrant, the regular work day may consist of ten (10) hours labor on the job and the regular work week of (4) ten hour days between Monday and Friday with overtime being paid after 10 hours a day on the jobsite and 40 hours each week. Work performed on Saturday or Sunday shall be paid at the applicable overtime rate. This section will apply only to architectural sheet metal projects where the employees are exposed to the weather.

SECTION 11.

(a). Contributions provided for in Section 11 (b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, programs serving to expand the market for the services of the sheet metal industry, improve the technical and business skills of employers, stabilize and improve Employer-Union relations, and promote, support, and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b). The Employer shall pay thirty one cents (\$0.31) per hour for each hour worked on and after the effective date of this Agreement, (**twelve cents [\$0.12]** to be paid to the Sheet Metal and Air Conditioning Contractors' National Industry Fund of the United States [IFUS] and **nineteen cents [\$0.19]** to the Southern Illinois Industry Fund [hereinafter referred to as the Local Industry Fund]) by all employees of the Employer covered by this Agreement. Payment shall be made on or before the 15th day of the succeeding month to Southern Illinois Industry Fund, P.O. Box 307, Edwardsville, Illinois 62025.

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

(d). Grievances concerning use of IFUS funds for purposes prohibited under Section 11(a) or for violations of other subsections of this Section may be processed by the **Sheet Metal, Air, Rail And Transportation Workers International Association** directly to the National Joint Adjustment Board under the provisions of Article X of this Agreement. In the event such proceeding results in a deadlock, either party may, upon ten (10) days notice to the other party, submit the issue to final and binding arbitration. The Arbitrator shall be selected by the Co-Chairman of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he deems appropriate for violation of this Section, including termination of the employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a deadlocked issue under this Section, (Section 11, Article VIII), and no other.

(e) The Local Industry Fund shall furnish to the Business Manager of the Union not less often than semi-annually written reports describing in reasonable detail the nature of activities in which it is engaged of which it supports directly or indirectly with any of its funds. One time per year, the Fund shall include in such written report, a statement attested to by a Certified Public Accountant and containing its balance sheet and detailed statement of receipts and disbursements. Further specific detailed information in regard to Fund activities or its receipts and/or disbursements shall be furnished to the Business Manager of the Union upon his written request.

(f). Grievances concerning use of Local Industry Fund monies to which an employer shall contribute for purposes prohibited under Section 11 (a) or for violations of other subsections of this Section shall be handled under the provisions of Article X of this Agreement. The National Joint Adjustment Board shall be authorized to impose any remedial order for violation of this Section, including termination of the Employer's obligation to contribute to the local industry fund.

SECTION 12. A Labor-Management Committee shall be formed consisting of a minimum of six (6) members. Whenever possible the Committee shall consist of an even number of members with Labor and Management being equally represented. The Committee shall meet quarterly to provide a forum for discussions to share information, improve market share, improve channels of communication, and to increase knowledge in the art of Sheet Metal Work. Committee members representing labor will be appointed by the Business Manager, Committee members representing management will be appointed by the Contractors Association.

SECTION 13. No supervisor in the employ of any Employer shall be bound or in any way affected in the performance of his duty for the Employer, including hiring, by any obligation of Union membership, By-Laws, Rules and Regulations of the Constitution of the Local or International Union.

SECTION 14. When the sixth man is hired on any jobsite, there shall be a foreman designated who shall be paid at the rate of \$1.50 per hour above the established rate of a journeyman sheet metal worker. When the tenth man is hired, there shall be a second foreman, at which time the first foreman shall be a non-working general foreman who shall be paid at the rate of \$2.50 per hour above the established rate of a journeyman sheet metal worker and there shall be an additional foreman for every six men thereafter.

SECTION 15. Effective July 1, **2015**, Southern Illinois Sheet Metal Contractors Organization, its affiliated members and/or signatory independent contractors to deduct from members net wage, the sum of **sixty six cents (\$0.66)** per hour worked for Sheet Metal Workers Local 268 Building, Maintenance and Organizing Fund. **Effective July 1, 2016 the above amount may increase by three cents (\$0.03) to sixty nine cents (\$0.69). Effective July 1, 2017 the above amount may increase by one cent (\$0.01) to seventy cents (\$0.70).** Said monies to be remitted by the contractors through the Sheet Metal Workers Local 268 Vacation Fund or by separate BM&O check, provided that the employee has signed a written authorization for such deduction.

SECTION 16. Political Action League Fund

The Employer shall remit the political contribution amount from employee's net pay for each hour worked, for each Employee executing a Voluntary Political Contribution Deduction Authorization. The Union shall provide a copy of the Employee's Voluntary Political Contribution Authorization Card to the Employer. *Important:* Remit by separate check to: Local 268 P.A.L. Fund.

SECTION 17. The steward or stewards shall be a working journeyman appointed by the Business Agent of the Local Union who shall, in addition to his work as journeyman, be permitted to perform during working hours, such of his representative duties as cannot be performed at other times, it being understood and agreed that the stewards' duties shall not include any matters relating to referral, hiring and termination or disciplining of employees. Stewards shall remain on the job until it is completed, or in the shop, unless removed by the Business Representative or for just cause, by the contractor. There shall be no discrimination against a steward for the performance of duties on behalf of the local union. The last job foreman shall be the last working man on the jobsite and the shop foreman shall be the last working man in the shop. The job steward shall be the second last working man on the job and shop steward shall be the second last working man in the shop. If the workload dictates assignment of the shop steward to a jobsite he/she shall retain shop steward status, until removed or replaced by the union. The steward has no authority to cause a work stoppage. This authority is vested only in the Business Manager.

SECTION 18. The union officers and their duly authorized representatives, carrying proper credentials, shall be allowed to visit jobs during working hours to interview the Employee or the duly authorized representative of the Union on the job, and the steward.

ARTICLE IX

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

SECTION 2. The sheet metal workers when working in a composite crew shall be paid the same total package as the other craft if the other craft's total package is higher. Total package is defined as basic wage scale plus all fringe benefits. Industry Fund contributions and subsistence are not considered fringe benefits. When apprentice sheet metal workers are working in a composite crew they will be paid at their respective percentage rate.

SECTION 3. Journeymen, apprentice and pre-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. If an employee uses his/her personal vehicle for transportation from job to job or shop to job during the regular work day, he/she shall be reimbursed at the current I.R.S. published mileage rate in effect at time of travel per mile and the employee shall be covered by Employer's insurance.

ARTICLE X

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

SECTION 1. Grievances of the Employer or the Union, arising out of interpretation or enforcement of this Agreement, shall be settled between the Employer directly involved and the duly authorized representative of the Union, if possible. Both parties may participate in conferences through representatives of their choice.

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 (30) calendar days of the first knowledge of the facts giving rise to the grievance.

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

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

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

Notwithstanding the provisions of Paragraph 1 of this Section, an Employer who was not a party to the labor agreement of the area in which the work in dispute is performed may appeal the decision of the Local Joint Adjustment Board from that area, including a unanimous decision, and request a Panel hearing as set forth in Section 3 of this Article, providing such appeal is approved by the Co-Chairmen of the National Joint Adjustment Board.

SECTION 4. Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by

such Board. Appeals to the National Joint Adjustment Board shall be submitted within (30) days after termination of the procedures described in Section 3 of this Article. The Procedural Rules of the National Joint Adjustment Board are incorporated in this Agreement as though set out in their entirety. (Copies of the procedures may be obtained from the National Joint Adjustment Board.*)

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

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

SECTION 7. Failure to exercise the right of appeal at any step thereof within the time limit provided therefor 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 pending of the procedures provided for in this Article. Except in case of deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

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

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

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

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

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

- a. Any application to the National Joint Adjustment Board shall be upon forms prepared for that purpose subject to any changes which may be decided by the Board from time to time. The representatives of the parties who appear at the hearing will be given the opportunity to present oral argument and to answer any questions raised by members of the Board. Any briefs filed by either party including copies of pertinent exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.
- (c) The National Joint Adjustment Board shall have the right to establish time limits which must be met with respect to each and every step or procedure contained in this section. In addition, the Co-Chairmen of the National Joint Adjustment Board shall have the right to designate time limits which will be applicable to any particular case and any step therein which may be communicated to the parties by mail, telegram or telephone notification
- (d) Unless a different date is agreed upon mutually between the parties or is directed by the unanimous decision of the National Joint Adjustment Board, all effective dates in the new agreement shall be retroactive to the date immediately following the expiration date of the expiring agreement.

<p>* All correspondence to the National Joint Adjustment Board shall be sent to the following address: National Joint Adjustment Board, P.O. Box 220956, Chantilly, VA. 22022-0956, or 4201 Lafayette Center Drive, Chantilly, VA 22021-1209.</p>

ARTICLE XI

SECTION 1. The Employer will pay **two dollars & sixty seven cents (\$ 2.67) per hour effective July 1, 2015**, per journeyman and apprentice sheet metal worker into the **Sheet Metal, Air, Rail and Transportation Workers International Association Local**

268 Amended Pension Trust and Plan Agreement As of **June 1, 2014**, for a pension plan. Such hours to be paid for shall include all overtime and holiday hours worked. The trust fund established for this pension plan shall be administered by a joint committee composed of an equal number of Employers and Union representatives.

SECTION 2. The Employer will contribute **four dollars and eighty seven cents (\$4.87)** per hour to the Sheet Metal Workers National Pension Fund (“NPF” Or “Fund”) for each hour or part of an hour for which an employee receives the basic hourly wage rate. The parties adopt the First Alternative Schedule in this Collective Bargaining Agreement (“Agreement”). The Employer agrees to contribute consistent with the timing and the amount of the Contribution Rate increases established in this Agreement and as required under the First Alternative Schedule as amended from time-to-time. This agreement incorporated by reference the First Alternative Schedule and the Fund’s Trust Document. The employer will increase its NPF Contribution Rate on or before the date, and in the amounts, required in the First Alternative Schedule.

1. For the duration of this Agreement and any renewals or extensions thereof, the Employer will contribute to the NPF the negotiated rate per this Agreement and as required by the First Alternative Schedule in effect at the time the increases are due, for each hour or part of an hour for which an Employee covered by this agreement receives the basic hourly wage rate.

2. Contributions shall be paid starting with the employee’s first day of Covered Employment. All contributions shall be remitted on an hours worked basis.

3. All contributions shall be made at such time and in such manner, as the Trustees require. The trustees may audit the Employer’s financial, payroll, wage, job or project records for determining the accuracy of contributions due to the Fund and the Employer’s ability to meet its contribution obligations. If the audit reveals that inaccurate contributions or insufficient contributions have been made, the Employer agrees to pay interest, liquidated damages and fees.

4. Employers shall submit a remittance report and the required contributions to the Fund Office no later than the twentieth (20th) of the month following the month when Covered Employment was performed. Employers should remit via the Fund’s on-line reporting and remittance system. Failure to pay and timely file a report constitutes a delinquency in violation of the Employer’s obligation under this Agreement, and ERISA.

The failure of an Employer to make all of the required contributions to the Pension Fund within ten (10) days after the date required by the Trustees shall constitute a delinquency in violation of the employer’s obligations hereunder. The Trustees may take whatever steps they deem necessary, including legal action, to collect such delinquent payments, any provision of the collective bargaining agreement to the contrary notwithstanding. A delinquent Employer must pay all collection expenses incurred by the Trustees, including attorney’s fees, and in addition, interest on the full amount of the delinquency at the highest rate permitted by the laws of the state in which the employer’s principal place of business is located. Employer’s liability for payment hereunder shall not be subject to the grievance or arbitration procedures contained in the collective bargaining agreement.

It is agreed that the Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the Pension Fund as a deduction for income tax purposes.

The parties agree that this Participation Agreement shall be considered a part of the Collective Bargaining Agreement between the under signed parties.

The expiration date of the present Collective Bargaining Agreement between the undersigned parties is June 30, **2018**. Any copies of renewal or extension agreements will be furnished promptly to the Pension Fund office and, if not consistent with the Participation Agreement, can be used by the Trustees as the basis for termination of participation of the Employer.

SECTION 3.

- (a) The Employer shall contribute fifty cents (\$.50) per hour per journeyman and apprentice into the "Sheet Metal Workers' Local 36; 401-K Plan" in behalf of the members of Sheet Metal Workers' Local 268. Administrative costs required for the 401-K Plan will be paid by the 401-K Trust, not by the Employer.
- (b) Additional Individual Employee Elective Wage Deferral. The Employer, upon receipt of written authorization of an individual employee agrees to withhold from wages and forward to the 401-K Trust, additional contributions elected by the employee, subject to limitations prescribed by the Plan and law.
- (c) Employer agrees to report and forward monthly to the Trustees, by the 15th of the following month, all amounts withheld from wages for the 401-K Trust and the fifty cents (\$.50) per hour Employer contribution.

Amounts deducted by Employers from wages of an employee are not to be treated as reducing the gross earnings of the employee upon which Employer contributions to other fringe benefit trust funds are calculated for overtime wage calculations, or for other purposes under this Agreement. Example: In addition to the initial 50 cents per hour, an employee elects \$1.00 per hour wage deferral (a total of \$1.50 per hour) to be paid to the 401-K Trust, reducing his wages by \$1.00 per hour; the 6 % vacation payment and any overtime payment shall be calculated on the full wage rate, without reduction for the \$1.00 deferral to the 401-K Trust.

(d) The Trust Agreement shall comply with the Section 302 (c) (5) of the Labor-Management Relations Act of 1947, as amended, the Employee Retirement Income Security Act (ERISA) as amended and other applicable Federal Laws. The plan shall conform with Section 401-K of the Internal Revenue Code.

(e) All payments by Employers to the Plan shall be tax deductible. If Internal Revenue Service or a court of competent jurisdiction rules the

Employer payments are not tax deductible, the parties agree to immediately amend the Plan retroactively and to take any other appropriate steps to secure such tax deductibility.

Employer agrees to provide the Trustees with information which the Trustees request to comply with the actual deferral percentage (ADP) test and other requirements of the Internal Revenue Code.

ARTICLE XII

SECTION 1. Effective July 1, **2015**, the Employer shall pay **eight dollars and eighty three cents (\$8.83)** per hour per journeyman, apprentice and pre-apprentice into the "Sheet Metal Workers Local 268 Welfare Plan" for a welfare plan. Where overtime applies, contributions will be based on hours worked.

SECTION 2. The trust fund established for the welfare plan shall be administered by a joint committee composed of an equal number of Employer and Union representatives.

SECTION 3. Effective July 1, **2013** the Employer shall pay **thirty five cents (\$.35)** per hour per journeyman, apprentice and pre-apprentice into the Sheet Metal Workers Local 268 Health Reimbursement Plan. Where overtime applies, contributions will be based on hours worked. The established fund shall be administered by a joint committee composed of an equal number of Employer and Union representatives.

ARTICLE XIII

SECTION 1. Effective July 1, **2015** the Employer shall pay **forty two cents (\$0.42)** per hour worked per employee into a trust fund to be administered by the LOCAL #268 JOINT APPRENTICESHIP COMMITTEE for apprenticeship training and upgrading of the skills of mechanics. Any such contributions are due and payable on the first working day of the following month in which those hours were worked, but no later than the 15th of that month, (This contribution is equally shared between the above parties as per the current Joint Apprenticeship Fund Trust Agreement).

SECTION 2. Effective as of the date of this Agreement the Employers will contribute to the International Training Institute twelve cents (\$.12) per hour for each hour worked by each Employee of the Employer covered by this Agreement. Payment shall be made on or before the 15th day of the succeeding month and shall be remitted as designated by the Trustees of the Fund.

Effective as of the date of this Agreement the employers will contribute to the National Energy Management Institute Committee, a jointly administered trust fund, three cents (\$.03) per hour for each hour worked by each Employee of the Employer covered by this Agreement. Payment shall be made on or before the 15th day of the succeeding month and shall be remitted as designated by the Trustees of the Fund.

Effective as of the date of this Agreement the employers will contribute to the Sheet Metal Occupational Health Institute Trust two cents (\$.02) per hour for each hour worked by each Employee of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before

the 15th day of the succeeding month and shall be remitted as designated by the Trustees of the Trust.

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

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

In the event, if either NEMI or SMOHI is dissolved and not incorporated into the International Training Institute, then said amount would be allocated to the Job Targeting Account.

ARTICLE XIV

SECTION 1. The Employer shall pay an amount equal to six percent (6%) of the basic wage of each journeyman sheet metal worker and apprentice into the “**Local 268 Of The International Association Of Sheet Metal, Air, Rail And Transportation Workers Vacation Trust**” for vacation pay. The rate on apprentices shall be paid as provided for in Article XX of this Agreement.

SECTION 2. The basic wage for the purpose as set out in Section 1 of this Article shall be determined by the total hours each journeyman works, times the regular hourly rate. Where overtime applies, contributions will be based on hours paid.

The employee is to be allowed three weeks vacation. **Their** vacation pay will be determined by the amount which has been deposited in **their** vacation account according to the vacation trust agreement. Vacations shall be taken between July 1 and the following June 30 each year. Time lost, because of unemployment, can be considered as vacation time if the member desires. Time of vacation shall be mutually agreed upon by the Employer and the Employee.

SECTION 3. The trust fund established for the vacation pay shall be administered by a joint committee composed of an equal number of Employer and Union representatives.

ARTICLE XV

SECTION 1. The Employer shall make monthly payments of an amount equal of three percent (3%) of the Gross Earnings of each Employee subject to this Agreement to the National Stabilization Agreement of Sheet Metal Industry (SASMI) Trust Fund. Gross Earnings, for the purpose of this Agreement, shall mean (a) total wages paid to an Employee by any Employer which are reportable by the Employee for Federal Income

Tax purposes, and (b) any and all contributions paid by such Employer on behalf of the Employee to the Welfare Fund, Pension Fund and National Pension Fund.

The Employer agrees to adopt the National SASMI Trust and Plan as presently constituted and as the same may be amended from time to time, and to be bound by all Rules and Regulations of the Plan as adopted by the Trustees, as presently existing and as the same may be amended from time to time.

ARTICLE XVI

SECTION 1. It is agreed that in order to insure all sheet metal workers who are covered by this Agreement against the hazards of unemployment, resulting through no fault of their own, all contractors not required to pay contributions under the Illinois Employment Act, shall elect to become subject thereto in the manner provided by said Act and the regulations promulgated thereunder. All Employers shall furnish the Union with their Unemployment Compensation File Number.

SECTION 2. In other Articles of this Agreement, the Employer has agreed to make contributions to: Sheet Metal Workers Local #268 Amended Pension Trust and Plan Agreement, Sheet Metal Workers National Pension Fund, Sheet Metal Workers Local #268 Welfare Plan, Local #268 Joint Apprenticeship Fund, **Local 268 Of The International Association Of Sheet Metal, Air, Rail And Transportation Workers Vacation Trust**, Local # 268 Health Reimbursement Arrangement, International Training Institute, SASMI, 401-K, NEMI, SMOHI and Southern Illinois Industry Fund of the United States. In addition to agreeing to make the contributions to the above, the Employer further agrees:

(A) That all contributions, for all hours worked, are due and payable on the first working day of the following month that those hours were worked. All contributions which are not paid in full by the fifteenth (15th) day of the month following the month in which the hours were worked shall be considered delinquent and shall be subject to immediate legal action without further notice. If any of the parties to whom contributions are due under this Section incur legal fees (with or without suit being filed) as a result of a contribution which has become delinquent, the Employer agrees to pay the attorney's fee incurred, all court costs and eight percent (8%) interest, in addition to the contributions owed by the Employer.

By July 2014 all reporting to Local 268 shall be done by Local 268's electronic reporting system.

AND/OR

If an Employer has not paid all contributions within ten (10) working days after the date that the contributions are delinquent (contributions are delinquent on the fifteenth (15th) day of the month following the month in which the hours were worked), then the sheet metal workers shall no longer perform services for the Employer until the delinquent contributions are paid in full. During the period that the sheet metal workers are not performing services for the Employer, they will be eligible for benefits under the Illinois Unemployment Insurance Act. The delinquent contributions are an "uncontested accrued obligation arising out of the employment" of the sheet metal workers within the meaning

of Section 405/604 of Illinois Unemployment Insurance Act. In addition, the Union shall be free to strike or picket any Employer after ten (10) working days after the date that the contributions are delinquent. Any strike or picketing engaged in by the Union will not adversely affect the eligibility of the sheet metal workers for benefits under the Illinois Unemployment Insurance Act. This section in no way limits the remedies the individual employee benefit plans may have under the Employee Retirement Income Security Act of 1974 (“ERISA”) or any other state or federal law, to collect the delinquent contributions, interest, liquidated damages, attorney’s fees and costs. If the Employer is delinquent in making contributions to any local jointly administered trust fund, the Union shall require and the Employer shall maintain during the balance of the term of this Agreement a surety bond or a cash deposit held in escrow both made payable to the Trustees to cover any and all subsequent delinquencies. The amount of the cash or surety bond shall be **\$5,000.00** for Employers employing one to three members of the bargaining unit, **\$12,500.00** for Employers employing four to eight members of the bargaining unit, **\$27,500.00** for Employers employing nine to twelve members of the bargaining unit and **\$50,000.00** for Employers employing thirteen to twenty-five members of the bargaining unit. In the event of failure, default or refusal of the Employer to meet the obligations set forth herein for the payment set forth above the Union shall after written notice to the Employer take all legal action, including claim against such surety or cash deposit, to enforce such payment.

- (B) That in accepting and signing this Agreement, the Employer also agrees to accept and be bound by each and every trust agreement creating the trust or trusts to which said Employer has agreed to make contributions, as well as to all amendments thereto which have been made or which may hereafter be made, such acceptance being as fully as if said Employer has executed the trust agreements and amendments thereto themselves; provided, however, that in no event shall the Employer be bound by any provision of any such trust agreement or amendment thereto which obligates the Employer to make any contribution larger than that set out in this Agreement. Further, said Employer agrees to accept as Employer Trustees the present Employer Trustees appointed under the particular trust agreement and all such past or succeeding Employer Trustees as shall have been or will be appointed in accordance with the terms of the particular Trust Agreement, hereby expressly waiving all right to participate in the naming of Employer Trustees (unless said Employer is entitled to participate in the naming of Employer Trustees by reason of being a signatory on the particular trust agreement itself).

ARTICLE XVII

No employee shall be penalized, reprimanded or disciplined in any manner for his refusal to cross a picket line.

ARTICLE XVIII

The Employer shall permit the Business Representatives of the Union to inspect upon request the payroll disbursements including State of Illinois Quarterly unemployment reports of employees. The Employer shall be willing to prove that he is paying the required wage scale and fringe benefits.

ARTICLE XIX

SECTION 1. The Employer shall employ only qualified journeymen sheet metal workers. Journeymen sheet metal workers shall be qualified for employment who have had at least five (5) years actual practical working experience at the sheet metal trade, or apprentice training in the building and construction industry and who either:

- (A) Have successfully served an apprenticeship at the trade under an apprentice program approved by the United States Bureau of Apprenticeship Training or State Division or Apprenticeship Standards.
- (B) Have had previous employment as a journeyman sheet metal worker with an Employer signatory to this Agreement, and whose services have proved satisfactory, or
- (C) Have successfully passed any competency examination that adequately tested a degree of skill and training necessary to be a competent journeyman sheet metal worker. Any questions as to what constitutes a “competency” examination, shall be resolved by the Joint Examination Committee hereinafter established under this Agreement.

SECTION 2. The parties to this Agreement shall create a Joint Examination Committee composed of an equal number of Employer and Union Representatives. The Joint Examination Committee is empowered to conduct written examinations for qualifying of journeymen in accordance with the provisions of this Agreement. All examinations given by the Joint Examination Committee shall be fair, impartial, and in keeping with the present standards of competency and skill possessed by journeymen in the industry.

The Joint Apprenticeship Committee as designated in Article XX shall also serve as the Joint Examination Committee which is outlined in this Article. If any questions arise as to the qualifications and competency of any applicant, the Joint Examination Committee shall make the determination. Such determination shall be fair and impartial, without regard to applicant’s membership or non-membership in the Union.

ARTICLE XX

SECTION 1. All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of six (6) members, three (3) of whom shall be selected by the Employer, and three (3) by the Union. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices and the operation of an adequate apprentice system to meet the needs and requirements of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as part of this Agreement.

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

SECTION 3. It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the International Training Institute and any Local Joint Apprenticeship and Training Fund (Local JATC) will not be used to train apprentices or journeymen who will be employed by Employers in the Sheet Metal Industry not signatory to a collective bargaining agreement providing for contributions to the International Training Institute and a Local JATC. Therefore, the trustees of the International Training Institute and Local JATC shall adopt and implement a Scholarship Loan Agreement Program which will require apprentices and journeymen employed by signatory Employers to repay the cost of training either by service following training within the union sector of the industry or by actual repayment of the cost of training if the individual goes to work for a non-signatory Employer in the Sheet Metal Industry. The cost of training shall include the reasonable value of all International Training Institute and Local JATC materials, facilities and personnel utilized in training. If a Local JATC does not implement the Scholarship Loan Agreement the Local JATC shall be prohibited from utilizing International Training Institute materials and programs.

SECTION 4. It is hereby agreed that the Employer shall be entitled to apply to the Joint Apprenticeship and Training Committee on the basis of one (1) apprentice for one (1) journeymen for the first apprentice; one (1) apprentice for two (2) additional journeymen for the second apprentice; one (1) apprentice for three (3) additional journeymen for the third apprentice; one (1) apprentice for each four (4) additional journeymen for the fourth, fifth and sixth apprentice; one apprentice for five (5) additional journeymen for the seventh apprentice and thereafter. (reference the graph below this section for further explanation) The apprentice will be required to attend school as determined by the Local Joint Apprenticeship and Training Committee. To determine the number of journeymen employed a formula of 1,700 hours, excluding overtime hours, equals one (1) journeyman shall be used to govern the consideration and granting of apprentices by the Joint Apprenticeship and Training Committee. The actual number of journeymen must be employed in accordance with this Article. Any reduction in the number of journeymen shall result in the reduction in the number of apprentices to maintain the ratio set out herein. Apprentice applicants may be available for hire as determined by the Joint Apprenticeship Training Committee.

SECTION 5. All applicants for apprenticeship shall be at least eighteen (18) years of age and each apprentice shall serve an apprenticeship of four (4) years and such apprentices shall not be put in charge of work and shall be under the supervision of a working journeymen on the same job . Fourth year apprentice(s) job assignments may be modified (subject to approval in advance) by the Business Manager.

SECTION 6. Article VI of this Agreement governing journeymen shall also apply to apprentices.

SECTION 7. In accordance with the National Apprenticeship and Training Standards of the United States Department of Labor, the Joint Apprenticeship Committee shall require apprentice applicants to take an aptitude test to warrant consideration of applicant.

SECTION 8. A graduated wage scale for apprentices shall be established and maintained on the following percentage basis of the established wage rate of journeymen sheet metal workers:

<u>First year</u>	<u>First half 45%</u>	<u>Second half 50%</u>
<u>Second year</u>	<u>First half 55%</u>	<u>Second half 60%</u>
<u>Third year</u>	<u>First half 65%</u>	<u>Second half 70%</u>
<u>Fourth year</u>	<u>First half 75%</u>	<u>Second half 80%</u>

ARTICLE XXI

SECTION 1. Upon the effective date of this Agreement, it is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant pre-apprentices on the basis of one (1) pre-apprentice for the first apprentice and one (1) pre-apprentice for the third apprentice employed by the Employer. For each additional pre-apprentice, a ratio of one (1) pre-apprentice for each additional three (3) apprentices shall be met. (reference the graph for further explanation) Provided, however, that an Employer who employs one (1) or more apprentices and at least three (3) sheet metal journeymen shall be entitled to at least one (1) pre-apprentice. Any apprentice of the Employer on layoff at the effective date of this agreement must be rehired before said Employer is entitled to any pre-apprentice. Thereafter, the same conditions and ratios shall apply.

SECTION 2. Upon the effective date of this agreement an Industrial shop, as mutually agreed upon between SISCO and the Union; can hire an (1) Industrial Pre-Apprentice of their choice. The minimum starting pay at 30% of Journeyman base wage, 6 month increase to minimum 35% of Journeyman base wage and fringe benefits shall be the same as a Pre-Apprentice. The Industrial Pre-Apprentice shall be a dues paying member to the Union and must be under the direct supervision of a Journeyman Sheet Metal Worker when doing work covered in our current Collective Bargaining Agreement.

Pension contributions will be paid on all hours worked beginning with the first payroll period after 90 days in the amount of five percent (5%) of the journeyman pension fund contribution, to the next whole cent, or a minimum of twelve cents (\$.12) per hour, whichever is greater, for each hour worked on or after the effective date of this agreement into the National Pension Fund. The parties shall make all

necessary arrangements so that any pre-apprentice being reclassified shall experience no break in benefits coverage.

In the event the Employer is entitled to employ a pre-apprentice and the Union fails to comply with the Employer's written request to furnish a pre-apprentice within forty-eight (48) hours, the Employer may hire such employees and refer them to the Joint Apprenticeship and Training Committee for enrollment. (Pre-apprentices shall be enrolled by the Joint Apprenticeship and Training Committee in accordance with regulations established by the Joint Apprenticeship and Training Committee. All rules and regulations governing this pre-apprentice program shall be established by the local Joint Apprenticeship and Training Committee.)

The wage scale for pre-apprentices shall be thirty percent (30%) of the wage rate of the journeymen sheet metal workers. Health and welfare coverage for pre-apprentices shall be paid in accordance with Article XII. When the pre-apprentice has completed sixty (60) calendar days of employment with the same employer, he/she will be granted a 5% increase to 35% of the wage rate of the journeyman sheet metal worker.

ARTICLE XXII

SECTION 1. This agreement and Addenda shall become effective on the 1st day of July, **2015**, and remain in full force and effect until the 30th day of June **2018**, and shall continue in force from year to year thereafter unless written notice of reopening is given not less than ninety (90) days prior to the expiration date. In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party by written notice, provided, however, that if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint Adjustment Board or until the procedures under Article X, Section 8, have been otherwise completed.

SECTION 2. If, pursuant to federal or state law, any provision of this Agreement shall be found by a court of competent jurisdiction to be void or unenforceable, all of the other provisions of this Agreement shall remain in full force and effect.

SECTION 3. Notwithstanding any other provision of this Article, or any other Article of this Agreement, whenever an amendment to the Standard Form of Union Agreement shall be adopted by the sponsoring national associations, any party to this Agreement, upon the service of notice to all other parties hereto, shall have this Agreement reopened thirty (30) days thereafter, for the sole and only purpose of attempting to negotiate such amendment or amendments into this Agreement for the duration of the term hereof. There shall be no strike or lockout over this issue.

SECTION 4. Each Employer hereby waives any right it may have to repudiate this Agreement during the term of the Agreement, or during the term of any extension, modification or amendment to this Agreement.

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

For the Southern Illinois Sheet Metal Contractors' Organization the notice shall be sent to:

SISCO,
P.O. Box 307
Edwardsville, IL. 62025.

For **SMART** Local 268 the notice shall be sent to:

Sheet Metal Workers Local 268
2701 North 89th Street
Caseyville, IL. 62232

IN WITNESS WHEREOF, the parties hereto affix their signatures and seal this
29th day of October.

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

NEGOTIATING COMMITTEE CHAIRMEN:

_____ Date 10/29/2015

WILLIAM THEISS
PRESIDENT
SOUTHERN ILLINOIS SHEETMETAL
CONTRACTORS' ORGANIZATION

_____ Date 10/29/2015

MICHAEL L. DAVIS
BUSINESS MANAGER
SHEET METAL, AIR, RAIL AND TRANSPORTATION
INTERNATIONAL ASSOCIATION LOCAL 268

ACCEPTANCE OF AGREEMENT

I/WE hereby certify that I/WE have read and have full knowledge of the terms and conditions of this Agreement.

I/WE hereby agree to be bound by and subject as required by the terms of this Agreement.

Company Name: _____

Address: _____

City: _____

Phone: _____

Fax: _____

Print Name: _____

Signature: _____

Title: _____

Date _____

FOR LOCAL 268:

Signature: _____

Title: _____

Printed Name _____

Date _____

Phone: _____ 618-397-1443 _____

Fax: _____ 618-397-3204 _____

**Sheet Metal, Air, Rail and Transportation Workers
International Association Local 268
2701 North 89th Street
Caseyville, Illinois 62232**

