

TRADE AGREEMENT

Between

MECHANICAL CONTRACTORS ASSOCIATION
OF
NEW YORK, INC.

And

ENTERPRISE ASSOCIATION
LOCAL UNION 638

Steam, Hot Water, Hydraulic, Sprinkler,
Pneumatic Tools, Ice Machine and Central Pipe Fitters of
New York and Vicinity, Local Union No. 638 of the United
Association of Journeymen and Apprentices of the
Plumbing and Pipe Fitting Industry of the United States
and Canada

Effective July 15, 2002

Terminates June 30, 2005

FORWARD

The Association and Employers hereby recognize Steamfitters' Local Union 638 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada as the sole and exclusive bargaining representative for all their employees performing any work covered by this Agreement and employed by the employer in the geographical jurisdiction of the Enterprise Association, namely, the City of New York, Nassau and Suffolk counties and all of Long Island. This Agreement together with its Working Rules shall govern all steamfitting work performed under this Agreement by any contractor party to or bound by and subject to this Agreement within the trade jurisdiction as set forth herein.

RULES

Rules of the Enterprise Association applying to work at the steamfitting trade and its many branches, in the City of New York and in Nassau and Suffolk Counties, New York and all of Long Island.

Rule I. WORKING DAY

Section I. The hours of labor shall be seven (7) hours per day to be performed between seven (7:00) o'clock A.M. to three-thirty (3:30) o'clock P.M., as reasonably designated by the Employer with the consent of the Union, every day for the entire work force, except Saturday and Sunday and the legal holidays. The Employer shall notify the Union twenty-four (24) hours prior to the start of any work day which starts at any other time than eight (8:00) o'clock A.M.

Section II. No steamfitter or apprentice shall be allowed to apply to any shop or office for employment except between the hours of eight (8:00) o'clock A.M. and three-thirty (3:30) o'clock P.M.

Section III. If a steamfitter is employed on Temporary Heat, the shift shall consist of eight (8) hours. One or more of these shifts may be used.

Section IV. Each shift shall be known as the working day for temporary heat, every day including Saturday, Sunday and legal holidays.

Section V. The working days above named shall be known as regular time and shall be time actually employed at work.

Section VI. Sprinkler Shift Work may be performed during other than the regular working day as defined in Section I. All Sprinkler Shift Work shall be performed in accordance with Rule XV.

Section VII. Where licenses are required, no steamfitter or apprentice should knowingly work for any unlicensed contractor.

Rule II. RATE OF WAGES

Section I. Regular time for a steamfitter except as noted in Section II of this Rule shall be paid for at the following rates:

From July 15, 2002 to December 31, 2002, \$38.32 per hour (\$268.24 per day of seven (7) hours) plus \$5.50 per hour Welfare, \$9.80 per hour Pension, \$3.50 per hour Vacation, \$5.20 per hour *Security Benefit Fund*.

In addition to the above each employer shall pay \$.32 per hour Educational Fund for each and every hour worked and 1% per hour of the Journeyman Steamfitter wage rate less fringe benefits into the Industry Promotion Fund for each and every hour worked. (See Rules XVIII, XIX, XIX-B, XX, XXI, XXII and XXIII.)

ADDITIONAL INCREASES

January 1, 2003 to July 1, 2003	\$1.75
July 2, 2003 to December 30, 2003	\$2.00
December 31, 2003 to June 29, 2004	\$2.00
June 30, 2004 to December 28, 2004	\$2.25
December 29, 2004 to June 30, 2005	\$2.25

The money increases stated above are all inclusive, that is, it includes wage increases and Pension, Welfare, Vacation Security Benefit and Supplemental Retirement Plan 401(a) contributions respectively; the contributions of \$.32 on each hour worked to the Educational Fund and 1% per hour of the Journeyman Steamfitter wage rate less fringe benefits to the Steamfitting Industry Promotion Fund of New York and Long Island are over and above the agreed upon package. There will be an additional \$.02 per hour to the Building Trades per capita and \$.03 per hour to the Industry Development Fund. Both are over and above the agreed upon package.

The regular hours labor shall be seven (7) hours per day which is to be performed between the hours of seven (7:00) o'clock A.M. and three-thirty (3:30) P.M. Fractions of days worked as a result of weather, safety, act of God, or circumstances beyond the control of the contractor shall be paid for at the same rate, but no steamfitter or apprentice shall be employed for less than two hours. The lunch period under this Section shall be one-half hour and at the option of the employer, and shall be between the hours of twelve (12:00) noon and twelve-thirty (12:30) o'clock P.M., or twelve-thirty (12:30) o'clock P.M. and one (1:00) o'clock P.M. If work starts before eight (8:00) o'clock A.M. the lunch period may be adjusted accordingly. No overtime shall be paid for labor performed

during the regular working day. Any steamfitter being laid off will receive a minimum of 7 hours pay for the day of lay off.

Section II. The wages and fringes of Steamfitters working on the operation and/or maintenance of temporary heat and/or temporary air conditioning shall be paid and increased proportionately in accordance with the Steamfitters effective wage rate and fringe benefit payments.

No steamfitter operating and/or maintaining temporary heat shall be employed for less than an eight hour shift.

Section III. Apprentices shall be paid a progressively increasing schedule of wages as noted below based on the following percentages of the wage rate and fringes payable to journeymen steamfitters and subject to the provisions of Rule XX with respect to payments to Apprentices for attendance at classes:

1st year - 40% of a journeyman steamfitter rate of wages and all fringes

2nd year - 50% of a journeyman steamfitter rate of wages and all fringes

3rd year - 65% of a journeyman steamfitter rate of wages and all fringes

4th year - 80% of a journeyman steamfitter rate of wages and all fringes

5th year - 85% of a journeyman steamfitter rate of wages and all fringes

Wherever Trainees are employed they shall be paid in accordance with the above apprenticeship rates.

Section IV. When Sprinkler Shift Work is performed Steamfitters and/or Apprentices shall be paid the wage rate for regular time work plus a 20% premium, together with the fringe benefit contributions for regular time employment.

Rule III.

RATE FOR OVERTIME AND HOLIDAYS

Section I. Any work done between three-thirty (3:30) o'clock P.M. and seven (7:00) o'clock A.M. or eight (8:00) o'clock A.M. as stated in Rule I, Section I, and on Saturdays (with the exception stated in Rule I, Sections III and IV), Sundays, New Year's Day, Presidents' Day, Memorial Day, Fourth of July, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving Day and Christmas Day, shall be paid for at double the rate for regular time, commencing at the hour at which the steamfitter reports for work by direction of the Employer. The hours of labor for weekends or holidays shall be no less than seven (7) hours at double the rate. Fractions of days worked as a result of weather, safety, act of God, circumstances beyond the control of the contractor or if previously agreed to between the union and the employer, shall be paid for the same rate, but no steamfitter or apprentice shall be employed for less than two (2) hours at double the rate. In all cases, the holidays described herein will be observed on the day and date established by the State of New York.

In the event a job site is closed for a holiday not specified herein the Employer can either transfer the Employees to another job site or arrange for overtime work to compensate the

Employee for any time lost. If the Employees are not transferred or paid overtime then the Employees shall be paid regular time wages for the time lost. Overtime will be made available within five (5) working days preceding or following the holiday or holy day.

No overtime shall be paid for labor performed during the regular working day.

Section II. Except for Sprinkler Shift Work when it is not convenient to start work until between the hours of eleven (11:00) o'clock P.M. and four (4:00) o'clock A.M., then the steamfitter's time shall commence at eleven (11:00) o'clock P.M. and continue until said work is completed. Under these conditions, no steamfitter shall receive less than one (1) day's pay regular time.

Section III. The Employer will give Employees 24 hours notice of scheduled overtime requirements for weekend work. All emergency overtime will be worked as required.

Rule IV.

METHOD OF PAYMENT

Section I. All steamfitters and apprentices shall be paid at quitting time in cash on Thursday or by check on Wednesday for the week ending the Tuesday prior at the option of the employer. A two hour penalty of wages and benefits will be paid in the event a steamfitter does not receive wages due him on pay day, except for extenuating circumstances as agreed by the Joint Trade Board.

If wages are paid by check, the Employer must be in compliance with the requirements of Rule XXIV of this Agreement. Payments to be made at the option of the Employer, either on the job or at the shop. When a steamfitter or apprentice is laid off or discharged or not put to work, he shall at once be paid the wages due him in cash.

If an Employer has permission to pay by check, he shall have authorization to lay off by check.

Section II. The Union may refuse to permit employees to work for any employer who is delinquent in either wage or fund payments or who fails to submit signed and timely reporting forms to the Fund Office in the format and at the times required by the Trustees, or who fails to permit the Fund Office to conduct a payroll audit within 10 days from the receipt of written demand by the Fund Office, mailed to the Employer by registered mail, return receipt requested, to conduct such audit, or who is delinquent in the furnishing of a bond or certified check, required under this Agreement.

When an employer's delinquency in fund payments causes the Union to remove employees from that employer's jobsites more than once in a ninety (90) day period, said employer shall pay one day's wages including fringe benefits to each employee who was removed from the job.

Section III. The checks issued for wages by all Employers who have received permission to pay by check shall meet the following conditions:

- A. The Employer's bond shall be in compliance with the requirements of Rule XXIV.

- B. Checks must be drawn on a New York bank.
- C. The Steamfitters Promotion Fund will guarantee the payment of all bad checks within 48 hours.
- D. The Steamfitters Promotion Fund will issue an additional check in the amount of \$200 for any inconvenience due to a bad check issued to the steamfitter or apprentice.
- E. Employers who are delinquent in fringe benefit payments under this contract in excess of one-half of their bond will have their check payment privilege suspended until reapproved by the Joint Trade Board.

Section IV. The Employers recognize and shall administer a checkoff system for payment of work dues from Building Trades journeyman and apprentice steamfitters to the Union who voluntarily sign a written authorization card in the form provided by the Union.

Section V. At the option of the employer, subject to the approval of the steamfitter or apprentice, wages may be paid by direct bank transfer. If so elected, wages due at layoff may be paid by the same method.

Rule V.

STEAMFITTERS TO WORK IN UNITS OF TWO

All work to be performed within the jurisdiction of Enterprise Association must be performed by journeymen, steamfitters or apprentices working in units of two, one of whom must be a steamfitter. A unit shall consist of:

- A. Steamfitter with a steamfitter, or
- B. Steamfitter with an apprentice.

Rule VI.

**WHERE STEAMFITTERS AND APPRENTICES ARE
TO BE AT STARTING TIME**

Each steamfitter and apprentice shall be paid from the time at which he leaves the job shanty at the beginning of work within the territory of Greater New York and all of Long Island and there shall be no board or carfare paid to steamfitters or apprentices working in said territory.

A steamfitter who is sent to work outside of the above noted territory shall take the boat, train or car leaving either of the extreme points of the territory, as directed by his employer, going on boat, train or car leaving nearest starting time and returning take the boat, train or car arriving nearest quitting time.

Rule VII.
EXPENSES ALLOWED TO STEAMFITTERS

Each steamfitter working outside of the limits described in Rule VI shall receive from his employer traveling expenses to and from the place at which the work is located for as many trips as he is directed by his employer to make. He shall also receive a reasonable amount of board paid by him and he shall receive regular wages for all regular time consumed in traveling.

If the steamfitter leaves his work before it is completed and without the consent of his employer, it shall be at his own time and expense.

The Steamfitting Industry Promotion Fund shall pay to Steamfitters the total sum of three-hundred (\$300) dollars for successfully passing the welders certification test taken during the regular working day at the Industry Training Center.

Rule VIII.

In going from his shop to his work, or from his work to the shop, a distance of more than one mile, each steamfitter or apprentice shall receive from his employer the necessary fare.

Rule IX.
CUTTING AND MAKING UP FITTINGS

Section I. All pipe except sprinkler work, radiator branches, convector branches and coil connections, may be cut, threaded, grooved and have fittings made up by hand or machine on the job or in the shop of the direct employer at the option of direct employer. If the said shop is a permanent shop, equipped

with permanently installed pipe cutting and threading machinery, then the work shall be done by a steamfitter working alone. When a direct employer has no permanently installed pipe cutting machinery in his shop, such work shall be done in accordance with Rule V on the job.

Pipe five (5") inches and over at the option of the direct employer, may be cut, threaded or grooved in the shop of the direct employer or in a shop employing 638 steamfitters working in accordance with Rule V.

Specialty Pipe of all diameters can be ordered from a supply house cut to a convenient length shall be at a minimum *four (4") inches longer than its final fabricated length*. Pipe so ordered will have a maximum of one (1) mill bevel, thread or groove. The other end shall have a machined or burned cut.

Section II. All combination sprinkler/standpipe systems exclusive of cross mains, stringers and fire hose stations and connecting pipe to same may be cut, threaded or grooved, in the shop of the direct employer or on the job at the option of direct employer. If the said shop is a permanent shop, equipped with permanently installed pipe cutting and threading machinery, then the work shall be done by a steamfitter working alone. When a direct employer has no permanently installed pipe cutting machinery in his shop, such work shall be done in accordance with Rule V on the job or in a shop employing steamfitters.

All fittings on sprinkler work five (5") inches and under shall be made up according to Rule V.

All types of chemical fire protection systems is the work to be performed by journeyman steamfitters and/or apprentices.

Section III. All pipe fabrication performed in a shop under Sections I and II must be labeled before leaving the shop. The journeyman performing the work must attach label to the pipe showing the journeyman's name, signature, book number, name and address of the shop and date when work was performed to demonstrate that such work was done by a journeyman steamfitter within this bargaining unit and under the terms of this Agreement. Reproductions of the journeyman's signature will not be acceptable.

Labels shall be obtained by written application to Local Union 638 from individual employers. These labels shall be delivered by the Union to the steamfitter in charge of each shop, and he shall be fully responsible for the proper distribution of these labels.

Section IV. Radiator branches, convactor branches and coil connections shall be cut, threaded, welded, brazed, glued, soldered or any other method of joining shall be done on the job by hand or machine in accordance with Rule V. Where so specified by the engineer, fan coil units may be delivered to the jobsite with factory pre-piped valve packages.

Section V. The erection and assembly of all pipe hangers and the erection only of supports and manufactured or fabricated structural attachments for work covered by this Agreement is the work of the steamfitter and apprentice in accordance with Rule V. Back to back channels and back to back angle iron suspended from structural attachments may be cut and/or welded in the shop of the direct employer or on the job in accordance with Rule V.

All threaded hanger rods shall be cut on the job or in the shop of the direct employer. Where plain hanger rods are utilized, the cutting and threading of rods under three quarter inch will be done on the job or in the shop of the direct employer.

Section VI. Pipe of all diameters can be ordered from a supply house cut into pieces for ease of access or handling and delivered to the job site. Pipe so ordered will not be cut to sketch and will have a maximum of one (1) mill bevel, thread or groove. The other end shall have a machined or burned cut.

Section VII. All pipe used for temporary heat which has been cut in the shop or on the job and subsequently removed may be used again.

Rule X. WELDING

Acetylene, electric or other forms of cutting or welding fabrication shall be done on the job or in a shop at the option of the Employer in accordance with the conditions as set forth herewith.

Section I. All welding fabrication except for electric power generating plant installations shall be done by a steamfitter working alone in the shop of the direct employer, or shall be done in accordance with Rule V either on the job or in any other shop employing Local 638 Steamfitters and/or Apprentices.

On electric power generating plant installations over 100 megawatts all welding fabrication eight (8") inches and over shall be done in the shop of the direct employer or any other shop

employing Local 638 Steamfitters and/or Apprentices using Steamfitters working alone or in any other pipe fabrication shop having a signed agreement with the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada. Welding fabrication six (6") inches and under shall be done in the shop of the direct employer using Steamfitters working alone or in accordance with Rule V either on the job or in any other shop employing Local 638 Steamfitters and/or Apprentices.

A direct employer is a contractor who bids on a job directly for a public or private letting agency. If a direct employer bids and wins a job for erection and fabrication, it shall be done in accordance with Section I.

Section II. All pipe fabrication performed in a shop under this Agreement must be labeled before leaving the shop. The journeyman performing the work must attach labels to the pipe showing the journeyman's name, signature, book number, name and address of the shop and date when work was performed to demonstrate that such work was done by a journeyman steamfitter within this bargaining unit and under the terms of this Agreement. Reproductions of the journeyman's signature will not be acceptable.

Labels shall be obtained by written application to Local Union 638 from individual employers. These labels shall be delivered by the Union to the steamfitter in charge of each shop, and he shall be fully responsible for the proper distribution of these labels.

Section III. The fabrication of van stone joints, the making of hammer welds, or the welding of boiler headers, street steam headers, circular coils, trombone coils, zigzag coils, trunk coils, double pipe refrigerating machine coils, atmospheric type condensers, absorbers, weak liquor coolers and rectifiers of refrigerating machines may be done by the employer without reference to any jurisdiction by Enterprise Association. All other pipe welding is to be performed by journeymen steamfitters.

Section IV. There shall be no exception to this Rule unless an employer makes a specific request on a specific job which must be submitted to the Board of Arbitration for review, prior to start of job. If approved by the Board of Arbitration approval shall be for that job only and shall not prejudice this Rule on any other work.

Rule XI.

TEMPORARY SERVICES

Section I. Steamfitters working alone shall have jurisdiction in the operation and/or maintenance of all temporary heat work at all times whenever temporary heat is on a building regardless of the source of heat supply. If the fire is banked or if no heat is in the radiators, steamfitters shall have no claim for temporary heat operation and/or maintenance. Steamfitters shall have no claim for temporary heat operation and/or maintenance in any building or structure or addition thereto that will have a total of 1,500 sq. ft. of equivalent direct radiation or less, exclusive of mains and risers installed in said building or structure or addition thereto when completed.

Section II. Before the commencement of any temporary services for providing heating or air conditioning on a project utilizing systems installed under this agreement, a pre-temporary services conference shall be held, with the Owner/General Contractor/Construction Manager, the Contractor and appropriate Local 638 Business Agent to establish the basic guidelines, rules and procedures with regard to any temporary services requirements for the project. Said conference shall be held at such time as to give all appropriate parties ample time to provide those services needed.

Section III. Each steamfitter shall conform to the schedule of shifts provided for each job and shall report to his predecessor on the job at least fifteen (15) minutes before the shift changes and no fitter shall leave his shift until he is relieved. The steamfitters shall not do any other work and shall not be permitted to work more than one eight-hour shift in a twenty-four hour day.

Section IV. The steamfitter on a shift shall meet any emergency arising to the best of his ability and with the object of protecting and interests of his employer.

Section V. It is agreed that when temporary services are required, that in the interests of security and safety, those people required to maintain temporary services shall sign in with an appropriate party and keep all necessary "logs".

Section VI. Temporary services, if required, shall be continued until such time as an Owner, General Contractor/Construction Manager obtains a certificate of occupancy or temporary certificate of occupancy for a substantial part of the building. A temporary certificate of occupancy of an elevator, lobby, sanitary facilities and staircase shall not suffice if it does not cover mechanical equipment spaces and equipment use permits.

Section VII. If a temporary certificate of occupancy has been obtained for the core space and the shell space is unoccupied, then no temporary services are needed. If however, the Owner or General Contractor heats floors which are under construction and for which the owner has not obtained a temporary certificate of occupancy, then temporary services personnel is required.

Section VIII. All construction offices, engineers offices, sales offices and finished model apartments on the floor are not subject to temporary air conditioning services.

Section IX. Before temporary services shall be terminated for a project, the Owner/General Contractor/Construction Manager must obtain a certificate of occupancy per Section VI above and provide the Contractor with a letter stating that he accepts the mechanical system for the project and agrees to operate and maintain the mechanical system for the project.

Section X. When temporary air conditioning is required by an Owner/General Contractor/Construction Manager for hours other than normal temporary heat shift hours, then a minimum of two eight (8) hour shifts will be required.

Section XI. The temporary services committee is established as a standing committee and will meet periodically to review any disputes in this area and will make recommendations to the Joint Trade Board.

Section XII. An employer will not engage a steamfitter on the above type heating maintenance or temporary air conditioning who cannot produce satisfactory evidence that the steamfitter has fifteen (15) years of experience.

Rule XII.

TOOLS AND SHANTIES

Section I. The Employer shall provide all necessary tools required for the steamfitter to perform the work. The steamfitter shall comply with all Employer rules and regulations in the use and care of these tools, and promptly report any that are missing, destroyed, or in need of repair.

Section II. The Employer shall provide suitable shanties for dressing facilities on all jobs. These shall be heated during winter months. Where these are prefabricated for job assembly, they shall be job assembled by steamfitters.

Section III. In the event an employee's working clothes are destroyed by fire or water during other than working hours, the Employer shall compensate the employee for the replacement of these articles, but in no event shall the amount for replacement exceed Two Hundred (\$200.00) dollars per man. In the event personal property, including street or dress clothes of an employee, are destroyed due to fire or water, during working hours, the amount of damage shall be limited to Two Hundred (\$200.00) dollars.

Rule XIII.
EFFICIENCY OF STEAMFITTERS

Inasmuch as greater efficiency is desirable, both parties will encourage efficiency and discourage any discrimination in the employment of workers on the basis of age and unreasonable limitations on the amount of work a Steamfitter can do.

Rule XIV.
DUTIES OF A STEAMFITTER

The duties of a Steamfitter shall be such as are described under the heading "Duties of a Steamfitter" in the agreement made and entered into by and between the United Association and the Enterprise Association, March 24th, 1914, and copy here attached.

Rule XV.
SPRINKLER SHIFT WORK
(Existing Buildings)

Section I. When Automatic Sprinkler Work, Fire Protection Systems, Fire Control Systems, CO2 Systems, Cardc Systems, Dry Chemical and Foam Systems including both overhead and underground water mains, fire hydrants and hydrant mains, standpipes and hose connections to sprinkler system, sprinkler tank heaters, air lines and thermal systems used in connection with sprinkler and alarm systems and all tanks and pumps connected to those Systems are to be installed in accordance with Local Law #5 or any other laws requiring Sprinkler Work in existing buildings which are or have been occupied, Shift work may be performed at the option of the Employer outside of the regular work day except Saturday, Sunday, and Holidays, in accordance with the following:

- a) A shift shall consist of seven (7) working hours. All work performed in excess of seven (7) hours shall be paid at double the rate for regular time. No shift shall commence after 7:00 P.M. on Friday or 7:00 P.M. the day before Holidays. All work performed after 12:01 Saturday or 12:01 the day of a holiday will be paid at double the rate for regular time.
- b) Starting time for each shift shall be designated by the Employer.
- c) A steamfitter or apprentice who has worked during the same regular workday shall not be assigned to shift work.
- d) The Employer shall notify the Union 24 hours prior to the start of shift work.
- e) A steamfitter or apprentice shall not work more than one shift in a 24 hour period.
- f) Pay for shift work shall be in accordance with Rule II, Section IV.

**Rule XV-A
RIGGING**

Steamfitters will do all rigging of their pipe-fittings-valves-equipment and all appurtenances and set all equipment when no license is required.

If a master rigging license is required by law and if the contractor who is party to this agreement holds a master riggers license and is the direct bidder or sub contractor on the job, this work will be done by steamfitters.

If the said contractor has no license, steamfitters will work in composite crews with the trade holding the license when required by law. Once the equipment and appurtenances are landed on the floor and in a safe position, the steamfitters will move and set this equipment to its final destination. Truck deliveries will be taken from the sidewalk or truck dock by the steamfitter into the building.

There shall be no exception to this Rule unless an employer makes a specific request on a specific job which must be submitted to the Board of Arbitration for review, prior to start of job. If approved by the Board of Arbitration, approval shall be for that job only and shall not prejudice this Rule on any other work.

Rule XV-B. SUB-CONTRACTING

1. All work covered under this agreement if sub-contracted, will be sub-contracted to a contractor signatory to this Agreement.
2. Any work that has been sub-contracted from signatories to this Agreement shall not be re-subcontracted.
3. It is the intent of this Agreement that sub-contracted work shall be all inclusive of labor,

materials, tools, etc., required for this work and not be labor only contracts. Where testing, flushing, or chemical treatment is included in the prime contract then it shall be included in the subcontracted piping work.

4. The letting contractor shall notify the Fund Office, in writing, on a form provided by the Fund Office of his intent to sub-contract work.
5. The contractor who opts to sub-contract will assure compliance of Rule XXIV of the Collective Bargaining Agreement.
6. The Fund Office shall notify the letting contractor and the Union if the sub-contractor becomes delinquent.
7. Fabrication sub-contracting shall be subject to Rules IX and X.

Rule XV-C **PUBLIC WORKS SUPPLEMENT**

There is a separate Works Supplement applicable to any public works project (Federal, State, City) done under prevailing rate laws, and is applicable to HVAC and mechanical contracts with a dollar value not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000) and to fire protection/sprinkler contracts with a dollar value not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000) and to other projects subject to the approval of the Joint Trade Board. The Supplement is for a one (1) year period commencing July 15, 2002 to June 30, 2003; the

Supplement is to be evaluated by the Joint Trade Board and can be extended for one (1) year periods only if agreed to by the Joint Trade Board (there shall be no arbitration to resolve any lack of agreement).

If a job is bid under the Supplement then the terms of the Supplement remains in effect for that job until its completion. The second paragraph to Article X shall not apply to Supplement.

**Rule XVI.
SERVICE WORK**

When an employer subscribing to this Agreement employs members of Refrigeration and Air Conditioning Service and Maintenance Mechanics, Metal Trades Branch of Local Union 638, to perform refrigeration, air conditioning, air cooling, stoker and oil burner service work, such work shall be performed in accordance with the terms of a Trade Agreement in effect between the Contractors' Association and the Metal Trades Branch of Local Union 638 described above.

**Rule XVII.
Shop Stewards**

EFFECTIVE SEPTEMBER 1, 2002

Where the Employer employs three (3) or more units (as defined in Rule V) of Enterprise Association members on a job, then the Union shall send the 6th member to the job to act as Shop Steward, or the business agent may appoint one of the members being sent to the job by an employer, after being notified by the employer, prior to the members being sent to job.

If a member is sent to the job by the Union he will be selected from a group of members who are both interested and qualified to be Shop Steward. Any such Shop Steward shall be a working steamfitter and who shall act in behalf of the interests of the Union and whose duties shall not interfere with the work he is employed to perform by the Employer.

If there is a complaint presented against the member acting as Shop Steward, either by the contractor or the members on the job, it will be addressed by the Business Agent, Business Agent at Large and the President within three (3) days of receipt of the grievance.

If said complaint was made by the contractor and was not rectified, then there shall be a Pre Trade Board Committee Meeting on the issue within seven (7) days of preliminary hearings.

The Shop Steward and his partner will be the third (3rd) to last unit employed on the job site. If the appointed Shop Steward leaves a job voluntarily, then the members on that job will select a new Shop Steward from the steamfitters on the job.

When the Employer of a Shop Steward has three (3) or more units working overtime on the job where the Shop Steward is employed, the Shop Steward and his partner shall be included in one of the units working overtime.

The steamfitter in charge shall be the Shop Steward whenever there is no appointed Shop Steward on the job.

The Employer agrees not to discriminate in any way against any person so designated as Job Steward, either due to his being designated or to his activities in behalf of Enterprise Association and members.

Rule XVIII.
WELFARE FUND

From July 15, 2002 to June 30, 2005 inclusive, all employers shall pay to the Steamfitters' Industry Welfare Fund five dollars and fifty cents (\$5.50) per hour for regular time as set forth in Rule I, and eleven dollars (\$11.00) per hour for overtime as set forth in Rules I and III for work performed by each journeyman steamfitter. Apprentices shall be paid in accordance with Rule II, Section III. These payments shall be made for work performed by them in the City of New York and in Nassau and Suffolk Counties, N.Y., before any deductions are made for withholding or other taxes. Such Fund was established by an Agreement and Declaration of Trust, dated May 15, 1946, to which the Contractors' Association and Enterprise Association were parties and all employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Trust, from time to time, and to be bound by and comply with all of the provisions of said Agreement and Declaration of Trust as the same exists or may during the term of this Agreement be amended in accordance with its terms.

Rule XIX.
PENSION FUND

From July 15, 2002 to June 30, 2005 inclusive, all employers shall pay to the Steamfitters' Industry Pension Fund five dollars and ninety cents (\$5.90) per hour regular time as set forth in Rule I and eleven dollars and eighty cents (\$11.80) per hour for overtime as set forth in Rules I and III for work performed by each journeyman steamfitter. Apprentices shall be paid in accordance with Rule II, Section III. These payments shall be made for work performed by them in the City of New York and in Nassau and Suffolk Counties, N.Y., before any deductions are made for withholding or other taxes. Such Fund was established by an Agreement and Declaration of Trust dated November 1, 1950, to which the Contractors' Association and Enterprise Association were parties and all employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Trust, from time to time, and to be bound by and comply with all of the provisions of said Agreement and Declaration of Trust as the same exists or may during the term of this Agreement be amended in accordance with its terms.

Rule XIX-B.
SUPPLEMENTAL RETIREMENT PLAN

From July 15, 2002 to June 30, 2005 inclusive, all employers shall pay to the Steamfitters' Industry Supplemental Retirement Plan three dollars and ninety cents (\$3.90) per hour regular time as set forth in Rule I and seven dollars and eighty cents (\$7.80) per hour for overtime as set forth in Rules I and III for work performed by each journeyman steamfitter. Apprentices shall be paid in accordance with Rule II, Section III. These

payments shall be made for work performed by them in the City of New York and in Nassau and Suffolk Counties, NY, before any deductions are made for withholding or other taxes. Such Fund was established by an Agreement and Declaration of Trust dated January 24, 1997, to which the Contractors' Association and Enterprise Association were parties and all employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Trust, from time to time, and be bound by and comply with all of the provisions of said Agreement and Declaration of Trust as the same exists or may during the term of this Agreement to be amended in accordance with its terms.

Rule XX.
EDUCATIONAL FUND

From July 15, 2002 to June 30, 2005 inclusive, all employers shall pay to the Steamfitters' Industry Educational Fund thirty-two (\$.32) cents per hour for each and every hour worked by journeymen and apprentice steamfitters employed in the City of New York, Nassau and Suffolk Counties, N.Y. Such Fund was established under date of August 14, 1952 and by Agreement and Declaration of Trust, dated May 1, 1960 to which the Contractors' Association and Enterprise Association were parties and all employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Trust, from time to time, and to be bound by and comply with all of the provisions of said Agreement and Declaration of Trust as the same exists or may during the term of this Agreement be amended in accordance with its terms.

Each apprentice will attend classes for eight (8) hours on one (1) day every other week in compliance with the requirements of said Educational Fund and the employer of each such apprentice will pay to the apprentice who attends such classes for the requisite eight (8) hours, a total of five (5) hours wages based on the following percentages of the wage rate paid to journeymen steamfitters:

1st year-- 40% of a journeyman steamfitters rate of wage

2nd year-- 50% of a journeyman steamfitters rate of wage

3rd, 4th and 5th years-- 65% of a journeyman steamfitters rate of wage

Rule XXI. VACATION PLAN

From July 15, 2002 to June 30, 2005 inclusive, all employers shall pay to every journeyman steamfitter employed by them an additional wage in the sum of three dollars and fifty cents (\$3.50) per hour regular time as set forth in Rule I and seven dollars (\$7.00) per hour for overtime as forth in Rules I and III. Apprentices shall be paid in accordance with Rule II, Section III. This additional wage, less any requisite withholdings or deduction therefrom as required by law, shall be paid to the Trustees of the Steamfitters' Vacation Plan to be established for the account of the respective steamfitter or apprentice and in accordance with the appropriate rules and regulations to be established by such Trustees; which payments shall be disbursed by said Trustees only to the steamfitter or apprentice with respect

to whom such payments have been made (less actual expense of formulating and administering the trust) as a vacation payment to said steamfitter or apprentice, and in accordance with such rules and regulations as may be adopted by the Trustees in furtherance of the objectives set forth in this rule.

Such Plan was established by an Agreement and Declaration of Trust dated July 1, 1953, to which the Contractors' Association and Enterprise Association were parties and all Employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Plan, from time to time, and to be bound by and comply with all of the provisions of said Agreement and Declaration of Trust as the same exists or may during the term of this Agreement be amended in accordance with its terms.

Rule XXII. SECURITY BENEFIT

From July 15, 2002 to June 30, 2005 inclusive, all employers shall pay into the Steamfitters' Industry Security Benefit Fund which was established by an Agreement and Declaration of Trust dated September 1, 1961 as a *trusted fund* jointly administered in compliance with law the sum of five dollars and twenty cents (\$5.20) per hour regular time as set forth in Rule I and ten dollars and forty cents (\$10.40) per hour for overtime as set forth in Rules I and III for work performed by each journeyman. Apprentices shall be paid in accordance with Rule II, Section III. Said sums less actual expenses of administering the trust shall be held by the Trustees of said Fund for the benefit of the steamfitter or apprentice with respect to whom such payments have been made and applied in accordance with such plan as may be adopted by the Trustees. Such plan

shall qualify under applicable provisions of the Internal Revenue Code to insure deductibility of said payments from taxable income of the employer.

Such Fund was established by an Agreement and Declaration of Trust, dated September 1, 1961, to which the Contractors' Association and Enterprise Association were parties and all employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Trust, from time to time, and to be bound by and comply with all of the provisions of said Agreement and Declaration of Trust as the same exists or may during the term of this Agreement be amended in accordance with its terms.

Rule XXIII. INDUSTRY PROMOTION FUND

Every employer shall during the term of this Agreement pay one percent (1%) per hour of the journeyman steamfitter wage rate less fringe benefits to the Steamfitting Industry Fund of New York and Long Island for each and every hour worked by journeymen and apprentice steamfitters for work performed by them in the City of New York and in Nassau and Suffolk Counties, NY. Such Fund was originated by an agreement dated July 6, 1966, to which the Contractors' Association and Enterprise Association were parties. Such Fund was established by a Declaration of Trust, dated September 30, 1966, and all employers agree to make the aforesaid payments in accordance with the rules and regulations established by the Trustees of said Trust, from time to time, and to be bound by and comply with all provisions of said Agreement and Declaration of Trust.

Rule XXIV.

**BONDING AND FUND PAYMENT REQUIREMENTS
AND ADMINISTRATION**

Section I. Each Employer shall furnish a bond or an equivalent amount in cash to the joint benefit of the Trustees of the Steamfitters' Industry Welfare Fund, the Steamfitters' Industry Pension Fund, the Steamfitters Supplemental Retirement Plan, the Steamfitters' Industry Educational Fund, the Steamfitters' Industry Vacation Plan, the Steamfitters' Industry Security Benefit Fund, and the Steamfitting Industry Fund of New York and Long Island (the "Funds"), guaranteeing payment to said Trustees, jointly and severally, of any and all amounts due from said Employer to each or all of the Funds, pursuant to the terms of this Agreement.

Such bond shall be in form and substance, and shall be issued by a surety, satisfactory to the said Trustees, jointly. Such bonds shall provide that the counties of New York and Nassau are proper venue.

The aggregate amount of the bond shall be determined by the following:

0 to 6	Local 638 Employees	\$30,000.00
7 to 14	Local 638 Employees	60,000.00
15 to 30	Local 638 Employees	85,000.00
31 to 60	Local 638 Employees	150,000.00
61 to 90	Local 638 Employees	250,000.00
Over 91	Local 638 Employees	500,000.00

Section II. Each Employer will make the required Fund payments provided for in this Agreement within fourteen (14) calendar days following the close of the work week, i.e., for a work week ending on Tuesday, the Fund payments must be received by the Fund Office no later than the second following Tuesday except where Trustees have, in writing, authorized or directed other terms; with respect to any payments not made within the required time, an Employer will pay interest at 16% (sixteen percent) per annum, or the maximum rate, if any, fixed by Section 5-501 of the New York General Obligations Law (hereinafter "the Maximum Rate of Interest") from the date due, and, as liquidated damages, an additional amount equal to 20% of the unpaid contributions as determined by a court of competent jurisdiction, and will reimburse the Funds for the reasonable expense of collection including attorneys' fees and audit fees. In the event that an Employer is delinquent fourteen days after written notice of delinquency addressed to the Employer has been deposited in the U.S. mail by certified mail, return receipt requested, the said Employer shall be required thereafter for the remaining term of this Agreement to furnish a bond for double the amount required in Section I, and if the said Employer is thereafter delinquent at any time during the term of this Agreement of fourteen days after written notice of delinquency addressed to the said Employer has been deposited in the U.S. mail by certified mail, return receipt requested, the said Employer shall be required thereafter for the remaining term of this Agreement to furnish a bond for quadruple the amount required in Section I. The Trustees may, in their sole discretion, accept or require a personal bond, certified check, or guarantee of payment of one or more stockholders or officers of the Employer in lieu of the additional amounts which may be required of an Employer pursuant to this paragraph.

Application for such less frequent payments must be made in writing by the Employer and shall, upon approval, require a bond for double the amount required in Section I but in no case shall the bond be more than \$500,000.00. Such less frequent payments are described as monthly. Payment must be made within fifteen (15) calendar days following the close of the prior work month. If said employer has not remitted payment of funds for the prior month by the 15th of the following month, he shall be considered delinquent.

The Trustees, acting through Chairman and Co-Chairman or a sub-committee of Trustees designated by them, or the Administrator, have the authority to direct, in writing, an Employer that is unbonded and/or on the delinquency list more than three (3) times during the term of this Agreement to make its payments to the Funds within three (3) calendar days from the close of the work week, i.e., for a work week ending on Tuesday, the Fund payments must be received by the Fund Office no later than the Friday of the same calendar week. The Trustees, as to any Employer so required to make Fund payments within three (3) days, may initiate arbitration and/or any other remedy available to them, at any time after the third calendar day from the close of the work week, without further notice. In addition, where a contractor is unbonded and/or on the delinquency list more than three (3) times during the term of this Agreement and/or issues a check to the Funds which is returned "unpaid for insufficient funds," "uncleared funds" or as to which the Employer stopped payment, the Trustees, through Chairman and Co-Chairman or a sub-committee of Trustees designated by them, have the authority to direct an Employer to make Fund payments by means of Certified Check, Bank Check, or Money Order. Any Employer that fails to meet a three (3) day payment schedule that may be directed pursuant to this Paragraph, and/or fails to pay by

Certified Check, Bank Check or Money Order when so directed, shall be deemed delinquent within the meaning of Rule IV, Section II, and the Union may refuse to permit employees to work for such Employer.

Reporting of Fund payments by employee's name shall be submitted at the same time as payments are due.

In addition to any other action the Funds may be empowered to take, the Funds may bring an action pursuant to Sections 502 (G) (2) and 515 of the Employee Retirement Income Security Act of 1974, as amended, to enforce the Employer's obligation to make contributions. In any action under the preceding sentence in which judgement is awarded in favor of the Funds, such judgement shall award the Funds: the unpaid contributions, and interest at the Maximum Rate of Interest, and as liquidated damages an amount equal to 20 percent of the said unpaid contributions as determined by the court, and reasonable attorney's fees, audit fees and costs of the action, and such other legal or equitable relief as the court deems appropriate. Nothing in the foregoing two sentences shall be construed as a waiver or limitation on the Funds' or the Trustees rights to enforce an Employer's obligation to contribute in any other type of proceeding against the Employer and/or its shareholders and/or its officers.

In the event an Employer is delinquent hereunder as defined in Rule IV, Section II, the Funds, in their sole discretion, may initiate arbitration proceedings to obtain appropriate relief. The parties specifically agree that any claim made by the Funds based upon any such delinquency may be initiated by the Funds upon fourteen (14) days written notice of intention to arbitrate by registered mail or certified mail to the last address of the

employer on record with the Fund Office, and to Edward Nolan as Arbitrator, or such other Arbitrator as the Board of Arbitration may from time to time select, to be settled by arbitration in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association, except as otherwise provided herein and judgement upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof and shall be final and binding upon the parties. Should the Employer fail to appear, together with his payroll records for the period of delinquency in question, the Arbitrator may find against the Employer by default. In any case in which the Arbitrator finds that the employer is indebted to the Funds, the award shall include: the unpaid contributions, and interest on unpaid or tardily paid contributions at the Maximum Rate of Interest; and as liquidated damages an amount equal to 20% (twenty percent) of the unpaid contributions as well as any sums due pursuant to Section IV of this Rule; and reasonable attorney's fees, audit fees and costs of collection, and such other legal and equitable relief as the Arbitrator deems appropriate. It is specifically agreed by the Employer that in any case in which the Funds serve a notice of intention to arbitrate (or demand for arbitration) which results in a notice of hearing being issued by the Arbitrator, contributions for all weeks which are claimed as due by the Funds as of the notice of intention to arbitrate as well as contributions for all weeks claimed as due by the Funds through the date of the arbitration hearing or adjourned date, if any shall be subject to such arbitration. Once the notice of the hearing is issued, payment of the sums claimed in the notice of intention to arbitrate and all sums claimed as becoming due thereafter in accordance with the preceding sentence, will not be deemed to have been made until the Fund Office receives such sums in the form of cash, certified check, or an uncertified check which the Fund Office determines has cleared prior to the arbitration hearing; the

Fund's judgment as to the time of clearing of a check shall be conclusive. An Employer to whom a demand for arbitration has been mailed shall pay cancellation fee for legal, administrative and/or arbitration costs as follows: if all fringe benefits claimed in the demand for arbitration are paid, with interest, prior to the arbitrator mailing a notice of hearing, the cancellation fee is TWO HUNDRED DOLLARS (\$200); if the notice of hearing has been issued by the arbitrator, and all fringe benefits claimed by the Funds as due as of the date of hearing have been paid, with interest, the cancellation fee is FOUR HUNDRED DOLLARS (\$400), if paid more than twenty-four (24) hours prior to the scheduled starting time of the hearing and SIX HUNDRED DOLLARS (\$600) if paid prior to, but less than twenty-four (24) hours before the scheduled starting time of the hearing. Initiation of the aforesaid arbitration procedure shall not preclude the Funds from pursuing any other remedy or remedies available to them including other remedies against the Employer and/or its officers and/or its shareholders. It is expressly understood and agreed that the arbitration provision herein shall not be an exclusive remedy.

At the option of the Funds, suit may be brought by the Funds against the Employer (a) in the Southern District or Eastern District of New York in the case of Federal court action by the Funds, or (b) in the courts of the State of New York, in which event the Counties of New York or Nassau are deemed proper venue, and the law of the State of New York shall apply except that federal law shall apply as to the remedies available through arbitration. It is agreed that the Funds may sue collectively or individually in their own name or, alternately, in the name of the Administrator and at least one Employer Trustee and one Union Trustee from each of the Funds.

The Funds, in their own name or, alternatively, in the name of the Administrator and at least one Employer Trustee and one Union Trustee from each of the Funds, may file mechanic liens on behalf of each and every employee who works under the Agreement, with respect to any contribution due such employee and not paid in accordance herewith.

Section III. Each Employer who chooses to exercise the option of paying wages by check, as provided in Rule IV of this Agreement, shall file a copy of such approval with a written request for permission to pay by check with the Board of Arbitration. The Board of Arbitration will, alone, make such determination. The Board of Arbitration shall withhold approval from any Employer who has been delinquent in any wage or Fund payments during the preceding twelve months. The Board of Arbitration will recommend to the Steamfitters' Industry Fund Trustees, the name of such qualified Employer and after written approval by the Steamfitters' Industry Fund Trustees, the Employer may commence paying by check. The Steamfitters' Industry Fund Trustees will withhold any approval until the bond required in Section I is reissued in the following amounts and revised to include the guarantee to the Steamfitters' Industry Fund of wages paid by check.

The aggregate amount of the bond shall be determined by the following:

0 to 6	Local 638 Employees	\$60,000.00
7 to 14	Local 638 Employees	120,000.00
15 to 30	Local 638 Employees	170,000.00
31 to 60	Local 638 Employees	300,000.00
Over 61	Local 638 Employees	500,000.00

An Employer whose check for wages fails to clear in due course agrees forthwith to pay to the Steamfitting Industry Fund of New York and Long Island Trustees the face amount of such check together with interest at the Maximum Rate of Interest per annum from the date said Trustees paid such sum on behalf of the Employer together with the reasonable expense of collection.

Section IV. The Trustees may at any time direct a payroll audit of any Employer to verify the Fund payments. Failure by any Employer to permit such audit within a reasonable time from receipt of written demand by the Fund Office, mailed to the Employer by registered mail, return receipt requested, to conduct such audit, or to submit the reports of payments due to the Fund Office in accordance with the requirements of this Rule XXIV, shall constitute a breach of this Agreement and the rules attached for which Employer shall be liable to the Funds for liquidated damages in the sum of \$500 per day for each day of delay in permitting such audit beyond the said 10 days, or in submitting the said reports in accordance with the Rule XXIV.

The Trustees shall notify the appropriate Enterprise Association officials of all delinquent Employers, including Employers who are not in compliance with the bonding, auditing and reporting requirements hereof, for action as provided for in Rule IV. All bonds furnished under this Rule shall provide for the bonding of the Employer's obligation to pay the Maximum Rate of Interest per annum of any delinquent Fund payments or wages and for the reasonable expense for collection including liquidated damages, audit fees and attorney fees in addition to the principal amount.

AGREEMENT

ARTICLE I FURNISHING ALL STEAMFITTERS REQUIRED

On this 15th day of July, 2002 it is hereby agreed between the Mechanical Contractors Association of New York, Inc., hereinafter referred to as "Contractors' Association" and the Enterprise Association of Steam, Hot Water, Hydraulic, Sprinkler, Pneumatic Tube, Ice Machine and General Pipe Fitters of New York and Vicinity, Local Union No. 638, of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, hereinafter referred to as "Enterprise Association", that the Enterprise Association shall enforce all the foregoing Rules and shall furnish to the members of the Contractors' Association all the competent steamfitters and apprentices which they demand through the Contractors' Association and that in consideration thereof the members of the Contractors' Association will, in the employment of steamfitters and apprentices, observe the Rules of the Enterprise Association within the territory to which they apply as set forth in the copy of same hereto attached. No other Rules shall apply during the life of this Agreement.

ARTICLE II LIST OF MEMBERS

It is further mutually agreed that the Contractors' Association within sixty (60) days after the signing of this Agreement will furnish the Enterprise Association a list of its members and will notify the Enterprise Association of any changes that take place in said list of members every month. A

correct list of members of the Enterprise Association shall be furnished to the Contractors' Association within sixty (60) days after the signing of this agreement and the Enterprise Association shall each month notify the Contractors' Association of changes that take place in said list of members.

ARTICLE III STRIKES AND LOCKOUTS

It is further mutually agreed that no strike against any member or members of the Contractors' Association shall be ordered by any officer of Enterprise Association or entered into by any member of the Enterprise Association nor shall any lockout against members of the Enterprise Association be declared by the Contractors' Association, so long as this Agreement and the rules hereto attached are conformed to by both parties.

ARTICLE IV BOARD OF ARBITRATION

It is further mutually agreed that a Permanent Board of Arbitration shall be established; the said Board to consist of ten (10) members, five (5) members of the Contractors' Association and five (5) members of Enterprise Association.

ARTICLE V INELIGIBLE MEMBERS

It is further mutually agreed that no member of the Board of Arbitration shall sit on any matter in which such member is an interested party.

ARTICLE VI DUTIES OF BOARD OF ARBITRATION

Section I. It is further mutually agreed that the question, matters and complaints, which shall be presented to the Board of Arbitration for decision, shall be as follows:

All alleged violations of this Agreement or the Rule attached.

The determination of the true intent and meaning of any part of this Agreement or the Rules.

The making of a new agreement to supersede this Agreement at its termination.

Any other matter which may, by mutual agreement, be referred to the Board.

The Board of Arbitration shall meet monthly (unless mutually agreed unnecessary) to consider the probable number of steamfitters which shall be required in the near future to carry on the work of the members of the Contractors' Association.

Section II. The Board of Arbitration shall meet within two (2) weeks after the execution of this Agreement and shall select a permanent Arbitrator, who shall serve for one year. The Board shall select a new Arbitrator or renew the term of the Arbitrator for subsequent one year terms. All new appointments or reappointments shall be made no more than 60 days nor less than 30 days prior to the end of the term. Should the appointed

Arbitrator be unable or fail to act, the Board, by vote may vacate the appointment and shall make a new appointment within two (2) weeks.

If the Board of Arbitration fails to agree on any appointment within the time stated herein, they may, by agreement, extend the time for such appointment. However, if such time extension is not agreed to, each Association shall select an Umpire and the two (2) Umpires shall within two (2) weeks select the Permanent Arbitrator.

ARTICLE VII PROCEDURE OF BOARD OF ARBITRATION

Section I. It is further mutually agreed that in case any of the Rules or Agreements are violated by either of the parties to this Agreement, or by any of its members, then no strike, work stoppage or lockout against any member or members of either of the associations shall be instituted by either association without first submitting the grievance or question at issue to the Board of Arbitration.

Prior to the alleged violation being filed by either party the following procedure will be adhered to: the charging party will notify in writing the Secretary of their respective association of the alleged violation and a meeting will be scheduled between both associations within three (3) working days. Attending this meeting will be both interested parties and a subcommittee consisting of two (2) Trade Board representatives from each association. If the dispute cannot be resolved, it will then be formally submitted to the full Board of Arbitration for discussion.

The first meeting of the Board of Arbitration shall take place within two (2) working days after notification in writing from the Secretary of the Association having a grievance. When a decision is reached by the Board of Arbitration upon any matter submitted to it, the said decision shall be final and binding on both parties. Any subsequent action of either Association shall in no way alter or nullify the effect of said decision, nor shall said decision be abrogated by either Association without the consent of the Board of Arbitration.

Each Association shall have one (1) vote.

Section II. Should the Board of Arbitration fail to agree after meeting on three (3) consecutive days, except as to interpretation of the Agreement of March 24, 1914, hereto attached, said Board of Arbitration shall within two (2) days refer the dispute to the Arbitrator, and each side shall make its argument before the Arbitrator, who shall within two (2) working days thereafter render his decision, and said decision shall be final and binding upon both parties hereto.

ARTICLE VIII JOINT ARBITRATION PLAN

It is further mutually agreed that both parties to this Agreement shall abide by a Joint Arbitration Plan that may be agreed upon by representatives of the several employers' associations and a majority of the unions of the building trades of New York City.

It is mutually agreed between the parties hereto that in event of disputes between trades, and disputes relative to question of jurisdiction of trade, the parties will abide by previous

decisions as to jurisdiction published in the latest issue of the B.T.E.A. Handbook, commonly known as "The Green Book."

It is mutually agreed between the parties hereto that disputes between trades, and disputes relative to jurisdiction of trade not covered by decision in the latest issue of the B.T.E.A. Handbook, commonly known as "The Green Book", shall be adjusted in accordance with the principles of the New York Plan for the Settlement of Jurisdictional Disputes as set forth in the Joint Arbitration Plan of the New York Building Trades as adopted on July 9, 1903, and amended on April 22, 1905, and as thereafter amended, except to the extent that Section 3 of the said Joint Arbitration Plan requires the employer to employ only members of the union directly or indirectly through subcontractors or otherwise.

Pending determination of any dispute under the New York Plan for the Settlement of Jurisdictional Disputes as stated in the preceding paragraph the members of the Union shall remain at work on the project without change in status.

ARTICLE IX TERM OF THIS AGREEMENT

It is further mutually agreed that no change in this Agreement shall be asked for by either party hereto, to take effect prior to the first day of July 2005 and not then unless notice by the Association asking for such change is given to the other Association on or before the 31st day of January next preceding the first day of July 2005. Such notice shall be given in writing by Secretary of one Association to Secretary of the other Association, and shall state specifically all changes desired, and written receipt therefore shall be evidence of such notice.

In case no notice is served by either Association on before January 31, 2005 then this Agreement shall continue effect from year to year with right reserved for either party serve notice on or before any 31st day of January in any year for any desired change to take effect on the following first day July.

ARTICLE X

It is understood and agreed that this Agreement is based upon the Principles for Trade Agreements as set forth in the printed annex to this Agreement, and nothing in the Rules of the Enterprise Association attached hereto, or within this Agreement shall be interpreted to contradict or nullify any of the said Principles.

It is agreed that if Enterprise Association furnish Steamfitters to anyone upon more favorable terms or conditions than those contained herein, then this Agreement shall automatically be amended to incorporate such more favorable terms or conditions.

It is understood and agreed that in case any provisions of this Agreement shall be found to be contrary to law, such findings shall not in any way affect the other provisions of this Agreement which shall, notwithstanding, continue in full force and effect and the parties shall within ten (10) days after receipt of written notice by one party from the other, negotiate in an attempt to arrive at an appropriate substitute provision in light of such ruling.

In the event of change applicable Federal laws affecting this Agreement, by virtue of which change it shall become legal for the Enterprise Association to demand that only members of Enterprise Association be employed in the performance of work under its jurisdiction, or to institute what is commonly known as the "closed shop", the Contractors' Association agrees that in such event and on the giving of ten (10) days notice to the Contractors' Association by Enterprise Association in writing by registered mail, this Agreement shall be deemed amended to the end that on after the conclusion of the said ten (10) day period only members of the Enterprise Association shall be employed by the Contractors' Association in their performance of work coming within the jurisdiction of Enterprise Association and only members of the Metal Trades Branch of Local Union 638 shall be employed in the performance of service work more particularly described in Rule XVI of this Agreement.

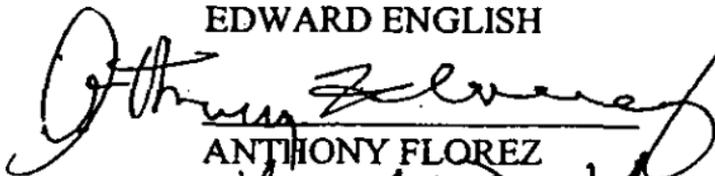
In WITNESS WHEREOF, the parties named above have caused their proper Committees, having full power, to sign these presents:



KENNETH DURR



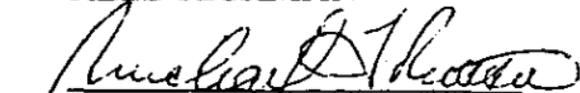
EDWARD ENGLISH



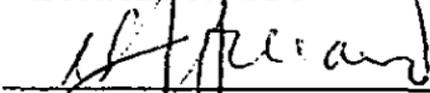
ANTHONY FLOREZ



REED RICKMAN



MICHAEL RUSSO



DOMENICK SERRANO

For the Mechanical Contractors Association of New York, Inc.

William R. Abbate

WILLIAM R. ABBATE

Kevin Connolly

KEVIN CONNOLLY

Thomas G. Goodwin

THOMAS GOODWIN

James B. Sheeran Jr.

JAMES SHEERAN

John J. Torpey

JOHN J. TORPEY

For the Enterprise Association of Steam, Hot Water, Hydraulic, Sprinkler, Pneumatic Tube, Ice Machine and General Pipe Fitters of New York and Vicinity, Local Union 638 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

UNITED ASSOCIATION OF PLUMBERS AND STEAMFITTERS OF UNITED STATES AND CANADA

To Whom It May Concern:

On March 24th, 1914, agreement was made between the United Association of Plumbers, Steam Fitters and Steam Fitters' Helpers of the United States and Canada and the Enterprise Association of Steam, Hot Water, Hydraulic, Sprinkle Pneumatic Tube, Ice Machine and General Pipe Fitters of New York and Vicinity, and the Progress Association of Steam, Hot Water and General Pipe Fitters' Helpers of New York and Vicinity, which resulted in the admission of the above-mentioned Enterprise and Progress Associations into the aforesaid United Association of Plumbers, Steam Fitters and Steam Fitters' Helpers of the United States and Canada, which agreement entitles the aforesaid Enterprise and Progress Associations to all constitutional rights and privileges of the United Association.

This agreement provides and is so understood that the Enterprise Association, known additionally as Local Union No. 638 of the United Association, shall have jurisdiction over all steamfitters in the City of New York, and that the Progress Association, known additionally as Local Union No. 639 of the United Association, shall have jurisdiction over all steamfitter helpers in the City of New York and such other territory as may be hereinafter referred to.

It is understood, and contained in the terms of the agreement referred to, that the Enterprise Association and the Progress Association shall have territorial jurisdiction over such territory as is contained in the City of New York, all of Long Island and such other adjacent territory as may hereafter be

agreed upon between the said Enterprise and Progress Associations and other Local Unions of the United Associations in the vicinity of New York City.

It is further understood and agreed that the said Enterprise and Progress Associations shall continue to observe all terms and conditions of agreements now existing between said Enterprise and Progress Associations and any employer or employers' association, without objection or interference on the part of the United Association of Plumbers, Steam Fitters and Steam Fitters' Helpers of the United States and Canada, or of any Local Union or Local Unions thereof.

It is understood and agreed that the members of the Enterprise and Progress Associations while working for employers located in the City of New York, shall, without hindrance, be privileged to work at the Steam Fitting trade in the counties of Hudson, Essex, Union, Bergen and Morris, in the State of New Jersey, and at the trades of Steam Fitting and Sprinkler Fitting in the County of Westchester, State of New York, without depositing clearance cards in the usual manner.

Members of regularly constituted United Association Locals, while working for employers located in the aforesaid New Jersey territory, and the county of Westchester, State of New York, shall have a reciprocal privilege as to the City of New York, provided such members receive a scale of wage prevailing in the City of New York.

The following plan of trade jurisdiction as indicating the work of a steamfitter and a steamfitters' helper is hereby accepted by the United Association through its general board of officers, and by the Enterprise Association and Progress Association.

DUTIES OF A STEAMFITTER

(1) Wherever any apparatus, utensil or appurtenance erected or installed by the steamfitter shall require a connection from the water supply of the building, or from any piping erected by the plumber, such supply or waste connection shall be made by the steamfitter. The plumber shall leave in the water supply piping and in the waste or sewer piping, suitable outlets, at practical and convenient points, and the steamfitter shall run all necessary piping from such outlets to the apparatus erected or installed by him and from such apparatus to such outlets.

Piping of every description, together with its accompanying fittings, valves and appurtenances (excepting, only, air piping for thermostatic valves) which joins together the several parts of apparatus erected or installed by the steamfitter, in accordance with the jurisdiction of a steamfitter as herein described, including by-passes, shall be erected, installed and connected by the steamfitter, and this regardless of whether such piping conveys steam, water air-brine ammonia, oil or other liquids or any commercial product or any product in course of manufacture.

(2) All steam, pneumatic and hydraulic power piping other than the piping for thermostatic valves.

(3) All steam and hot-water heating apparatus and all steam boilers connected to hot-water heating apparatus and all steam boilers connected to hot-water tanks.

(4) All heat regulating systems, excepting piping for thermostatic valves.

(5) All vacuum heating systems are the work of the steamfitter. All vacuum cleaning systems are the work of the plumber, provided, however, that same does not include any form of piping for cleaning electrical and other apparatus and machinery as provided for in paragraph No. 10.

(6) All pneumatic tube systems.

(7) All ice-making, refrigerating and cooling apparatus of every description. This does not include piping for transmitting ice water for drinking purposes.

(8) All hydraulic piping for elevator, and for the operation of curtains, presses and machinery.

(9) All oil piping in connection with power or heating apparatus, provided, however, that piping used for the transmission of liquid gasoline in garages, dye houses and cleaning establishments shall be the work of the plumber.

(10) All air piping for power work, cleaning of electrical and other apparatus and machinery.

(11) Placing, erecting and testing of all fan coils, humidifiers and air washers in connection with heating and ventilating apparatus and connecting together the parts thereof.

(12) Setting of all fixtures, pumps, tanks and heaters in connection with steam power apparatus or with steam or hot water heating apparatus.

(13) All steam connections for hot water tanks shall be the work of the steamfitter. The employees of the contractor furnishing the tank shall place it with all necessary hangers or supports and the plumber shall make all water connections to the tank.

Hot water tanks and heaters for domestic purposes, which have no steam connections, shall be installed by the plumber.

(14) All air piping for window or door opening devices or for switch or signal system or for like purposes.

(15) Building and repairing of water grates for power or heating.

(16) All sprinkler systems including all fire stand-pipes connected thereto shall be installed, complete, by the steamfitter, excepting, only, that the plumber shall set the meter and do all piping from the meter to the water supply main in the street.

(17) All fire stand-pipes not connected with the sprinkler system, nor with the water supply of the sprinkler system, shall be the work of the plumber.

(18) All steam and return connections of all kitchen utensils.

(19) All steam ejectors and all piping in connection therewith.

(20) All piping for the transmission of glucose, syrup, liquid sugar, ink or other liquids in manufacturing or commercial plants or for the transmissions of such other commodities as pass through piping from one point to another in manufacturing or commercial plants, when such liquids or commodities are part of the product of such plants, and all piping utilized for railings and racks and similar piping shall be the work of either the steamfitter or the plumber, provided, however, that pipe railings in engine rooms and boiler rooms shall be the work of the steamfitter.

In all matters as to which decisions have, heretofore, been rendered by the Arbitration Board of the New York Building Trades, such decisions shall govern the jurisdiction of the plumber and steamfitter.

Representing the United Association of Plumbers and Steamfitters of the United States and Canada:

JOHN R. ALPINE,
General President

THOMAS E. BURKE,
General Secretary-Treasurer

E.W. LEONARD,
General Organizer

THE PRINCIPLES FOR TRADE AGREEMENTS

As referred to in Article X of the agreement dated July 15, 2002 between the Mechanical Contractors Association of New York, Inc., and the Enterprise Association of Steam, Hot Water, Hydraulic, Sprinkler, Pneumatic Tube, Ice Machine and General Pipefitters of New York City and Vicinity, Local Union No. 638 of United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

PRINCIPLES UPON WHICH TRADE AGREEMENTS SHOULD BE BASED

1. There shall be no strikes or lockouts or stoppage of work, neither shall members of a union collectively leave the work of a member of the Building Trades Employers Association. Trade agreements made by the Employers Associations, members of the Building Trades Employers' Association, and trade unions shall provide that all disputes arising in the trade shall be settled by trade boards of arbitration, with an umpire if necessary and the decisions of trade boards and umpires shall be final and binding.

2. There shall be no agreement providing for discrimination against building materials, raw or manufactured.

3. The amount of work a man may perform shall not be restricted by a union nor by the representative, officers or members of a union; and the use of machinery, tools, appliances or methods shall not be restricted or interfered with.

4. The employer shall be at liberty to employ and discharge whomsoever he sees fit; and the members of the unions shall be at liberty to work for whomsoever they shall see fit.

5. The foreman shall be the agent of the employer and shall not be tried for any of his acts as foreman without due notice of the trial, accompanied by a written statement of the charges against him, being given to the Joint Trade Board.

6. The trade associations and unions shall jointly maintain a system which will provide an adequate force of skilled mechanics. The Apprenticeship Plan of the New York Building Congress is endorsed.

7. Overtime shall not be worked, except when unavoidable.

8. There shall be no provision, in any trade agreement, having for its object the collection of debts.

9. There shall be no provisions, in any trade agreement, which will prevent the doing of cutting by the trade which installs the work for which the cutting is done.

10. Unskilled work, as defined in the trade agreements may be performed by the laborers or helpers. The work that has been heretofore recognized to be in the possession of a trade shall not be submitted to arbitration unless possession is claimed by a party or parties to a jurisdiction of trade dispute.

11. All contractors party to this agreement, agree to be bound by decisions of the United Association, the B.T.E.A. of New York City or the National Joint Board

12. The Employers recognize that the Union had a legitimate goal of preserving bargaining unit work opportunities for the Steamfitters who are or have been regularly employed under the Trade Agreement.

The Employers also recognize that the above goal can sometimes best be achieved through the flexibility of modifying work rules (other than those pertaining to wages, benefit fund contribution rates, hours of work, or apprentice ratios) for a particular project.

Therefore, if modifications are approved by the Joint Trade Board to preserve bargaining unit work, the Employers agree that they will not invoke the Most Favored Nations Clause, Article X, second paragraph, based on the Trade Board's modification of Work Rules (other than those pertaining to wages, benefit fund contribution rates, hours of work or apprentice ratios) for a particular job project.

PUBLIC WORKS SUPPLEMENT

SCOPE

This Public Works Supplement is limited to public works projects (Federal, State, City) to be performed under prevailing laws (Davis-Bacon Act and/or Labor Law Section 220), and applicable to HVAC and mechanical public works contracts with a dollar value not to exceed Seven Million Five Hundred thousand Dollars (\$7,500,000) and to fire protection/sprinkler public works contracts with a dollar value not to exceed Seven hundred Fifty Thousand Dollars (\$750,000).

TERM

The Supplement is for a one (1) year period commencing July 15, 2002 to June 30, 2003; the Supplement is to be evaluated by the Joint Trade board and can be extended for one (1) year periods only if agreed to by the Joint Trade Board (there shall be no arbitration to resolve any lack of agreement). If a job is bid under the Supplement then the terms of the Supplement remain in effect for that job until its completion.

RULE I

Section I: Hours of labor shall be 8 hours per day to be performed between 7:00 seven o'clock A.M. to 4:30 four thirty M.

Section VI: Parties agree to a shift plan for all work with a 30% differential, to be performed in compliance with Rule V.

RULE III
RATE FOR OVERTIME AND HOLIDAYS

Section IV. On transit projects, where work performed in the vicinity of tracks all shift work on weekends and holidays may be performed at regular shift rates.

RULE V

Section I: All work to be performed under the agreement within the jurisdiction of the Enterprise Association must be performed by Journeymen Steamfitters, Apprentices or Trainees.

The crew size shall be any number of men required to safely perform the work, and shall be increased or decreased at the discretion of the employer.

Hiring of Steamfitters shall be in even numbers. An even number of Steamfitters shall be employed on the job at all times. At no time will the amount of Apprentices and/or Trainees exceed the number of Journeymen on the job. (The work of all Apprentices and Trainees will be supervised by a Steamfitter Journeyman).

Section II: It is the employer's discretion to designate a foreman who must be a Journeyman Steamfitter. A foreman so designated shall be allowed to work with tools.

RULE IX

Cutting and Making Up Fittings

Section I: All pipe may be cut, threaded, grooved and have fittings made up by hand or machine on the job or in the shop of the direct employer at the option of direct employer. If the said shop is a permanent shop, equipped with permanently installed pipe cutting and threading machinery, then the work shall be done by a Steamfitter working alone. When a direct employer has no permanently installed pipe cutting machinery in his shop, such work shall be done in accordance with Rule V on the job, or in any shop employing 638 Steamfitters.

Section II: All sprinkler and combination sprinkler/standpipe systems inclusive of cross mains, stringers and fire hose stations connecting pipe to same may be cut, threaded or grooved in a shop or on the job at the option of direct employer.

All fittings above 2" on sprinkler work may be made up in the shop of the direct employer by a Steamfitter working alone or on the job at the option of the employer. The makeup of fittings up to and including 2" in diameter can be ordered from any shop.

All types of chemical fire protection systems is the work to be performed by Journeymen Steamfitters and/or Apprentices.

Section III: All Pipe Fabrication performed in a shop under Section I and II must be labeled before leaving the shop. The Journeyman performing the work must attach labels to the pipe showing the Journeyman's name, signature, book number,

name and address of the shop and date when work was performed to demonstrate that such work was done by a Journeyman Steamfitter within this bargaining unit and under the terms of the Agreement. Reproductions of the Journeyman's signature will not be acceptable.

Public works labels shall be obtained by written application to Local Union 638 from individual employer. These labels shall be delivered by the Union to the Steamfitter in charge of each shop, and he shall be fully responsible for the proper distribution of these labels.

Section IV: Radiator branches, convector branches and coil connections shall be cut, threaded, welded, brazed, glued, soldered or any other method of joining shall be done on the job by hand or machine in accordance with Rule V or at the option of the contractor in a shop employing 638 steamfitters.

Section VI: Pipe of all diameters can be ordered from a supply house cut into pieces for ease of access or handling and delivered to the shop of the direct employer or the job site. Half lengths of pipe ordered from a supply house may have a mill bevel, thread or groove on each end. Pipe up to and including 12 inch diameter may be ordered cut to length with both ends prepared from any supply house. This rule does not apply to combination standpipe.

Section VII: All pipe used for temporary service which has been cut in the shop or on the job and subsequently removed may be used again.

RULE X **WELDING**

Section V: Pipe up to and including 12" in diameter may be ordered cut to length with both ends prepared from any supply house. This rule does not apply to combination standpipe.

RULE XI

Section VI: When Steamfitters are working in the building no temporary service personnel are required.

Section VIII: Temporary air conditioning services will only be required for central chiller plant operation.

Section XIII: When temporary services are required the number of Steamfitters required shall be determined by the employer and the Union for the safe operation of the system.

RULE XV **Shift Work**

Section I: Shift work may be performed at the option of the employer outside of the regular work day except Saturday, Sunday, and Holidays, in accordance with the following:

- a) A shift shall consist of eight (8) working hours. All work performed in excess of eight (8) hours shall be paid at double the rate for regular time. No shift shall commence after 7:00 p.m. on Friday or 7:00 p.m. the day before holidays. All

- work performed after 12:01 Saturday or 12 the day before a Holiday will be paid at double the rate for regular time.
- b) Starting time for each shift shall be designated by the employer.
 - c) A Steamfitter or Apprentice who has work during the same regular workday shall not be assigned to shift work.
 - d) The employer shall notify the Union 24 hours prior to the start of shift work.
 - e) A Steamfitter or Apprentice shall not work more than one shift in a 24 hour period.
 - f) When shift work is performed, Steamfitters and/or Apprentices shall be paid the wage rate for regular time worked plus a 30% premium together with the fringe benefit contributions.

TERM OF THIS AGREEMENT

It is further mutually agreed that no change in this agreement shall be asked for by either party hereto, to take effect prior to the first day of July, 2005.

ARTICLE FIVE

It is understood and agreed that this agreement is based upon the Principles for Trade Agreements as set forth in the printed annex to this agreement, and nothing in the Rules of the Enterprise Association attached hereto, or within this agreement shall be interpreted to contradict or nullify any of the said Principles.

It is agreed that the Favored Nation Clause as stated in the existing trade agreement is not applicable to the Public Works Supplement.

It is understood and agreed that in case any provision of this agreement shall be found to be contrary to law, such finding shall not in any way affect the other provisions of this agreement, which shall, notwithstanding, continue in full force and effect and the parties shall within ten (10) days after receipt of written notice by one party to the other, negotiate in an attempt to arrive at an appropriate substitute provisions in light of such ruling.

In the event of change of applicable Federal Laws affecting this agreement, by virtue of which change it shall become legal for the Enterprise Association to demand that only members of Enterprise Association be employed in the performance of work under its jurisdiction, or to institute what is commonly known as the "closed shop," the Employer agrees that in such event and on the giving of ten (10) days notice to the Employer by Enterprise Association in writing by registered mail, this agreement shall be deemed amended to the end that on and after the conclusion of the said ten (10) days period only members of the Enterprise Association shall be employed by the Employer in the performance of work coming within the jurisdiction of Enterprise Association and only members of the Metal Trades Branch of Local Union 638 shall be employed in the performance of service work more particularly described in Rule XVI of this agreement.

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