

K#: 9209

COPY

STANDARD FORM OF UNION AGREEMENT



BETWEEN

**SHEET METAL WORKERS'
INTERNATIONAL ASSOCIATION
LOCAL UNION NO. 435**



AND

FLORIDA SMACNA

07/01/2007 THROUGH 06/30/2011

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

Agreement entered into July 1 2007 by and between Florida SMACNA Inc., and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No.435 of Sheet Metal Workers' International Association hereinafter referred to as the Union for Duval, St. Johns, Clay, Alachua, Bradford, Baker, Union, Columbia, Gilchrist, Suwannee, Lafayette, Madison, Nassau, Hamilton, Putnam, Dixie, Taylor, Jefferson, Leon, Wakulla, Gadsden Counties, Florida and Camden County, Georgia.

ARTICLE I

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

SECTION 2. Future recognition. The Employer agrees that upon the Union's presentation of evidence of majority status among its employees in the bargaining unit described herein, the Employer will voluntarily recognize the Union as the exclusive bargaining agent for all employees within that bargaining unit in the shop and on all present and future job sites within the jurisdiction of the Union. The Employer expressly waives any right it has to condition its recognition of the Union upon the Union's certification by the National Labor Relations Board (NLRB) as the employee's bargaining representative following an NLRB election.

ARTICLE 2

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

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

SECTION 3. This clause is applicable when work is to be performed in, or is to be fabricated for installation in an area in which geographic jurisdiction is shared between Local #435 and another Local Union affiliated with Sheet Metal Workers' International Association. In the event that Local #435 or such other local Union grants any more favorable term or condition relating to the performance of such work, including the relaxing of restrictions on the subcontracting of such work, the contractors shall be entitled to immediately adopt such favorable term or condition. (This clause excludes wage equality relief.)

ARTICLE 3

SECTION 1. The Employer agrees that none but journeymen, apprentice, preapprentice and classified sheet metal workers shall be employed on any work described in Article I and further, for the purpose of proving jurisdiction, agrees to provide the Union with written evidence of assignment on the Employer's letterhead for certain specified items of work to be performed at a 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 SMWIA shall be provided to the Employer.

ARTICLE 4

SECTION 1. The Union agrees to furnish upon request by the Employer duly qualified journeymen, apprentice, preapprentice, and classified 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. The union will have the Sheet Metal Experience Form completed by all referrals after July 1, 2007 and any subsequent employee hired under the terms of this agreement for the sole purpose of ascertaining any previous skill or experience that may be of value to the Employer. The form shall in no way be used to disqualify or demote any referral of any classification as determined by the Union. The Sheet Metal Experience Form will be sent with the referral to the company.

SECTION 2. Upon receiving notice the union will agree to dispatch an employee for substance testing prior to being hired, at the expense of the employer for whom the employee was requested. The employee will take the test as part of the regular workday and be paid for the time necessary to accommodate the Employers request, not to exceed two hours pay. The employee will not be required to take any test, if he/she can provide documentation of a similar test taken that has a negative result for the tested substances, in the past year. The previous test must have been for another employer member of this recognized contractors' association.

SECTION 3. Each employer agrees to provide every employee tested with a copy of any test result upon request. Each employer further agrees to provide, without request, a numbered confirmation card, that has been provided to the employer by the Union, for the purpose of documenting the test result, within two weeks from the date the employer receives the test result in the event of a negative test result. It is also agreed that the confirmation card will be laminated to eliminate tampering with vital information.

SECTION 4. The Union and the Employers that are signatory to this agreement, recognize that the terms of all substance testing are described in a separate agreement. The separate agreement between Sheet Metal Workers' Local Union 435 and Florida SMACNA, (formerly between Sheet Metal Workers' Local Union 435 and the Jacksonville Roofing and Sheet Metal Contractors' Association/Florida SMACNA Inc.) and signatory contractors Drug Testing Policy is exclusively adopted by the parties to this Agreement. The Employer will refer employees to the recognized Employee Assistance Program (EAP), for violations of that separate substance abuse agreement, under the terms described therein. The Employer may also refer employees to the recognized EAP for job performance problems such as chronic tardiness, absenteeism, or erratic behavior, which are documented in writing by the Employees foreman and confirmed by one other union member. Such employee referrals need not be related to a suspicion of substance abuse or require a substance test unless recommended by the EAP program. The employee may be suspended without pay until he/she has reported to the EAP and remains in full compliance of the recommended course of action. Any refusal to cooperate will result in termination, and the Employee will not be eligible for re-hire or referral by the Union office to any other Employer until compliance with the EAP recommendations have begun. Failure to complete the prescribed course of treatment will result in a non-compliance status. Any such referral may be challenged by the Union under the grievance procedure.

ARTICLE 5

SECTION 1. The Employer agrees to require membership in the Union, as a condition of continued employment of all employees performing any of the work specified in Article I of this Agreement, within eight (8) days following the beginning of such employment or the effective date of this Agreement, whichever is the later, provided the Employer has reasonable 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.

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. In any state in which the foregoing provisions of this Article are contrary to law, it shall be the obligation of the Employer to employ only persons who agree in writing to remit to the Union, by payroll deduction or by direct payment, payment for use of the Union's hiring hall. Payment for that benefit shall consist of the working assessment provided for in Addendum No. 6 of this Agreement.

SECTION 4. The Employer agrees to deduct Union dues, assessment or service fees (excluding fines and initiation fees) from each week's pay of those employees who have authorized such deductions in writing, irrespective of whether they are Union members. Not later than the twentieth day of each month, the Employer shall remit to the designated financial officer of the Union the amount of deductions made for the prior month, together with a list of employees and their Social Security numbers for whom such deductions have been made.

ARTICLE 6

SECTION 1. The regular working day shall consist of (8) hours labor in the shop or on the job between seven (7) a.m. and four thirty (4:30) p.m. unless by mutual consent of both parties and a majority of employees affected, a different start and quit time between the hours of 6:00 am and 6:00 pm is established. The employer representative and the Union Business Manager or his representative will discuss and agree prior to the Union representative polling the employees for an official response, about any variations in the standard work day, to determine if a majority desire the proposed change. The regular working week shall consist of five (5) consecutive (8) eight 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. Except as otherwise provided pursuant to Section four (4) of this Article, all work performed outside the regular working hours and performed during the regular work week, shall be at rates described in Section five (5) of this Article. Where conditions warrant, the regular work day may consist of ten (10) hours labor on the job and the regular work week of four (4) ten (10) hour days between Monday and Friday when mutually agreed between the Local Union and Employer. Employees shall be at the shop or project site at scheduled starting time each day and shall remain until quitting time.

A ten (10) minute paid break shall be included in the morning part of each day. A thirty (30) minute unpaid lunch break will be observed on all jobs. If an employee works a 10 (ten) hour day, then a 10 (ten) minute paid break between lunch break and quitting time will be allowed. The break shall be taken in the immediate work area.

Employees covered by this Agreement shall have ample time to pick up their tools and company tools before quitting time. All employees shall notify their respective Employers in advance of any absence for any reason other than sickness. Notice shall be given the day prior to being off. For vacations, at least one (1) week's notice shall be given. In the event of sickness, the Employer shall be notified on the first day of illness. The Employer or his representative shall notify an employee not less than one-half (1/2) hour prior to lay-off.

SECTION 2. All Saturdays and Sundays shall be recognized as holidays, in addition to the following legal holidays recognized and observed within the territory covered by this Agreement: New Year's Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.

If any of the above holidays falls on a Saturday, the Friday before shall be observed as a holiday. If any of the above holidays falls on Sunday, the following Monday shall be observed as a holiday.

Starting January 1, 2008 all bargaining unit employees will accrue a holiday benefit at the rate of 3% of the employee's regular rate of pay per hour X (times) the number of hours worked, (excluding fringe benefit contributions), with the first effective holiday, being Memorial Day 2008. The holiday benefit will be defined as an amount equivalent to eight (8) hours pay at the employee's regular established rate of pay. The holiday benefit payment will be paid in the payroll period that includes any of the seven (7) holidays named in section two (2) of this article, and is in addition to wage and fringe benefit rates found in Addendum No.2 of this agreement..

If prior to the holiday, the employee has accrued any holiday benefit credit, than that amount or an amount equivalent to eight (8) hours times the employee's regular rate of pay, the employee will receive that holiday benefit payment for that holiday. Any unused accrued holiday benefit will be carried forward and applied to future holiday benefit payments. Upon termination, employees will be paid any unused holiday benefit pay in their final paycheck. If holiday pay accrual exceeds eight (8) hours on the last day of the calendar year, such that compensation for the New Years Day holiday may be provided, the employee will receive that amount above the eight hour benefit accrual, at the employee's regular rate for those days/hours worked, in the first pay period of the New Year. The purpose is to disallow a continuing compounding of holiday pay accrual.

SECTION 3. It is agreed that all work performed outside of regular working hours during the regular work week and on holidays shall be performed only upon notification by the Employer to the Union in advance of scheduling such work.

SECTION 4. It is hereby agreed that except as provided in Section 6 of this Article, all labor in connection with or incidental to work covered by this Agreement shall be performed within the regular working hours specified in Section 1 of this Article and that no overtime shall be required outside said regular working hours or on holidays specified in this Agreement except when, by mutual consent of both parties hereto, such overtime shall be permitted. The first eight (8) hours after the regularly scheduled eight (8) hour day, the overtime rate will be time and one-half (1.5) the established wage rate. Overtime past the first sixteen (16) hours of the regularly scheduled eight (8) hour day shall be paid at two (2) times his/her regular rate of pay. Unless the employee has at least eight (8) hours off and is not working any part of the original twenty four (24) hour day in which the first hour worked began, he/she will continue at two (2) times his/her regular rate. This provision shall in no way alter the section pertaining to an employee who reports to work on Saturday to work an eight (8) hour shift. Saturday overtime rate will be as follows: The scheduled eight (8) hour shift beginning at a time consistent with Section one (1) of this Article, will be paid at one and one-half (1 1/2) times the established wage rate. After twelve (12) hours are worked, the overtime rate will be two (2) times the established wage rate. Overtime required on Sundays and holidays shall be paid at two (2) times the established wage rate. All overtime must be reported to the Union by the employee or the steward, before the overtime is worked. No employee shall be required to work overtime unless he/she so desires.

SECTION 5. Employees may be worked in shifts in the shop or on the job, where the shift shall last at least two (2) consecutive days with two (2) or more employees, one of whom will be a journeymen on the job or in the shop at all times, and only on jobs that cannot be performed during regular working hours. No employee who has worked any part of any hours of a "regular work day" as described in Section one (1) of this Article shall work as part of a night shift, except on the usual overtime basis. Energy conservation and or retrofit work

performed outside the regular work day in occupied buildings shall be performed under shift work conditions. Shift work shall be performed by mutual consent of the parties.

A. Night Shift Rate - 5 Day Work Week. The night shift shall be the regular rate times 1.215 for up to eight (8) hours worked. Overtime will start after eight (8) hours worked in a day and shall be one and one-half (1.5) times the night shift rate. After sixteen (16) hours worked in a day, the rate shall be two (2) times the night shift rate for the duration of hours worked that shift.

B. Night Shift Rate - 4 Day Work Week - The four (4) day work week night shift hourly rate shall be the regular rate times 1.215 for up to ten (10) hours. Overtime will start after ten (10) hours worked in a day and shall be at one and one-half (1.5) times the night shift rate. After sixteen (16) hours worked in a day, the rate shall be two (2) times the hourly night shift rate for the duration of hours worked that shift.

Night shift work may be scheduled under the same terms described in Section one (1) of this Article. In the event a forty (40) hour work week cannot be scheduled exclusive of overtime premium rates (not shift premium rates) due to circumstances beyond the employers' control, an alternate schedule may be allowed by mutual consent of both parties.

SECTION 6. Make-Up Day. When mutually agreed between the Local Union and Employer, a make-up day may be scheduled on Friday (if a four (4) day week is scheduled) or on Saturday (if a five (5) day week is scheduled), however at least eight (8) hours of work must be scheduled on a make-up day. A make-up day may be scheduled only in the event time has been lost due to reasons beyond the Employers control, such as fire, power failure, or inclement weather conditions. The make-up hours shall be paid at the regular hourly rate of pay.

ARTICLE 7

SECTION 1. When employed in a shop or on a job within the limits of fifty (50) mile free zone from the Courthouse of each County in which there is an established shop which is signatory to this Agreement, employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within the said limits from home to shop or job at starting time and from shop or job to home at quitting time, and the Employer shall provide, or pay, for all necessary additional transportation during working hours.

SECTION 2. When employed outside of the limits specified in Section 1 of this Article and within the jurisdiction of the Union, the Employer may furnish suitable transportation and pay each employee covered under this Agreement \$6.00 per day travel pay. If the employee furnishes his/her own transportation he/she shall receive \$15.00 per day travel pay. Notwithstanding any of the provisions of this Section or any other Section of this Article, Alachua County, Duval County, St. Johns County and Putnam County, Florida shall be a free zone and no travel time is payable to employees on jobs within these counties.

SECTION 3. Jobs located seventy-five (75) miles or more from the Courthouse in a county where respective Contractor has an established shop and is signatory to this Agreement, outside or inside the jurisdiction of Local 435, shall constitute a room and board job. Mileage calculations will be based on computer calculation via MapQuest.com or other GPS to determine the shortest route to the listed address of the jobsite to determine the exact distance and need for compensation. Employees sent to room and board jobs shall be paid \$35.00 per day on a seven (7) day per week basis. Subsistence to be paid on a seven (7) day basis only if an employee has worked a full week and is required to be on the job all day Friday and the following Monday or in a four/ten hour work week where a minimum of forty hours was worked as scheduled. Otherwise, subsistence will be paid on only those days actually worked. Adequate room accommodations will be provided on all room and board jobs. If the minimum \$35.00 per day room and board expense is not sufficient, a mutual agreement between the employer and employee will be achieved immediately or prior to assignment or reassignment to a room and board job. In the event no agreement is reached, the employee should return home if already

dispatched under the terms described in section four (4) of this article as the "last return trip to the shop at the completion of the job", describes.

SECTION 4. When the Employer furnishes transportation on room and board jobs, travel-time other than during regular working hours shall be at time and one-half (1 1/2) paid for the first trip at the beginning of the job and at the completion of the job, for the last return trip to the shop. When a man is discharged for disorderly conduct which affects his work, or he voluntarily quits while out of town, travel time and transportation shall not be paid back to the shop. When journeymen furnish their own transportation, in addition to the time and one-half (1 1/2) travel pay, they shall receive the current Internal Revenue Service (IRS) allowance for mileage associated with business travel for their first trip to the job and for their last trip to the shop at the completion of the job.

SECTION 5. All employees sent to room and board jobs and instructed to return from those jobs by an Employer or his representative before the completion of the job shall be paid travel and mileage pay in accordance with Section 4 above. The current Internal Revenue Service (IRS) allowance for mileage associated with business travel will be used for all room and board jobs.

SECTION 6. Room and board subsistence for out of town work shall be furnished in advance by the Employer, it being understood that these sums refer to areas within the limits of the Continental United States. If an Employer sends an employee to perform work outside of the territorial jurisdiction of the United States of America or Canada, travel pay and/or subsistence arrangements shall be negotiated locally.

SECTION 7. When an employee is sent to a job in an area requiring the payment of a toll for access and/or exit, the Employer shall reimburse the employee the amount of such tolls.

SECTION 8. When an employee is required to report to a meeting place to receive instructions, or to perform other work there, or to pick up, or carry tools, the travel from designated place to work place is part of the day's work, and shall be counted as hours worked.

ARTICLE 8

SECTION 1. The minimum rate of wages for journeymen sheet metal workers covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be as provided in Addendum No. 2 except hereinafter specified in Section 2 of this Article.

SECTION 2. On all work specified in Article I of this Agreement, fabricated and/or assembled by journeymen, apprentices, preapprentices and/or classified sheet metal workers within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other collective bargaining areas or 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 jobsite Union shall be paid to the employees employed on such work in the home shop or sent to the jobsite.

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

1. Ventilators
2. Louvers
3. Automatic and fire dampers
4. Radiator and air conditioning unit enclosures
5. Fabricated pipe and fittings for residential installations and light commercial work as defined in the locality
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air diffusers, 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, except when such a provision is contained in the local union agreement or addendum to the SFUA.

SECTION 5. Except as provided in Sections 2 and 6 of this Article, the Employer agrees that journeymen, apprentices, preapprentice and classified sheet metal workers hired outside 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 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 local union affiliated with the Sheet Metal Workers' International Association, and qualified sheet metal workers are available in such area, the Employer may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeymen sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation, travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of the local Agreement. If employees are sent into an area where there is no local Agreement of the Sheet Metal Workers' International Association covering the area then the minimum conditions of the home local union shall apply. This provision can be subject to separate side letter agreements.

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. Hourly contractual benefit contributions shall not be duplicated.

Each Employer will contribute to the Sheet Metal Workers' Local 435 Health Care Fund, the negotiated rate per hour for each hour an Employee worked. Contributions shall be paid on behalf of journeymen, apprentices, and classified workers starting with the Employee's first day of employment in a job classification as described in, and covered by the Collective Bargaining Agreement, and for all preapprentices starting on the ninety first (91st) day of employment with any signatory employer covered by the Collective Bargaining Agreement. Contributions are to be paid to the designated agent of the parties to this Agreement, for the purpose of transmittal, through Sheet Metal Workers' Local #435 Funds Account c/o Southern Benefit Administrators, Inc. P.O. Box 1449, Goodlettsville, Tennessee 37070-1449. It is agreed that all contributions shall be made at such time and in such manner as the Trustees require.

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 Care Trust Fund to transmit health care contributions made on behalf of the employee to the Health Care Trust Fund in the employee's home local union.

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

When sheet metal workers are temporarily employed outside the jurisdiction of their home local union, the parties signatory to this agreement shall arrange to transmit any 401(k) contributions required to be made to a 401(k) plan where the work is performed to a 401(k) plan established for the employee's home local union, and/or to the National Supplemental Savings Fund.

This obligation is conditioned upon a suitable reciprocity arrangement being agreed to by the trustees of such plans.

SECTION 9(a). Wages at the established rates specified herein shall be paid in cash or local bank payroll check, 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 except by mutual consent of the parties. However, employees, when discharged shall be paid in full. Any time required outside regular working hours, by the employee, to receive his money, shall be paid for at the established double-time wage rate. Alternative payroll procedures, i.e., electronic and/or automatic deposit may be used if available and mutually agreed by both employer and employee. However, employees, when discharged shall be paid in full.

SECTION 9(b). If employees covered by this Agreement accept a check in lieu of cash for payment of wages, and said check is not honored through no fault of the employee, thereafter said Employer shall pay all wages to all employees covered by this Agreement in cash.

SECTION 10. Journeyman, apprentice, preapprentice and classified sheet metal workers who report for work by direction of the Employer, and are not placed to work, shall be entitled to two (2) hours pay at the established rate. This provision, however, shall not apply under conditions over which the Employer has no control.

SECTION 11. Each Employer covered by this Agreement shall employ at least one (1) journeyman sheet metal worker who is not a member of the firm on all work specified in Article I of this Agreement. However, it will be permissible for an owner-member to be the journeyman sheet metal worker.

SECTION 12(a). Contributions provided for in Section 12(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b). The Employer shall pay the Sheet Metal and Air Conditioning Contractors' National Industry Fund of the United States (IFUS) seven cents (\$0.07) per hour for each hour worked on and after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted to IFUS, for the purpose of transmittal, through Sheet Metal Workers' Local #435 Funds Account c/o Southern Benefit Administrators, Inc. P.O. Box 1449 Goodlettsville, Tennessee 37070-1449.

(c). The IFUS shall submit to the Sheet Metal 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 the Sheet Metal Workers' International Association upon written request.

(d). Grievances concerning use of IFUS funds for purposes prohibited under Section 12(a) or for violations of other subsections of this Section may be processed by the Sheet Metal 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-Chairmen of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he deems appropriate for violation of this Section, including termination of the Employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a deadlocked issue under this Section, (Section 12, Article VIII), and no other.

SECTION 13(a). Contributions provided for in Section 13(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b). The Employer shall pay to the Florida SMACNA Sheet Metal Industry Fund, Sheet Metal Workers' Local #435 Funds Account c/o Southern Benefit Administrators, Inc. P.O. Box 1449 Goodlettsville, Tennessee 37070-1449 (hereinafter referred to as the local industry fund), the amount specified per hour in addendum 2 of this agreement on or after July 1, 2007, by all journeymen and apprentice sheet metal workers. Payments shall be made monthly on or before the twentieth (20th) day of the succeeding month.

(c). 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 or which it supports directly or indirectly with any of its funds. One time per year, the local industry 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 local industry fund activities or its receipts and/or disbursements shall be furnished to the Business Manager of the Union upon his written request.

(d). Grievances concerning use of local industry fund monies to which an Employer shall contribute for purposes prohibited under Section 13(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 14. The Union and Employer recognize that the contributions provided in Sections 12(b) and 13(b) of this Article support activities that benefit the entire sheet metal industry. It is essential that the Employer support these activities, even though it may be performing sheet metal work under the provisions of a separate project agreement or maintenance agreement.

Therefore, hours worked for purposes of determining the contributions required under Sections 12(b) and 13(b) of this Article shall include all hours worked by each employee of the Employer under any project agreement or maintenance agreement, unless specifically excluded by the terms of a written addendum that is negotiated by the Contractors' Association and the Local Union that are parties to this Agreement.

SECTION 15. Effective as of the date of this Agreement the Employers will contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) twelve cents (\$0.12) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the ITI, or for purposes of collection and transmittal through the Sheet Metal Workers National Pension Fund, PO Box 79321 Baltimore, Maryland 21279-0321.

Effective as of the date of this Agreement the Employers will contribute to the National Energy Management Institute Committee (NEMIC), a jointly administered trust fund, three cents (\$0.03) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the NEMIC, or for the purposes of collection and transmittal through the Sheet Metal Workers' National Pension Fund, PO Box 79321 Baltimore, Maryland 21279-0321.

Effective as of the date of this Agreement the Employers will contribute to the Sheet Metal Occupational Health Institute Trust (SMOHIT) two cents (\$0.02) per hour for each hour worked by each employee of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal through the Sheet Metal Workers National Pension Fund, PO Box 79321, Baltimore, Maryland 21279-0321.

Effective as of the date of this agreement the Employers will contribute to the Sheet Metal Workers' International Scholarship Fund one cent (\$0.01) per hour for each hour worked by each employee of the Employer covered by this agreement, except classified workers and preapprentices. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal through the Sheet Metal Workers' National Pension Fund, PO Box 79321, Baltimore, Maryland 21279-0321.

Effective as of the date of this agreement the Employer hereby agrees to become a party to the Agreement and Declaration of Trust Establishing the Sheet Metal Workers' National Supplemental Savings Fund (NSSP), a copy of which is annexed to this Agreement and made a part hereof, and agrees to be bound by all the terms and provisions of the Trust Agreement (including all amendments thereto), provided, however, that such amendments may not increase the Employer's contribution obligation beyond that provided for in this Article and the Standard Form of Participation Agreement ("Participation Agreement").

The Employer further agrees to designate as its representative on the Board of Trustees of the Fund such Trustees as are named pursuant to the Trust Agreement as Employer Trustees. The Employer agrees to enter into a Participation Agreement, a copy of which is annexed to this Agreement and made a part hereof, and agrees to be bound by all the terms and provisions of that Participation Agreement.

The Employer agrees to enter into salary reduction agreements with all eligible employees covered by this Agreement for all hours worked to withhold from the employee's paycheck the amount elected by the employee; and to forward the salary reduction amounts to the Sheet Metal Workers' National Supplemental Savings Plan by the 15th day of the month for amounts withheld in the prior month.

The Employer agrees to make contributions to the Fund at the rate specified in this agreement per hour worked for all journeymen, apprentices, classified workers, foremen and general foremen. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal through the Sheet Metal Workers National Pension Fund, PO Box 79321, Baltimore, Maryland 21279-0321.

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

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

SECTION 16. In the event that the Employer becomes delinquent in making contributions to be made for a period more than fifteen (15) days, to any national or local Fund, the Union may withdraw all employees from the service of the Employer upon notice of such delinquency by the trustees. The withdrawal of such employees from the service of the Employer shall not constitute a violation of any provision of this Agreement.

SECTION 17. The Employer shall comply with any bonding provisions governing local Funds that may be negotiated by the local parties and set forth as a written Addendum to this Agreement.

ARTICLE 9

SECTION 1 (a). Journeyman, apprentice, preapprentice and classified sheet metal workers covered by this Agreement shall provide for themselves all necessary hand tools. The Union and the Employer shall establish a standardized tool list, which shall be set forth as a written addendum attached hereto. The following items are not considered hand tools, and shall be furnished by the contractor: Welding Hood, Goggles, and Welding Gloves, Drill Motors, Drill Bits, Four Foot Steel Rules, Two Foot Square, Special Tools and Safety Equipment.

(b) Tool List: Journeymen Sheet Metal Workers, registered Apprentices, Preapprentices and Classified Workers covered by this agreement will provide for themselves hand tools according to the following minimum tool list. Preapprentices will provide for themselves the minimum tools listed no later than the week following their first 30 days of employment.

| Tool | J-men | Apprentices | | Pre | CW |
|---------------------|-------|----------------------------------|----------------------------------|-----|----|
| | | 3 rd +4 th | 1 st +2 nd | | |
| RH Aviation Snips | • | • | • | • | • |
| LH Aviation Snips | • | • | • | • | • |
| Bull Snips | • | • | • | | • |
| Hand Seamers | • | • | | | • |
| Tri-square | • | • | | | • |
| Tape Measure | • | • | • | • | • |
| Scratch Awl | • | • | • | | • |
| Plumb Bob | • | • | | | • |
| Straight Vice Grips | • | • | • | • | • |
| End wrenches | • | • | | | • |
| Tool Pouch | • | • | • | • | • |
| Sheet Metal Hammer | • | • | • | • | • |
| Whitney Punch | • | • | | | • |
| Dividers | • | • | • | | • |
| Knife | • | • | • | | • |
| Screw drivers | • | • | • | • | • |
| Hack Saw | • | • | | | • |
| Chalk Box | • | • | | | • |
| 12" Adj. Wrench | • | • | | | • |
| Drift Pin | • | • | • | | • |
| Torpedo Level | • | • | | | • |
| C-Clamp Vice grips | • | • | | | • |
| 3/8" Socket Set | • | • | | | • |
| Side Cutters | • | • | | | • |

SECTION 2(a). The Employer shall provide iced water, cooler and cups on all job sites, when necessary.

(b). The Employer shall also provide proper ventilation in such areas of the shop as needed where activities such as welding, insulating, etc. are being conducted.

(c). On all jobs where tool and change sheds are furnished to other crafts, the Employer shall provide same for sheet metal workers. On all jobs, requiring employees to report from home to job, there shall be a gang box provided by the Employer.

SECTION 3(a) Journeyman, apprentice, preapprentice and classified 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 shop or job to home at quitting time.

(b). Employees will receive full compensation of all expenses associated with operation of company vehicles, from shop to job or from shop/job to home if vehicle is to be used in the performance of covered employment, and return to the shop is not practical. Compensation shall be made by the employer not less than weekly to the employee.

ARTICLE 10

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. The local Employers' Association or the Local Union, on its own initiative, may submit grievances for determination by the Board as provided in this Section. The grievance procedure set forth in this Article applies only to labor-management disputes.

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

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

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

In establishing the grievance procedure of the Standard Form of Union Agreement, it was the intent of Sheet Metal Workers' International Association and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. to establish a method for resolving grievances permitting appeals for out-of-area Employers from the grievance arbitration procedures established for the territory in which work is performed. 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, as well as a decision of any alternative arbitration tribunal established for that area, 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. Such a right of appeal shall exist despite any contrary provision in the agreement covering the area in which the work is performed.

For the purposes of this Section, an Employer who is party to the Labor Agreement of the area in which the work in dispute is performed, but has no permanent shop within the area served by the Local Joint Adjustment Board that rendered the unanimous decision, may also be entitled to appeal a deadlocked or unanimous Local Joint Adjustment Board decision, and request a Panel hearing.

***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 20153-0956
or 4201 Lafayette Center Drive, Chantilly, VA 20151-1209.**

SECTION 4. Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by such Board. Appeals to the National Joint Adjustment Board shall be submitted within thirty (30) days after termination of the procedures described in Section 3 of this Article. 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. Any party that unsuccessfully challenges the validity of an award in a legal proceeding shall also be liable for the costs and attorneys' fees of the opposing parties in the legal proceedings.

SECTION 7. Failure to exercise the right of appeal at any step thereof within the time limit provided therefore shall void any right of appeal applicable to the facts and remedies of the grievances involved. There

shall be no cessation of work by strike or lockout during the pendency of the procedures provided for in this Article. Except in case of deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

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

(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(s), or both, notice to that effect shall be given to the National Joint Adjustment Board.

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

In addition to the mediation procedure set forth above or as an alternate thereto, the Co-Chairmen of the National Joint Adjustment Board may each designate a member to serve as a Subcommittee and hear the dispute in the local area. Such Subcommittees 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.

(b). Any application to the National Joint Adjustment Board shall be upon forms prepared for that purpose subject to any changes which may be decided by the Board from time to time. The representatives of the parties who appear at the hearing will be given the opportunity to present oral argument and to answer any questions raised by members of the Board. Any briefs filed by either party including copies of pertinent exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.

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

SECTION 9. Employers not contributing to the Industry Fund of the United States (IFUS) will be assessed a fee to be determined periodically by the Administrator of the National Joint Adjustment Board. Proceeds will be used to reimburse IFUS for costs of arbitration under the provisions of Article X.

SECTION 10. In addition to the settlement of disputes provided for in Sections 1 through 8 of this Article, either party may invoke the services of the National Joint Adjustment Board to resolve disputes over the initial establishment of terms for specialty addenda, if the provisions of Article X have been adopted in their entirety, and without modification.

Such a dispute may be submitted upon the request of either party any time that local negotiations for such an agreement have been unsuccessful. Such a dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by said Board. The unanimous decision of said Board shall be final and binding upon the parties. There shall be no strike or lockout over such a dispute.

SECTION 11. In administering and conducting dispute resolution activities under the arbitration procedures of the Standard Form of Union Agreement, the National Joint Adjustment Board, the Sheet Metal Workers' International Association, the Sheet Metal and Air Conditioning Contractors' National Association, Inc., and their representatives, are functioning as arbitrators and not as the representative of any entity that is party to such dispute. Therefore, they shall enjoy all of the rights, privileges, and immunities afforded to arbitrators under applicable law.

ARTICLE 11 **Preapprentices**

SECTION 1. 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 preapprentices on the basis of one preapprentice for each apprentice employed by the Employer. Provided, however, that an Employer who employs one or more apprentices and at least three (3) sheet metal journeymen shall be entitled to at least one (1) preapprentice. Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to any preapprentice. Thereafter, the same conditions and ratios shall apply.

In the event the Employer is entitled to employ a preapprentice and the Union fails to comply with the Employer's written request to furnish a preapprentice within forty-eight (48) hours, the Employer may hire such employees and refer them to the Joint Apprenticeship and Training Committee for enrollment. The Employer shall require any such preapprentice to report to the Union office within eight (8) days following the beginning of such employment.

Preapprentices shall be enrolled as applicants for future openings in the apprenticeship program. The Joint Apprenticeship and Training Committee shall evaluate the qualifications of preapprentices for such openings during the first year of employment. No preapprentice shall be employed or retained beyond one (1) year unless he/she has been found to be qualified by the Apprenticeship Committee as an apprentice applicant.

Effective 7/1/07 the hourly wage rate for preapprentices shall be not less than forty seven percent (47%) of the regular journeyman wage rate and shall increase by fifty cents (\$.50) per hour after six (6) months.

The Employer also agrees to make Health Care Fund contributions at the rate of one third (1/3) the applicable journeyman Health Care contribution rate, per hour worked, by each preapprentice commencing on the ninety first (91st) day of employment as a preapprentice.

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, or a minimum of twelve cents (\$0.12) per hour, whichever is greater, for each hour worked on or after the effective date of this agreement. The parties shall make all necessary arrangements so that any preapprentice being reclassified shall experience no break in benefits coverage.

ARTICLE 12

Apprentices

SECTION 1. All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of an equal number of trustees, half of whom shall be selected by the Employer, and half by the Union. There shall be a minimum of 4 (four) trustees. 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.

(a). The parties will review the needs for specialized and skill-upgrade training and cooperate to establish necessary programs which will then be supervised by the Joint Apprenticeship 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 apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant apprentices on the basis of one (1) apprentice for each three (3) journeymen regularly employed throughout the year, except as described in section 4 (b) of Article twelve. Provided, however, an Employer will not be entitled to a new apprentice if the Employer has an apprentice on layoff for lack of work.

(b). On all commercial HVAC duct work, and metal roofing work, 1 journeyman, 1 apprentice, and one other for every apprentice employed, (1 to 1 to 1) ratio is allowed. In the event an apprentice is unavailable, a classified worker or preapprentice may be substituted, to achieve the one (1) journeyman to two (2) other classifications ratio.

SECTION 5. Applicants for apprenticeship shall be not less than eighteen (18) years of age and each apprentice shall serve an apprenticeship of five (5) years and such apprentices shall not be in charge of work on any job and shall work under the supervision of a journeyman until apprenticeship terms have been completed and they have qualified as journeymen. Effective March 1, 2008 the parties will adopt a five year training program. The Union will have the authority to employ any apprentice for a period not to exceed six (6) months for the purpose of organizing training as part of the elective curriculum offered in the fourth and fifth year. Up to six months credit for time served as a preapprentice or classified worker, may be counted towards completion of the five year commitment, provided on the job training and minimum safety and skills assessment classes were completed.

SECTION 6. A graduated wage scale similar to that shown below, based on the journeyman wage rate, shall be established for apprentices. The scale may vary based on local market conditions and recruiting requirements.

| | |
|--|--|
| First year — First half 55%-Second half 59% | Third year — First half 71%-Second half 75% |
| Second year — First half 63%-Second half 67% | Fourth year — First half 80%-Second half 80% |
| Fifth year — First half 85% | Fifth year — Second half 85% |

This Section shall not have the effect of reducing the wage progression schedule of any apprentice who was indentured prior to the effective date of this Agreement. Exact wage and fringe benefit amounts are listed in Addendum No. 2 of this agreement. Contribution rates for Health Care and Apprenticeship funds will remain consistent with the same contribution rate of journeyman and effective dates, for the duration of this agreement. Contributions for SASMI are paid on fourth and fifth year (A7, A8, A9, A10) apprentices only.

SECTION 7. The parties will establish on a local basis the SMWIA Youth-to-Youth program (the program) and the procedures to enable all apprentices to participate in the program. The activities of the program that deal with organizing and other traditional union activities shall be funded by the Local Union through a checkoff in compliance with the provisions of Section 302(c) of the Labor-Management Relations Act of 1947. Activities that may be funded by Employer contributions shall be so funded if, and to the extent, the parties shall agree locally to sponsor and implement the same.

SECTION 8. The parties recognize that previous experience in the industry can be considered when evaluating and placing sheet metal workers into the apprenticeship program and the JATC shall work cooperatively with the parties in establishing standards for placing employees into the program. Health care for those workers entering the program with prior experience in the industry, shall be provided under the same terms and conditions as any other member.

SECTION 9. Effective January 1, 2009 the contribution rate to the apprenticeship fund will increase twenty five cents (\$0.25) with special designation for costs associated with converting to concentrated apprenticeship training by September 1, 2009.

SECTION 10. The parties agree that career-long skill upgrade training is necessary for an effective workforce and agree to undertake those measures available to them to encourage continuing training for sheet metal journeymen.

ARTICLE 13
Classified Workers

SECTION 1. Classified workers may be employed in the following ratio:

- A. one (1) classified worker for any Employer who employees an apprentice;
- B. two (2) classified workers for any Employer who employs at least three (3) apprentices;
- C. thereafter, the ratio will be one (1) classified worker for each additional three (3) apprentices employed.

Classified workers may perform any work covered in Article one (1) of this Agreement of which they are capable and will work under the direction of a journeyman. The wage rate for classified workers shall begin at not less than fifty per cent (50%) of the regular journeyman wage rate and increase on the same day as any journeyman wage increase may occur at a rate of eighty five percent (85%) of any journeyman wage increase until a maximum of \$18.50 per hour is reached.

Effective July 1, 2007 the Employer shall make contributions for each hour worked by classified workers to the Local 435 Health Care Fund, at the same rate of a Journeyman, as described in Addendum 2, and maintain the same rate of contribution through the duration of this agreement equal to the Journeyman. The Employer shall also make contributions as directed through the provisions of this agreement in addendum 2, for all hours worked, to the Sheet Metal Workers National Pension Fund in behalf of classified workers. The Employer shall also make contributions five cents (\$.05) per hour worked to the International Training Institute, and twenty nine cents (\$.29) per hour worked to the local Joint Apprentice and Training Committee.

In the event the Employer is entitled to employ a classified worker and the Union fails to comply with the Employer's written request to furnish a classified worker within forty-eight (48) hours, the Employer may directly hire such employees, and refer them to the Union.

ARTICLE 14

SECTION 1. SMACNA and the SMWIA are committed to promoting productive and cooperative labor-management relations. In furtherance of this goal, the local Employers' association and local Union agree to establish a labor-management committee which shall meet on a regular basis, but not less often than quarterly, to discuss industry issues of mutual concern. Such committees will strive to improve communications, understand and respond to industry direction and trends, and resolve common issues collaboratively.

ARTICLE 15

SECTION 1. In applying the terms of this Agreement, and in fulfilling their obligations thereunder, neither the Employer nor the Union will discriminate in any manner prohibited by law.

ARTICLE 16

SECTION 1. This Agreement and Addenda Numbers One (1) through Ten (10) attached hereto shall become effective on the first day of July, 2007 and remain in full force and effect until 12 midnight of June 30, 2011, and shall continue in force from year to year thereafter unless written notice of reopening is given not less than ninety (90) days prior to the expiration date. In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party by written notice, provided, however, that, if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint Adjustment Board or until the procedures under Article X, Section 8 have been otherwise completed.

SECTION 2. If, pursuant to federal or state law, any provision of this Agreement shall be found by a court of competent jurisdiction to be void or unenforceable, all of the other provisions of this Agreement shall remain in full force and effect. The parties agree to meet and negotiate a substitute provision. If negotiations are unsuccessful, the issue may be submitted for resolution by either party pursuant to Article X, Section 8 of this Agreement.

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

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

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

In witness whereof, the parties hereto affix their signatures and seal this 17th day of June, 2008.

THIS STANDARD FORM OF UNION AGREEMENT HAS PROVIDED FOR THE INCLUSION OF PREAPPRENTICES AND A REDUCTION OF THE BENEFITS SCHEDULE FOR 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.

The Standard Form of Union Agreement is a recommended contract form that is revised from time to time by the Sheet Metal Workers' International Association and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. In establishing such a recommended contract form, neither the Sheet Metal Workers' International Association, nor the Sheet Metal and Air Conditioning Contractors' National Association Inc. has acted as the bargaining representative of any entity that may adopt all or part of the language of the Standard Form of Union Agreement. Furthermore, neither the Sheet Metal Workers' International Association nor the Sheet Metal and Air Conditioning Contractors' National Association, Inc., shall be deemed to be a party to any such collective bargaining agreement including such language.

Florida SMACNA Inc.
(Company or Association)

Local Union No 435
of the Sheet Metal Workers' International Association

By [Signature], PRESIDENT
(Signature and title of Representative)

By [Signature]
(Signature of Business Manager / FST)

(Name of Firm)

(Print Company Representative Name / Title)

June 17, 2008
(Date)

(Signature)

ADDENDA TO UNION AGREEMENT
Addendum No. 1 Hiring and Dispatching

SECTION 1. The Union shall be the sole exclusive source of referrals of applicants for employment

SECTION 2. It is mutually agreed among the parties hereto that the following conditions shall govern all referrals of applicants for employment for all positions within the scope of this Agreement:

A. The selection of applicants for referrals to jobs shall be on a nondiscriminatory basis and shall not be based on, or in any way affected by, Union membership, by-laws, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies or requirements, or by, race, creed, color, national origin, sex or age.

B. The Employer shall have the right to reject any applicant for employment.

C. When the Employer states bona fide requirements for special skills and abilities in his request for applicants, the Union shall refer an employee when possible if specifically named by the Employer providing that the employee has been unemployed for at least ten (10) working days.

D. Both the Union and Employer agree to post a copy of the referral procedure set forth in this Agreement in places where notices to employees and applicants for employment are customarily posted.

SECTION 3. There are hereby established eligibility lists known as group I and group II. **A.** Group I shall consist of those applicants that have established a working record in the Sheet Metal Industry for a period of two (2) years in the area covered by this Agreement. **B.** Group II: all others.

SECTION 4. The Union shall maintain a work referral list, which shall list the applicants in each group in chronological order of registration of their availability for employment, and upon employer request, issue a written authorization and job referral prior to dispatch, validating the employee's name, social security number, classification, and wage rate, signed by an authorized Union representative.

A. Each applicant shall report to the Union office in person or by phone if he lives outside of Duval County to sign the out of work list immediately upon his discharge or termination, be it temporary or permanent.

B. Upon notifying the Union, an Employer may recall any employee, provided said employee has been employed by said Employer within the past one hundred twenty (120) days, and said employee is available.

SECTION 5. The Employer shall issue a termination slip to each employee and notify the Union Office upon termination or discharge. The termination slip shall state the following: (1) Employee's name, (2) Termination date, (3) Reason for termination, including a situation whereby, the Employer determines that the employee has voluntarily quit. (4) Signature of foreman or company representative.. Each employee shall present or mail a copy of his termination slip to the Union office within three (3) days after termination or discharge.

Addendum No. 2 Wages and Fringe Benefits

****Regular Journeyman Rates Effective July 1, 2007**

| | | | | |
|----------------------|-----------------------------------|---------------------|--------------------------------------|-------------------------|
| Wages | N Pension | NSSP Pension | H.C.F. | SASMI |
| 20.30 | 3.82 | 1.00 | 3.75 | 3% or .87 |
| App Fund | ITI NEMI SMOHI | Nat Industry | Loc Industry | Scholarship Fund |
| 0.50 | 0.17 | 0.07 | 0.16 | 0.01 |
| Total Package | Check-off Gross Wages | | SMWIA / PAL / P.A.C. / F.B.T. | |
| 30.65 | 3%(wage equality) + 3%(dues) = 6% | | .03+.04 + .05 + .01=.13 | |

Apprentice Rates Effective July 1, 2007

| | Wages | N.Pens. | NSSP | HCF | SASMI | App. | ITI | N.Ind. | L.Ind. | Schol. | Total Pkg. |
|-----|-----------|---------|------|------|--------|------|-----|--------|--------|--------|------------|
| A-1 | 55% 11.17 | 1.94 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 18.08 |
| A-2 | 59% 11.98 | 1.94 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 18.89 |
| A-3 | 63% 12.79 | 2.32 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 20.08 |
| A-4 | 67% 13.60 | 2.32 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 20.89 |
| A-5 | 71% 14.41 | 2.71 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 22.09 |
| A-6 | 75% 15.23 | 2.71 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 22.91 |
| A-7 | 80% 16.24 | 3.10 | .31 | 3.75 | 3%=.70 | .50 | .17 | .07 | .16 | .01 | 25.01 |
| A-8 | 80% 16.24 | 3.10 | .31 | 3.75 | 3%=.70 | .50 | .17 | .07 | .16 | .01 | 25.01 |

Check-Off Gross Wages

**3% (equality) + 3% (dues) = 6%

SMWIA/P.A.L. / PAC / F.B.T.

.03 + .04 + .05 + .01 = .13

A-1 and A-2 = First Year

A-3 and A-4 = Second Year

A-5 and A-6 = Third Year

A-7 and A-8 = Fourth Year

* Note: SASMI contributions are not applicable for first, second, or third year apprentices.

****Classified Worker Rates Effective July 1, 2007**

| Wages | National Pension | NSSP Pension | H.C.F. | SASMI |
|----------------------|---------------------------------|-------------------|------------------------------------|------------------|
| Range 10.15-18.50 | 1.65 | 0.31 | 3.75 | 0.00 |
| App Fund | ITI NEMI SMOHI | National Industry | Local Industry | Scholarship Fund |
| 0.29 | 0.05 | 0.00 | 0.00 | 0.00 |
| Total Package | Check-Off Gross Wages | | SMWIA/PAL / P.A.C. / F.B.T. | |
| Range 16.20 to 24.55 | **3% (Equality) + 3%(Dues) = 6% | | .03 + .04 + .05 + .01 = .13 | |

Pre-Apprentice Rates Effective July 1, 2007

| Wages | National Pension | NSSP Pension | H.C.F. | SASMI |
|----------------------|------------------------------|-------------------|------------------------------------|------------------|
| Minimum 9.54 | 0.20 * | 0.00 | 1.25 * | 0.00 |
| App Fund | ITI NEMI SMOHI | National Industry | Local Industry | Scholarship Fund |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Package | Check-off Gross Wages | | SMWIA/PAL / P.A.C. / F.B.T. | |
| Minimum 10.99 * | **3% (Wage Equality) | | .03 + .00 + .00 + .00 = .03 | |

* National Pension and H.C.F. (Health Care Fund) contributions become effective after the 90th day of employment for any signatory contractor.

*****Regular Journeyman Rates Effective January 1, 2008**

| Wages | National Pension | NSSP Pension | H.C.F. | SASMI |
|----------------------|----------------------------------|-------------------|---------------------------------------|------------------|
| 20.55*** | 3.82 | 1.00 | 3.75 | 3% or .88 |
| App Fund | ITI NEMI SMOHI | National Industry | Local Industry | Scholarship Fund |
| 0.50 | 0.17 | 0.07 | 0.16 | 0.01 |
| Total Package | Check-Off Gross Wages | | SMWIA/P.A.L. / P.A.C. / F.B.T. | |
| 30.91 | **3% (equality) + 3% (dues) = 6% | | .04 + .04 + .05 + .01 = .14 | |

*****/**Apprentice Rates Effective January 1, 2008**

| | Wages | N.Pens. | NSSP | HCF | SASMI | App. | ITI | N.Ind. | L.Ind. | Schol. | Total Pkg. |
|-----|--------------|---------|------|------|--------|------|-----|--------|--------|--------|------------|
| A-1 | 55%*** 11.30 | 2.06 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 18.33 |
| A-2 | 59%*** 12.12 | 2.06 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 19.15 |
| A-3 | 63%*** 12.95 | 2.41 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 20.33 |
| A-4 | 67%*** 13.77 | 2.41 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 21.15 |
| A-5 | 71%*** 14.59 | 2.76 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 22.32 |
| A-6 | 75%*** 15.41 | 2.76 | .31 | 3.75 | *0.00 | .50 | .17 | .07 | .16 | .01 | 23.14 |
| A-7 | 80%*** 16.44 | 3.10 | .31 | 3.75 | 3%=.71 | .50 | .17 | .07 | .16 | .01 | 25.22 |
| A-8 | 80%*** 16.44 | 3.10 | .31 | 3.75 | 3%=.71 | .50 | .17 | .07 | .16 | .01 | 25.22 |

Check-Off Gross Wages
 **3% (equality) + 3% (dues) = 6%

SMWIA/P.A.L. / PAC / F.B.T.
 .04 + .04 + .05 + .01 = .14

*****/**Classified Worker Rates Effective January 1, 2008**

| Wages | National Pension | NSSP Pension | H.C.F. | SASMI |
|------------------------|---------------------------------|--------------------------|------------------------------------|-------------------------|
| Range 10.28 – 18.50*** | 1.65 | 0.31 | 3.75 | 0.00 |
| App Fund | ITI NEMI SMOHI | National Industry | Local Industry | Scholarship Fund |
| 0.29 | 0.05 | 0.00 | 0.00 | 0.00 |
| Total Package | Check-Off Gross Wages | | SMWIA/PAL / P.A.C. / F.B.T. | |
| Range 16.33 to 24.55 | **3% (Equality) + 3%(Dues) = 6% | | .04 + .04 + .05 + .01 = .14 | |

*****/**Pre-Apprentice Rates Effective January 1, 2008**

| Wages | National Pension | NSSP Pension | H.C.F. | SASMI |
|----------------------|------------------------------|--------------------------|------------------------------------|-------------------------|
| Minimum 9.66*** | 0.20 * | 0.00 | 1.25 * | 0.00 |
| App Fund | ITI NEMI SMOHI | National Industry | Local Industry | Scholarship Fund |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Package | Check-off Gross Wages | | SMWIA/PAL / P.A.C. / F.B.T. | |
| Minimum 11.11 * | **3% (Wage Equality) | | .04+ .00 + .00 + .00 = .04 | |

* National Pension and H.C.F. (Health Care Fund) contributions become effective after the 90th day of employment for any signatory contractor.

** Wage Equality, Dues Check-off and SMWIA / P.A.L. / P.A.C. / F.B.T. deductions from an employees pay shall be paid monthly by the twentieth (20th) day of the following month, on forms provided by the Union or Fund Administrator.

*** *Starting January 1, 2008, all bargaining unit employees will accrue a holiday benefit at the rate of 3.0% of the employee's regular rate of pay times the number of hours worked (excluding fringe benefit contributions), with the first effective holiday being Memorial Day, 2008. The holiday benefit will be defined as an amount equivalent to eight (8) hours pay at the employee's regular established rate of pay. The holiday accrual pay is in addition to this rate sheet. See Article 6, section 2, of this agreement.

Effective July 1, 2008, a total package increase for Journeyman in the sum of \$0.85 per hour will be distributed to existing funds at the Union's discretion. Increases for other classifications shall be based on the Journeyman's increase distribution.

Effective January 1, 2009, a total package increase for Journeyman in the sum of \$0.85 per hour will be distributed to existing funds at the Union's discretion. Increases for other classifications shall be based on the Journeyman's increase distribution.

Effective July 1, 2009, a total package increase for Journeyman in the sum of \$0.85 per hour will be distributed to existing funds, at the Union's discretion. Increases for other classifications shall be based on the Journeyman's increase distribution.

Effective January 1, 2010, a total package increase for Journeyman in the sum of \$0.85 per hour will be distributed to existing funds at the Union's discretion. Increases for other classifications shall be based on the Journeyman's increase distribution.

Effective July 1, 2010, a total package increase for Journeyman in the sum of \$0.85 per hour will be distributed to existing funds, at the Union's discretion. Increases for other classifications shall be based on the Journeyman's increase distribution.

Effective January 1, 2011, a total package increase for Journeyman in the sum of \$0.42 per hour will be distributed to existing funds at the Union's discretion. Increases for other classifications shall be based on the Journeyman's increase distribution.

Note: Wage and Fringe Benefit distribution amounts not listed on this page will be added following the index in the area designated for future use, as those amounts are determined at the discretion of the Union.

A. Foreman and General Foreman

SECTION 1. A journeyman sheet metal worker shall be designated as foreman on any job having three (3) employees. No foreman shall have more than eleven (11) employees. Where there are more than twelve (12) employees employed on one site there shall be one foreman to every six (6) employees. Foreman shall receive 10% per hour above the regular journeyman rate of pay.

SECTION 2. Where there are three (3) or more foremen employed on the job site there will be a general foreman. General foreman shall receive 20% per hour above the regular journeyman rate of pay.

B. Fringe Benefit Funds (Collection and Enforcement)

SECTION 1. The Association and the Union and all employers covered by this agreement, agree that a full compliment of trustees shall be provided as outlined in each of the local trust agreements, creating the Sheet Metal Workers' Local Union 435 Health Care Fund, and the Sheet Metal Workers' Local 435 Joint Apprenticeship Fund.

SECTION 2. The Association and the Union and all employers covered by this Agreement agree to be bound by all of the terms of the separate trust agreements creating the Sheet Metal Workers' Local Union 435 Health Care Fund, the Sheet Metal Workers' National Supplemental Savings Plan, the Sheet Metal Workers' National Pension Fund, the International Training Institute Trust, the National Energy Management Institute Fund, the Sheet Metal Workers' Occupational Health Institute Trust, the Stabilization Agreement of the Sheet Metal Industry Fund, the Sheet Metal Workers' International Scholarship Fund, and the Sheet Metal Workers' Local 435 Joint Apprenticeship Fund; all amendments thereto, the appointment of trustees and their successors, and also agree to abide by all rules and regulations established by the trustees, including but not limited to, those rules and collection procedures with regard to timely payments of all contributions. The Association, Employers, and the Union hereby ratify all actions taken by such trustees within the scope of their authority. The Employer shall furnish by the twentieth (20th) day of each month, a report of all hours worked during the

preceding month by each employee covered by this agreement and all monies due the various funds on forms and in the manner prescribed by the trustees.

SECTION 3. The trustees of the respective funds may institute legal proceedings for liquidated damages, interest, and costs and for the purpose of collecting any payments required to be made to such funds including damages and costs, and for the purpose of enforcing rules of the trustees concerning the inspection and equitable administrative relief and they shall not be required to invoke or resort to the grievance procedure otherwise provided in this agreement. In the event it becomes necessary to initiate any such authorized action against any employer, such employer shall be obligated to pay to the respective funds attorneys fees, court reporter fees, filing fees, the actual cost of effecting service of papers and expenses incurred by the respective trustees. In addition to the other remedies herein provided, the collection procedure currently in effect (attached hereto as Exhibit A) for or subsequently modified by the Trustees of the Sheet Metal Workers' Local 435 Health Care Fund shall be used by the Union to collect any payments required to be made by an employer in accordance with this agreement; and, in the event the Union institutes such collection procedure, that shall not preclude the Union from taking other remedial action in accordance with this agreement, including, but not limited to, the remedial actions contained in Sections 5 and 7 of this Addendum No. 2.

SECTION 4. Upon being advised by the administrative office of the funds that an employer is delinquent in payments to be made for a period of more than fifteen (15) days, the Union is hereby authorized to remove the employees from the job or shop of any such employer.

SECTION 5. Any employer who has at any time within the life of this Agreement been delinquent for two (2) consecutive months in his payments of any contributions or fringe benefit deductions required to be made under this Agreement shall, upon notification by the respective trustees or officers, procure a bond in an amount equal to not less than two (2) times the amount delinquent. Said bond shall be required to continue for a period of ninety (90) days after all fringe benefit payments are paid in full. Such bond to be procured from an insurance company licensed to do business in the State of Florida. If such bond cannot be procured, a cash bond must be substituted.

SECTION 6. The Administrators of the several fringe funds are specifically required to present to the trustees the name and full information regarding the accounts of those employers who become delinquent for more than fifteen (15) days in the payment of any deduction or contribution required under this Agreement.

SECTION 7. Employees may be removed from the job or shop of any employer by the authorized action of the trustees for the purpose of enforcing rules of the trustees concerning the inspection and audit of payroll records.

Addendum No. 3 Stewards

SECTION 1. The Business Manager, or his representative, shall appoint such stewards as may be necessary to properly perform the functions and duties described in this Agreement. In order to transact such business as shall arise that will involve the Employer or the Employee, it is necessary to have a steward in each shop and on each job that is signatory to this Agreement, whose duties will be to handle all complaints arising, either from the Employer or the Employee, and endeavor to satisfactorily settle such complaints at shop level. If the complainants' grievances cannot be settled at the shop level, then it will be the duty of the steward to call the Union office and report the grievance.

The steward shall be the last man laid off when it becomes necessary to reduce force; due to lack of work, provided he is capable of satisfactorily performing the work required. The foregoing provision does not prevent anyone from being fired for cause. However, the Employer representative shall notify the Business Manager of his intention to layoff or discharge a steward twenty-four (24) hours prior to the intended layoff or

discharge. This provision does not take precedence over shop or job foreman or general foreman. In the event a steward is laid off, he shall be the first man re-employed provided there is work being done that he can perform.

In no event shall an Employer or his representative discriminate against a steward or lay him off or discharge him on account of any action taken by him in the performance of his union duties.

SECTION 2. In the event that overtime work is required, the steward shall be notified, who shall notify the Union, before the work is performed. When it is practical, the steward shall be one of those designated for such employment.

SECTION 3. The steward shall be permitted to use the company phone on company time to call the union office or receive calls from the union office, provided these calls are related to union business.

Addendum No. 4 Local Joint Adjustment Board

SECTION 1. It is agreed by both parties to this Agreement to set up a Local Joint Adjustment Board composed of equal members, half of whom shall be selected by the Employer and half by the Union. There shall be a minimum of four members. Said board shall meet upon request of either party to settle or adjust any difficulties that may arise between Labor and Management and to promote better relations for the best interest of both Labor and Management and for the good of the Sheet Metal Industry.

Addendum No. 5 Union Shop

SECTION 1. Any Contractor desiring to sign a Union Agreement with Sheet Metal Workers Local 435 except those specializing in CAD (Computer Assisted Drafting) and TAB (Testing, Adjusting, Balancing) and companies installing nothing but manufactured items such as toilet partitions, lockers, where there is no fabrication to be performed, shall have a shop that will be in accordance with Section 2 and Section 3 of this Article.

SECTION 2. A sheet metal shop or sheet metal business shall not be considered a Union sheet metal business unless the owners sign and remain parties to an agreement with the local Union of this association in whose jurisdiction such shop or business is located. No sheet metal shop or sheet metal business shall be recognized as union or entitled to the privileges or use of the shop card or label unless it employs one or more journeymen sheet metal workers in good standing and with full membership in this Association on all work covered by Article 1 of this Agreement.

SECTION 3. Any sheet metal contractor desiring to sign an Agreement with the Sheet Metal Workers' Local No. 435 other than those described in Section 1 of this Article shall be governed by the following rules:

- (A) The shop must be licensed in the State in which the shop is in existence.
- (B) The shop must be equipped with the proper tools to fabricate the sheet metal materials required to do a sheet metal job.
- (C) The shop must be open to give anyone prices on sheet metal products they wish to purchase.
- (D) The shop must have toilets and washing facilities.
- (E) The shop must have a telephone.
- (F) Before signing a Union Agreement with Sheet Metal Workers' Local No. 435 the shop will be inspected by the Union's representative to ensure that the shop meets the qualifications listed.

Addendum No. 6 Working Assessment

SECTION 1. During the term of this Agreement, or any extension of this Agreement the Employer will make wage deductions for working assessments where such desire is voluntarily and individually expressed by the employee in writing, it being understood that such deduction by the Employer is for the convenience of the

employee. The escrow agent designated to receive the payments for the various fringe benefit funds is hereby designated by the employers signatory hereto or bound hereby as their agent for the purpose of receiving and maintaining the individual authorization for check-off required by law.

SECTION 2. Both parties to this Agreement agree that there shall be a deduction of one cent (\$.01) per hour worked by journeymen, apprentices, and classified workers which shall be forwarded to the Florida Building Trades Council and a deduction for the Unions Political Action funds, as described in this agreement, and a deduction of six percent (6%) from gross wages of all classifications of employees covered under this agreement or any other agreement connected with or referenced as being connected with this agreement, unless noted otherwise in such other agreement, excluding preapprentices, and three percent (3%) from all preapprentices or other classifications excluded in any other connected agreement, for working assessments for the administration and promotion of the union's hiring hall and wage equalization procedures. Should the Union raise or lower any assessment, the Employer shall increase or decrease the deduction upon receipt of and in accordance with written confirmation from the Union of the increase or decrease, which confirmation sets forth the reasons for the increase or decrease.

SECTION 3. Subject to applicable law, assessment deduction authorization shall be binding for a period of one (1) year from the date that such authorization is signed. Such authorization shall automatically renew itself for a period of one (1) year on each succeeding anniversary unless the employee making such authorization shall, not more than thirty (30) days and not less than ten (10) days prior to the anniversary date, notify the Employer and Union in writing of his desire to withdraw the authorization for assessment.

SECTION 4. The Employer shall make no deduction from the wages or changes in authorized deductions of any employee until the Employer has been advised the aforementioned assessment authorization or withdrawal has been furnished.

SECTION 5. All assessment deductions made by the Employer will be remitted monthly by U.S. Mail postage prepaid made payable to the escrow agent, Sheet Metal Workers' Local #435 Funds Account c/o Southern Benefit Administrators, Inc. P.O. Box 1449, Goodlettsville, Tennessee 37070-1449. Deduction of such assessment from wages shall not be a condition of employment or non-employment. The Employer shall not be liable to the Union or to any employee for any negligent act of omission or commission in respect to collection or non-collection of such assessment, except for such acts of omission or commission as may be done or omitted by the Employer deliberately or fraudulently. The Union undertakes and agrees to save the Employer harmless of and from any and all claims, demands and causes of action on the part of any of the employees which may hereinafter be asserted against the Employer by reason of the Employer checking off such working assessments.

Addendum No. 7 Loading and Unloading Trucks

SECTION 1. The Union agrees that the Contractor shall have the option to use two (2) helpers or truck drivers designated by him or his supervisor to load or unload materials and stock pile same anywhere on the job site, at the option of the contractor.

Addendum No. 8 Stabilization Agreement of the Sheet Metal Industry Fund (SASMI)

SECTION 1. (a) Commencing with the 1st day of July, 2007, and for the duration of the current Collective Bargaining Agreement between the said Local Union and Employer and any renewals or extensions thereof, the Employer agrees to make payments to the Stabilization Agreement of the Sheet Metal Industry National Trust Fund (hereinafter referred to as the National SASMI Fund) for each employee covered by the said Collective Bargaining Agreement, as follows:

For each hour for which an employee subject to the Collective Bargaining Agreement receives pay from the Employer, the Employer shall make a total contribution of three percent (3%) of the gross earnings of all such employees to the National SASMI Fund. Gross earnings, for purposes of this Agreement, shall mean (a) total wages paid to an employee by the Employer which are reportable by such employees for Federal Income Tax purposes and (b) any and all contributions paid by such employer on behalf of such Employee to a pension and/or health and welfare fund.

For purposes of this Agreement, it is understood that contributions shall be payable on behalf of employees from the first day of employment after the effective date of this Agreement whether said employees are permanent, temporary, or seasonal, or full-time or part-time employees. It also is understood that the total contribution of three percent (3%) of the gross earnings for each calendar month shall be paid by the Employer to the National SASMI Fund Office in advance of the twentieth (20th) calendar day of the next succeeding calendar month. The Employer's payment shall be accompanied by a contribution transmittal form which among other items shall show for each employee subject to the Collective Bargaining Agreement in respect to the calendar month for which payment is being made, his gross earnings from the Employer and the Employer's contributions for all employees.

(b) The Employer hereby agrees to become a party to the National SASMI Agreement and Declaration of Trust, and agrees to be bound by all of the terms and provisions of said Agreement. The Employer further agrees irrevocably to designate as its representative on the Board of Trustees of the fund such Trustees as are named in the Fund's Agreement and Declaration of Trust as Employer Trustees together with their successors selected in the manner in the said Agreement and agrees to be bound by all action taken by the said Employer Trustees pursuant to the Agreement and Declaration of Trust.

(c) The contribution made to the Fund shall be used by it to provide benefits to be payable to eligible employees in accordance with the provisions of the plan of the Fund.

(d) It is agreed that to the extent possible such plan applicable to the employees of the Employer will qualify for approval with appropriate government agencies, so as to enable the Employer: to treat such contribution to the fund as a deduction for income tax purposes; and to treat such contributions as not being "wages" for purposes of Federal unemployment tax, Federal Insurance contribution Act tax, or Collection of Income Tax at source of wages, under subtitle C of the Internal Revenue Code; and not to be required to include such contributions, for purposes of the Fair Labor Standards Act, in the regular rate of pay of an employee.

(e) If the Employer fails to make contributions to the Fund within thirty (30) days after the date required by the Trustees, the Local Union in addition to any rights the Trustees shall have the right on forty-eight (48) hours written notice to take whatever steps are necessary to secure compliance with this Agreement, any provisions of the Collective Bargaining Agreement, including the no-strike clause, to the contrary notwithstanding. It is expressly understood that the Employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement and the no-strike clause, if any, shall not prohibit any action the Union chooses to take to compel payment of contributions.

SECTION 2. The expiration date of the present Collective Bargaining Agreement between the Local Union and the Employer is June 30, 2011. Duplicate copies of any renewal or extension agreements will be promptly furnished to the National SASMI Fund Office by the Employer and the Local Union.

SECTION 3. The parties agree that this Agreement, including the following SASMI Work Rules, shall be considered a part of the Collective Bargaining Agreement between the Employer and the Local Union, and all subsequent Collective Bargaining Agreements between said parties:

SASMI WORK RULES

A. The selection of sheet metal foreman and general foreman shall be entirely the responsibility of the employer. Foreman and general foreman shall take orders from individuals designated by the employer.

B. There shall be no limit on production of workmen, or restrictions on the full use of tools or equipment or on the number of men assigned to any crew or to any service other than may be required by safety regulations. Sheet metal workers shall perform any of the work of the craft and shall work under the supervision of the craft foreman.

C. Security procedures for control of tools, equipment and materials are solely the responsibility of the employer.

D. Workmen shall be at their place of work at the starting time and shall remain at their place of work until the quitting time in accordance with the historical custom and practice prevailing in the locality. The parties reaffirm their policy of a fair day's work for a fair day's wage.

E. Except as otherwise provided herein, practices not a part of terms and conditions of collective bargaining agreements will not be recognized.

F. Slowdowns, standby crews, and feather bedding practice will not be tolerated.

G. A steward shall be a qualified workman performing work of his craft and shall exercise no supervisory functions. There shall be no non-working stewards.

H. There shall be no illegal strikes, work stoppages, or lockouts.

I. When a local union does not furnish qualified workmen within forty-eight (48) hours (Saturdays, Sunday, and holidays excluded), the contractor shall be free to obtain workmen from any source in accordance with the hiring hall provisions of the local agreement, if any.

J. It is agreed that overtime is undesirable and not in the best interest of the industry or the employee. Therefore, except in unusual circumstances, overtime will not be worked. Where unusual circumstances demand overtime, such overtime will be kept at a minimum.

K. If the contractor so elects, he may work shift work at a rate and under the conditions in the applicable agreements. If the agreements do not contain rates and conditions pertaining to shift work, the parties shall negotiate the same prior to the start of the job. The employer shall determine the number of men to be assigned to each of the shifts as established.

Addendum No. 9 Disclosure Clause

SECTION 1. A "bad-faith employer" for purposes of this Agreement is an Employer that itself, or through a person or persons subject to an owner's control, has ownership interests (other than a non-controlling interest in a corporation whose stock is publicly traded) in any business entity that engages in work within the scope of SFUA Article I herein above using employees whose wage package, hours, and working conditions are inferior to those prescribed in this Agreement or, if such business entity is located or operating in another area, inferior to those prescribed in the agreement of the sister local union affiliated with Sheet Metal Workers' International Association, AFL-CIO in that area. An Employer is also a "bad-faith employer" when it is owned by another business entity as its direct subsidiary or as a subsidiary of any other subsidiary within the corporate structure thereof through a parent-subsiidiary and/or holding-company relationship, and any other business entity within such corporate structure is engaging in work within the scope of SFUA Article I herein above using employees whose wage package, hours, and working conditions are inferior to those prescribed in this Agreement or, if such other business entity is located or operating in another area, inferior to those prescribed in the agreement of the sister local union affiliated with Sheet Metal Workers' International Association, AFL-CIO in that area.

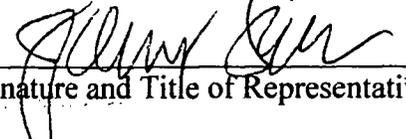
SECTION 2. Any Employer that signs this Agreement or is covered thereby by virtue of being a member of a multi-employer bargaining unit expressly represents to the Union that it is not a "bad-faith employer" as such term is defined in Section 1 herein above and, further, agrees to advise the union promptly if at any time during the life of this Agreement said Employer changes its mode of operation and becomes a "bad-faith employer". Failure to give timely notice of being or becoming a "bad-faith employer" shall be viewed as fraudulent conduct on the part of such Employer.

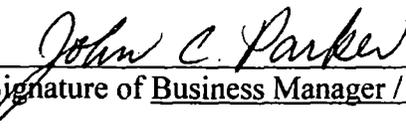
In the event any Employer signatory to or bound by this Agreement shall be guilty of fraudulent conduct as defined above, such Employer shall be liable to the Union for liquidated damages at the rate of \$500 per calendar day from the date of failure to notify the Union until the date on which the Employer gives notice to the Union. The claim for liquidated damages shall be processed as a grievance in accordance with, and within the time limits prescribed by, the provisions of SFUA Article X.

This addendum to existing agreement between the Parties is hereby accepted by the undersigned.

Florida SMACNA Inc.
(Company or Association)

Local Union No 435
of the Sheet Metal Workers' International Association

By , PRESIDENT
(Signature and Title of Representative)
Or:

By 
(Signature of Business Manager / FST)

(Name of Firm)

(Company Representative / Title)

June 17, 2008
(Date)

SHEET METAL WORKERS NATIONAL PENSION FUND PARTICIPATION AGREEMENT

PLAN A

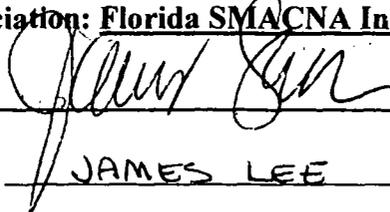
The undersigned Employer and the Union represent that the only agreement between them regarding participation in the Sheet Metal Workers National Pension Fund (the "Fund") is as follows:

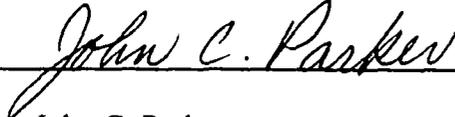
1. Commencing with July 1, 2007 and for the duration of this agreement and any renewals or extensions thereof, the Employer will contribute to the Fund amounts per hour specified in addendum two (2) of this agreement (or any increased amount allocated in this agreement, or agreed to in subsequent agreements) for each hour or part of an hour for which an employee covered by the Collective Bargaining Agreement between the Employer and the Union receives the basic hourly wage rate.
2. Contributions shall be paid on behalf of an employee starting with the employee's first day of employment in a job classification covered by the Collective Bargaining Agreement.
3. The Agreement and Declaration of Trust establishing the Fund is incorporated herein by reference and by signing the Participation Agreement the Employer adopts the provisions of that Trust Agreement.
4. It is agreed that all contributions shall be made, at such time and in such manner as the Trustees require. The Trustees shall have the authority to have their auditor or an independent Certified Public Accountant audit the payroll and wage records of the employer for the purpose of determining the accuracy of contributions made to the Fund. If the audit reveals that inaccurate contributions or an insufficient number of contributions have been made, the Employer agrees to pay all accountants' fees incurred in making the audit but not to exceed the extent of his delinquency and also all legal fees and costs incurred in collecting said accountant's fees if judicial enforcement of this paragraph is necessary.
5. Employers shall submit a remittance report and the required contributions to the Fund by the twentieth (20th) of the month following the month when covered employment was performed. Failure to file that report shall constitute a delinquency in violation of the Employer's obligation under this Agreement. The Trustees may take whatever steps they deem necessary, including legal action, to collect such delinquent payments, any provisions of the Collective bargaining Agreement to the contrary notwithstanding. If delinquent, the Employer agrees to pay the interest, liquidated damages, attorney fees and costs as provided for in Article V, Section 4, of the Trust Agreement. An Employer's liability for payment of a delinquency shall not be subject to the grievances or arbitration procedures contained in the Collective Bargaining Agreement.
6. If an Employer's work force did not perform any covered employment within a particular month, a remittance report shall be filed on the twentieth (20th) day of the month indicating that no covered employment was performed. Failure to do so shall subject the Employer to liability for all fees and costs resulting from his failure to file such a report, or \$100.00, whichever is greater.
7. It is agreed that the Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer to treat contributions to the Fund as a deduction for income tax purposes.
8. The parties agree that the Participation Agreement shall be considered part of their Collective Bargaining Agreement.

9. The expiration date of the present Collective Bargaining Agreement between the undersigned parties is June 30, 2011. Copies of renewal or extension agreements will be furnished promptly to the Fund's Office and, if not consistent with this Participation Agreement, can be used by the Trustees as the basis for terminating the Employer's participation in the Fund.

Association: Florida SMACNA Inc.

Sheet Metal Workers' International Association # 435

By , PRESIDENT

By 

Print: JAMES LEE

Print: John C. Parker

Title: PRESIDENT

Title: Business Manager / FST

Or: _____

(Name of Firm)

(Print Company Representative name / Title)

June 17, 2008
(Date)

(Signature)

National Pension Fund

The Employer and Union recognize that, during the term of this Agreement, the National Pension Fund for the Sheet Metal Industry will notify the parties of the Fund's status under the Pension Protection Act of 2006. It is anticipated that the Fund will be in critical status. Consequently, the Employer and the Union further recognize that a surcharge may be imposed upon contributions for the Fund, and that the Fund may adopt a rehabilitation plan, incorporating alternative schedules of benefits and contributions, during the term of this Agreement. Because it is unknown exactly when these events will occur, it was not possible to account for all of the costs that may be incurred by the Employer with respect to pension benefits while negotiating the wage/fringe package set forth in this Agreement. Consequently, the parties agree to address this issue in the following manner:

- (a) It is undesirable to pay a surcharge upon pension contributions, with no resulting improvement to pension benefits. Accordingly, at such time as the Trustees of the Fund furnish the Employer and the Union with alternative schedules of benefits and contributions, the parties will engage in discussions and will execute a Memorandum of Understanding for the purpose of adopting a schedule of benefits. The contributions adopted according to this schedule will be payable on July 1, 2008 or the month following the adoption of the schedule, whichever is later.
- (b) The cost of such surcharges shall be allocated from the existing wage/fringe benefit package, with the hourly rate being reduced by an amount equivalent to the surcharge.
- (c) During discussions pursuant to adoption of a Memorandum of Understanding on the schedule, the parties will give due recognition to the desirability of maintaining pension benefits in light of economic conditions in the local area. The foregoing contribution rates are intended to represent the Employer's total hourly cost for providing pension benefits during the term of the Agreement. If the National Pension Fund requires any contributions that are in excess of these amounts, or, if the Pension Plan fails to meet the minimum contribution requirement established by law, resulting in the imposition of an excise tax, the hourly wage package shall be immediately reduced by an equivalent amount. (Withdrawal liability is excluded.)

EXHIBIT A

COLLECTION PROCEDURE FOR SHEET METAL WORKERS LOCAL 435 HEALTH CARE FUND

Contributions are due to be paid and the employer contribution reporting forms are due to be submitted on or before the 20th day of the month after the month in which the contributions accrued (e.g. contributions that accrued during the month of April are due to be paid and reported on or before the 20th day of May). Even if payment in full is not made on or before the 20th day of the month after the contributions accrued, the reporting forms are to be submitted on or before the 20th day of the month after the month in which the contributions accrued the submission of report(s) will only be considered timely if the employer can show by certified, return receipt requested, mail or by facsimile confirmation that the report(s) have been received). For each 30 day period, or any part thereof, in which reports are not submitted/received, after the date on which the reports were due to have been received, the employer shall be obligated to pay \$50.00 per each 30 day period, or any part thereof, to cover additional administrative costs resulting from the untimely reporting.

If contributions are not paid on the 20th day of the month following the month in which the contributions accrued, the contributing employer shall be responsible for contacting the Fund's legal counsel regarding payment; and, in the event payment in full is not made prior to the last day of the second month after the month in which the contributions accrued, then the Fund's legal counsel shall file a lawsuit to collect the unpaid contributions, interest and other related costs.

Additionally, if contributions are not paid by the 20th day of the month following the month in which the contributions accrued, then interest shall begin accruing on the 21st day of the month following the month in which contributions accrued at the rate of 12% per annum (e.g. if contributions that accrued in the month of April, are not paid by May 20, then interest shall begin accruing at the rate of 12% per annum starting May 21); and interest shall accrue at the rate of 12% per annum or \$50 per month on the interest as herein provided, whichever is greater (e.g. if contributions accrued for the month of April in the total amount of \$10,000 and were not paid by May 20, but the contributions were paid by June 20, then the following amount would be owed : $\$10,000 + \120 [one month's interest at 12% per annum] + $\$50 = \$10,170$).

Interest that has accrued and costs by the Fund that are related to collection that were incurred prior to receipt of the delinquent contributions shall be paid, even though the contributions are subsequently paid. Any suit that is instituted, as hereinabove provided, shall demand payment of the delinquent contributions, and/or interest as hereinabove provided, and attorney fees and costs, including, but not limited to, audit fees, that are incurred by the Fund to collect the delinquent contributions.

EXHIBIT B

MEMORANDUM OF AGREEMENT

between
SHEET METAL WORKERS INTERNATIONAL ASSOCIATION, LOCAL NO.435 and
FLORIDA SMACNA, INC.

It is hereby mutually agreed between the parties that Article 6, Section 2 of the 2007 through 2011 labor agreement shall be amended as follows:

Starting January 1, 2008 all bargaining unit employees will accrue a holiday benefit at the rate of 3% of the employee's regular rate of pay per hour X (times) the number of hours worked, (excluding fringe benefit contributions) , with the first effective holiday being Memorial Day 2008. The holiday benefit will be defined as an amount equivalent to eight (8) hours pay or ten (10) hours if working a four (4) day, ten (10) hour work week at the employee's regular established rate of pay. The holiday benefit payment will be paid in the payroll period that includes any of the seven (7) holidays named in section two (2) of this article and is in addition to wage and fringe benefit rates found in Addendum No. 2 of this agreement.

If prior to the holiday, the employee has accrued a holiday benefit credit, less than an amount equivalent to eight (8) hours times the employee's regular rate (or ten (10) hours if working under a four (4) day, ten (10) hour work week) of pay, the employee will receive that holiday benefit payment for that holiday. Any unused accrued holiday benefit will be carried forward and applied to future holiday benefit payments. Upon termination, employees will be paid any unused holiday benefit pay in their final paycheck. If holiday pay accrual exceeds eight (8) hours (or ten (10) hours if working a four (4) day ten (10)hour work week), on the last day of the calendar year, such that compensation for the New Years Day holiday may be provided, the employee will receive that amount above the eight or ten hour benefit accrual , as the case may be, at the employee's regular rate for those days/hours worked, in the first pay period of the New Year. The purpose is to disallow a continuing compounding of holiday pay accrual.

**When employees are working a ten (10) hour - four (4) day schedule, the holiday benefit will be paid under the following guidelines. If the holiday falls on a scheduled work day, the employee will be paid ten (10) hours. If the holiday falls on a scheduled day off, the employee will be paid eight (8) hours. If prior to the holiday, the employee had accrued a holiday benefit credit, less than an amount equivalent to eight (8) hours or ten (10) hours times the regular rate, which ever applies, the employee will receive that holiday benefit payment for that holiday.

SHEET METAL WORKERS INTERNATIONAL
ASSOCIATION, LOCAL NO. 435

FLORIDA SMACNA.
INC.

BY John C. Parker
DATE 9-25-08

BY Wayne Bussard
DATE 9-25-08