

AGREEMENT

between

**SHEET METAL WORKERS'
INTERNATIONAL ASSOCIATION
LOCAL UNION No.19**

CENTRAL PENNSYLVANIA AREA

**1301 South Columbus Boulevard
Philadelphia, Pennsylvania 19147**

and

- EFFECTIVE -

JUNE 1, 2010 through MAY 31, 2013

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UNION AGREEMENT

Sheet Metal, Roofing, Ventilating and Air Conditioning Contracting Divisions of the Construction Industry

This Agreement is entered into this 1st day of June 2010 by and between Sheet Metal Workers' International Association, Local Union No. 19, hereinafter referred to as the Union, and the Sheet Metal Contractors Association of Central Pennsylvania, hereinafter referred to as the Employer.

Any Employer who is not a member of the aforementioned Association, but who agrees to be bound by the terms of this Agreement shall also be deemed the Employer as that term is used in this Agreement.

Except as otherwise specified, the territory covered by this Agreement includes, in their entirety, the following counties: Adams, Bedford, Blair, Berks, Centre, Cumberland, Dauphin, Fulton, Franklin, Huntingdon, Juniata, Lancaster, Lebanon, Lehigh, Mifflin, Northampton, Perry, and York Counties in Pennsylvania and Warren County in New Jersey.

ARTICLE I

Scope of Work

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 and conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all air-veyor 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 regardless of gauge or material and all duct linings; (c) testing, adjusting and balancing of all air handling equipment and duct work, the Commissioning of all air handling and duct systems; (d) the preparation of all shop and field sketches used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) Pick - off; the transformation, manual or electronic, from shop drawings to shop fabrication of ductwork and related items; (f) layout and cutting of duct openings through walls, ceilings, floors, and roof decks; (g) duct cleaning; and (h) all other work included in the jurisdictional claims of Sheet Metal Workers' International Association.

Section 2. It is expressly included herein, for the purpose of indicating more specifically, but not by any means limiting hereto, that supplementary to Section 1 of this Article, this Agreement also covers the furnishing, handling, setting, erecting, installation, assembling, dismantling, adjustment, alteration, reconditioning, repairing, and servicing of all fans, filters of all types, blowers, sheaves, belts and guards of all kinds, plenums including prefabricated insulated casings and air chamber panels, with or

without other equipment, louvers, screens, registers, grilles, duct sox(s), diffusers of all kinds, including those in connection with lighting fixtures and ceilings, dampers of all kinds, smoke detectors, sound traps, mixing boxes, attenuators, air blenders, access doors related to air handling systems, dryers, sprayers, industrial ovens and related duct work, power and gravity ventilators, acoustical material within duct work, dust collectors and recovery systems, breeching, hoods, convector and radiator and similar enclosures and covers, with or without backs, flexible tubing and connections thereto, and all such or similar equipment involved in or in any way related to air handling systems, walk-in boxes, lockers and shelving, toilet partitions, kitchen equipment, chutes of all types, solar panels, metal ceilings, sound rooms, prefabricated environmental rooms, roof curbs, imbedments, installation and drawings for unistruts and all supports for sheet metal in connection with power plant work, energy (NEMI Certified) auditing, flashing, coping, fascia, soffits, gutters and downspouts, skylights, metal siding and composite panels including supports, studs, sheathing, drywall and related materials, metal roof deck, and all other architectural sheet metal work, all work on metal roofs including but not limited to plywood, insulation, pipe collars, ice shields, vapor barriers, radon ventilating exhaust systems, system powered air controls, gauges and tubing, magnahelic gauges, fan powered VAV boxes, Liebert units, all power rigging, termination bar, column covers, lead abatement, animal boxes, all computer and clean room air systems including floors, walls, and ceilings and all other architectural sheet metal work, metal wall protection systems, operating of any equipment or new technology which has as its essential purpose replacing or changing those jobs or procedures traditionally performed by Sheet Metal Workers, and to all other sheet metal work covered by this Agreement and by the jurisdictional claims of the Sheet Metal Workers' International Association.

ARTICLE II

Employer Responsibilities

Section 1. The Employer agrees that no one but Journeyperson Sheet Metal Workers and Registered Apprentices covered by this Agreement shall be employed on any work described in and covered by this Agreement.

Section 2. The Employer shall exert every possible effort to secure all work included in and covered by this Agreement. If an Employer accepts any job, by contract or otherwise, and all of the work included and covered by this Agreement or considered as normally part of the job involved is not included therein, Employees covered by this Agreement and the Union shall be free to refuse to perform any work on or for any such job and should they refuse, they shall not be in violation of this Agreement.

Section 3. The Employer agrees to report to the Union the name and address of all jobs in excess of twenty thousand dollars (\$20,000) by the 15th of the month for jobs contracted for in the previous month. Such report shall be in the form of a "letter of assignment". In the event that no jobs are contracted for, the

Employer agrees to report same to the Union by the 15th of the month.

The employer agrees to provide a letter of assignment for HVAC work outside of the territory described in this agreement, when they choose to sub-contract the work.

Section 4. The employer shall inform the union on the first day that a sheet metal worker is on site at any new job as described above in Section 3.

Section 5. The Employer shall not subcontract or assign any of the work described or covered in this Agreement which is to be performed at a job site to any Contractor, Sub-Contractor, or other person or party who fails to agree in writing to comply with the conditions of employment contained herein including, without limitations, those relating to Union security, rates of pay, benefits, and working conditions, hiring and other matters covered hereby for the duration of the project.

Section 6. The Employer agrees that all drawings and sketches, including, CAD, hand, backgrounds, coordination and "as built", used in shop fabrication and/or field erection shall be the work of the sheet metal workers and shall carry the stamp and signature of a Journeyman member of Sheet Metal Workers' International Association, Local Union No. 19.

Section 7. The Employer agrees that all testing, adjusting, and balancing work, including the preparation of all reports will be performed by a Member of Local Union No. 19 and shall carry the stamp and signature of said Member.

Section 8. 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 are in signed Agreement with Local Union No. 19 or who pay their Employees engaged in such fabrication, not less than the total beneficial wage scale for comparable sheet metal fabrication, as established under provisions of this Agreement. Every Employer subcontracting work under this clause shall require of its subcontractors a list of hours worked and the total beneficial wages paid to or on behalf of the Employees performing the work for each such hour, which certified payroll list shall be turned over to the Union upon request.

Section 9. The Employer, subject to this Agreement, may purchase the following Blue Label manufactured items:

- Ventilators
- Louvers
- Automatic and Fire Dampers (excluding duct sleeves)
- Radiator and Air Conditioning Unit Enclosures
- Mixing (Attenuation) Boxes and Air Blenders
- Plastic Skylights
- Air Diffusers, Grilles, Registers
- Sound Attenuators
- Residential Pipe and Fittings as per the Residential Addendum

- Double Walled Plenum Casing Panels
- Permanently Installed Trash and/or Linen Chutes.

Section 10. Should Congress amend the law to permit the application of Section 5 of this Article to all or any of the work covered by this Agreement, whether or not at the job site, then Section 5 of this Article shall immediately become effective as covering all work covered by this Agreement, sub-contracted, sublet, or in any other way, turned over to others.

Section 11. If any Employer engaged in sheet metal work on a project as a Prime or Sub-Contractor is forced to cease work on that project because of failure on the part of the Owner, Prime Contractor, or Sub-Contractor, to pay monies due for properly submitted progress payment and/or payments for completed work and/or payments for approved changes and/or payments for work done under a notice to proceed order when such payments are due, then the Union is free, and not in violation of this Agreement, not to furnish Journeymen or Apprentices to the Owner, Prime Contractor, Sub-Contractor, or other Contractor for purposes of completing that work, and the purpose of the aforementioned is to protect the ability of the Employer to properly pay their labor and funds.

Section 12. The Employer agrees that no evasion of the terms, requirements, and provisions of this Agreement will take place by the setting up of another business to do work covered by this Agreement, or in any other way attempt to or actually evade or nullify responsibility hereunder. If and when the Employer shall perform any work of the type covered by this Agreement, under its own name or under the name of another, as a corporation, company, partnership, or any other business entity, including a joint venture, wherein the Employer through its officers, directors, partners or stockholders, exercise, either directly or indirectly, control of labor policies of such other entity, the terms and conditions of this Agreement shall be applicable to all such work. The Employer, directly or through its officers, directors, partners, or stockholders, shall not contribute to or invest in any business entity which performs work covered by this Agreement but which does not comply with the terms of this Agreement provided, however, that this provision shall not apply to the ownership of corporate stock traded on any recognized stock exchange or in an established over-the-counter market and which does not constitute more than ten percent (10%) of the outstanding equity of such business entity.

(a) Market Preservation and Recovery - With the rise of non-union competition and infringements by other craft unions, Sheet Metal Workers and signatory contractors in recent years have suffered significant declines in their share of the market for work within the jurisdiction of the SMWIA. It is the intent of all parties of this Agreement to take strong measures to reverse these trends and provide for the long term health of the union employing industry. Accordingly, the Employers agree to commit themselves fully to Union construction and maintenance, and refrain from the forms of business organization commonly known as the "dual shop" or "double-breasted" operation. The Union commits itself to pro-

vide the Employers with wage scales and working conditions that will enable them to be fully competitive and profitable in all sectors of the Building and Construction Trades jurisdiction without exception, including those most heavily impacted by non-union competition.

(b)(i) In recognition of the serious nonunion competition and infringement upon Local Union No. 19's jurisdiction by other crafts, from within Local Union No. 19's boundaries, let it be understood and agreed that the President and Business Manager of Local Union No. 19, is empowered to take whatever steps are necessary, including additional flexible conditions on particular jobs sometimes known as "Pinpointing", to enter into specialty agreements and addendums to this Agreement to ensure that such work will be captured for our membership.

(b)(ii) It is agreed that any changes to this Agreement pursuant to Article II, section 12(b) shall supercede the provisions of Article II, section 18 and no Employer shall make a claim pursuant to Article II, section 18 on account of any such changes. Nor shall work performed under an agreement with the Sheet Metal Workers' International Association or a project labor agreement provide a basis for modifying this agreement.

(b)(iii) It is understood that the intent of (b)(ii) is not to provide different levels of relief to contractors bidding the same project.

Section 13. Inasmuch as the Union has demanded recognition from the Employer as the exclusive bargaining representative of the Employer's Employees in the bargaining unit described herein under Section 9(a) of the National Labor Relations Act, and has submitted proof thereof in the form of signed and dated authorization cards, and the Employer is satisfied that the Union represents a majority of its Employees in the bargaining unit described herein, the Employer hereby recognizes the Union as the exclusive collective bargaining representative of its Employees on all present and future job sites within the jurisdiction of the Union, unless and until such time as the Union loses its status as the Employee's exclusive representative as a result of an N.L.R.B. election requested by the Employees. The Employer agrees that it will not request an N.L.R.B. election and expressly waives any right it may have to do so.

Section 14. The Employer hereby agrees that all of its members, both collectively and individually, shall be bound by this Agreement, just as surely as if each and every member signed it and whether or not each does so individually and whether or not membership is retained in the Employer Association party to this Agreement. The Employer, as an Association, through its duly elected officers and representatives hereby declares and affirms that each and every Member has so agreed and has authorized the officers and representatives named below to sign this Agreement, both for the Association and for each member individually.

Section 15. The Employer agrees that any and all new member(s) of its Association within the jurisdiction of Local Union No. 19 shall be required, as a binding requirement of membership therein, to become parties to this Agreement, immediately upon establishing membership.

Section 16. The Employer agrees to furnish information upon request by the Union, relative to all work wherein the Union has a jurisdictional interest.

Section 17. The Employer agrees to furnish within ten (10) days of request by the Union, completed forms as required by the State and/or Federal Departments of Labor for purposes of prevailing wage surveys by county. Occasional or out-of-town contractors shall complete and submit to the Union said forms immediately upon start of a job within the bounds of Local Union No. 19.

Section 18. If any more favorable conditions are granted by this Local Union to any other Employer in the jurisdictional area of this Contract, all Employers will have the right to adopt the same as amendment to this Agreement.

Section 19. The Employer agrees to submit to the Union a completed wage survey at the conclusion of every job. The Employer and the Union agree to work together on these surveys in order to complete them as efficiently as possible.

Section 20. In order to secure job opportunities for workers covered by this Collective Bargaining Agreement, each Employer who is a party to the Agreement invests significant amounts of capital and time in the training of Sheet Metal Workers, including the training of Apprentice Sheet Metal Workers and upgrading our Journeyperson Members through on-the-job training and through the Joint Apprentice and Training Fund (JATF). In assuming these training obligations, the Employer assumes a great deal of risk in undertaking various projects. In order to secure the investment that each Employer party to this Agreement makes in both Journeyperson and Apprentice Sheet Metal Workers, the parties hereto agree that no Sheet Metal Worker employed by any Employer party to this Agreement will compete with the Employer by going to work for a non-signatory Employer engaged in work covered by the Collective Bargaining Agreement within the geographic jurisdiction of Local Union No. 19 for a period of three (3) years following their leaving the employ of any signatory Employer except as a Union Salt. Any Employer and/or the Association party to this Agreement may enjoin any worker who violates this Agreement from working during the three (3) year period as set forth above. In addition to the foregoing right to seek injunctive relief, and whether or not such relief is sought or obtained, and because the measure of damages suffered by the Employers may be difficult to prove, the parties agree that an appropriate measure of liquidated damages is the cost to the Employers that is required to provide the Apprentice and Journeyperson on-the-job training necessary to replace workers who breach this covenant. The cost of such a four (4) year Apprentice Program is two thousand (2,000) hours per year at gross labor rates times four (4) years. In the event this covenant not to compete is deemed by a court to be too restrictive, such court shall be entitled to mold a remedy for the breach, which in its discretion is more appropriate than the remedy provided herein.

The provisions of this Covenant Not to Compete will be considered to be separable and independent of each

other, and in the event any provision of this Covenant is found to be invalid, it will not affect the validity or effectiveness of the remaining provisions of this Covenant.

The Union shall enforce this clause with respect to its members in accordance with the provisions of the Sheet Metal Workers' International Association Constitution and Ritual.

Section 21. (a) In order to secure job opportunities for the Employees covered by this Collective Bargaining Agreement the Employer shall, where the Employer sells to a purchaser which intends to operate its business as a going concern, that is, continues the operations of the business without substantial change, require the purchaser, as a condition of the sales transaction, to assume and be bound by this Agreement and to recognize the Union as the exclusive representative of the purchaser's Employees pursuant to Section 9 (a) of the National Labor Relations Act. The word "sells" used herein shall include any sale of stock or the assets of the Employer whether in one or a series of transactions.

(b) The Employer shall notify the Union of any sales contemplated by this Agreement immediately upon execution of the sales agreement.

Section 22. The employer shall maintain commercial general liability insurance coverage providing bodily injury, property damage and personal injury coverages for employees performing work covered by this agreement.

ARTICLE III

Union Security

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 later, provided the Employer has reasonable ground for believing that membership is available to such Employees on the same terms and conditions generally applicable to other members and that membership is not denied or terminated for reasons other than the failure of the Employee to tender the periodic dues and initiation fees, 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, as amended, shall be further amended by Congress in such a manner as to reduce the time within which an Employee may be required to acquire Union membership, such reduced time limit shall become immediately effective instead of and without regard to the time limit specified in Section 1 of this Article.

Section 3. The provisions of this Article, shall be deemed to be of no force and effect in any state, to the extent to which the making or enforcement of such provision is contrary to law. In any state, where the making and enforcement of such provision is lawful, only after

compliance with certain conditions precedent, this Article shall be deemed to take effect as to involve Employees immediately upon compliance with such conditions.

Section 4. The Employer agrees that should an Employee covered by this Agreement be ineligible for membership in the Union, their continued employment shall be conditioned upon their payment to the Union, the equivalent of membership dues in return for benefits and services received and the Union's costs in establishing same should the Union so request.

Section 5. Upon receipt of a signed individual authorization form any Employee covered under this Agreement the Employer shall withhold from such Employee's earnings, an amount of money, which shall represent the Employee's work assessment or service fee. The amount of which or such, shall be determined by a verified statement from the Union of the current assessment or service fee structure. Deductions shall be made weekly of said Employees and promptly remitted to the Financial Secretary of the Union, together with a list of the names of the Employees to whom said monies are to be credited.

Section 6. Upon receipt of a signed individual authorization from any Employee covered under this Agreement, the Employer shall deduct from such Employee's earnings, payment for Credit Union deposits under the terms specified in the individual's authorization. Deductions from said Employee's earnings may be made on an hourly as well as weekly basis and said deductions shall be remitted to the Viriva Community Credit Union monthly, together with a list of the names and social security numbers of the Employees to whom said monies are to be credited. Except for the initial deduction request, the amount of payroll deductions may be changed once a year during the last week of May.

ARTICLE IV

Hiring Hall

Section 1. The Union agrees to furnish upon request by the Employer, Journeypersons Sheet Metal Workers and Apprentices in numbers sufficient to execute the work contracted for by the Employer in the manner and under the conditions specified in this Agreement. The Employer agrees that all Employees required for all work within the scope of this Agreement shall be hired only through the Union provided that:

(a) Referrals will be on a nondiscriminatory basis and will not be affected in any way by the Union membership, by-laws, rules, regulations, constitutional provisions or other aspects of Union membership, policies or requirements, except to the extent that these may not be in violation of applicable law.

(b) The Employer will have the right to reject anyone referred for employment. Their rejection may not be based on Union membership or used to achieve selection from the list of unemployed. The Employer agrees

that one (1) of every four (4) referred will be accepted from the top of the list of unemployed, except as provided below and in Sub-Section (d) of this Article. The Employer shall have the use of this provision when working in another Central Pennsylvania branch local. To clarify this section:

1. An employer or employee may solicit 3 of every 4 jobs, then the employer agrees that the fourth will be accepted from the top of the list of unemployed.
2. All Employees must put their name on the out of work list on their last day of work with the Employer. There shall be no solicitation permitted for jobs by any employee until their name has been put on the out of work list.
3. There shall be no hiring by an employer of any employee who has not put their name on the out of work list.
4. The employer and the employee shall notify the union of a job that has been solicited.
5. The union will send a completed referral form to the employer for all solicited jobs. No employee shall be employed by an employer without receiving this form (supplied by the union).
6. Employer/employee solicitation is not available to out of town contractors and they must hire all employees from the list of unemployed, except as may otherwise be provided in this collective bargaining agreement.

(c) The Union will advise the Employer of name and qualifications prior to referral.

(d) The Employer shall have the right to rehire a former Employee who was laid off by them within forty-five (45) calendar days of their last day of employment with this same Employer upon notice to the Union that they are about to do so. An employee who has been rehired shall work for thirty (30) calendar days unless a shorter period of time is mutually agreed upon at the time of rehire or the employer will lose the right to rehire. Provided however, that there will be no recalls when available members on the out of work list do not have unemployment compensation benefits.

(e) Apprentices shall be hired and transferred in accordance with the Apprenticeship provisions of this Agreement.

(f) If during the term of this Agreement, the Labor Management Relations Act of 1947, as amended, shall be further amended to so permit or the decision of a court of competent jurisdiction so permits, then the restrictive provisions of this Article IV, by which the Union may be required to refer non-members to employment, shall be immediately ineffective.

(g) The Union agrees that it shall be the sole administrator of the hiring hall arrangement and shall not be considered to act as the agent of the Employer, and thereby, the Union assumes responsibility for any violations of the

law committed by it in connection with its administration of the hiring hall arrangement.

(h) The Employer assumes responsibility for any violations of the law committed by the Employer in connection with hiring or severance of employment.

(i) The parties to this Agreement agree that they will not discriminate against any applicant for employment or any Employee because of race, creed, color, national origin, sex or occupationally irrelevant physical requirements or handicaps.

(j) Notices of this hiring Agreement shall be posted where notices to Employees and applicants for employment are customarily posted.

(k) The Employer agrees to notify the Shop Steward prior to any layoffs.

Section 2. The Employer agrees that of each ten (10) Journeypersons employed, at least one (1) shall have reached their sixtieth (60th) birthday, if and when such are available.

Section 3. The first three (3) Journeypersons per job may be sent by the Employer from the branch local in which they are based to work in another Central Pennsylvania branch local. The eighth (8th) journeyperson per job (sub foreperson) may be sent by the Employer from the branch local in which they are based. All other referrals will come from the branch local hiring hall in which the job site location is based.

The branch local geographical areas are as follows:

Lehigh Valley - Lehigh and Northampton counties in PA and Warren County in New Jersey.

York - Adams, York counties, and that part of Lancaster county bounded by the Susquehanna River, Route 23, Route 30, and the Conestoga Creek including the entire city of Lancaster.

Reading - Berks and Lebanon counties, and that part of Lancaster county, outside the bounds of 19-York.

Harrisburg - Bedford, Blair, Centre, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Mifflin, and Perry counties.

Section 4. This Section 3 above does not apply to In-Plant Maintenance Work in Lancaster and Lebanon Counties, whereas, the Employer may suspend the Three Journeyperson Rule for Lancaster and Lebanon Counties on In-Plant Maintenance Work.

ARTICLE V

Hours of Work

Section 1. The regular working day shall consist of eight (8) hours labor in the shop or on the job site between eight (8:00) A.M. and four-thirty (4:30) P.M. and

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

(a) The starting and quitting times provided in Section 1 of this Article V may be changed to either seven (7:00) A.M. to three-thirty (3:30) P.M. or seven-thirty (7:30) A.M. to four (4:00) P.M. with a one-half (1/2) hour for lunch period, but only by consent of both the Employer and the Union prior to its beginning.

(b) Exceptions may also be made to Section I of Article V in that Journeypersons and Apprentices may work from six (6:00) A.M. to two-thirty (2:30) P.M. with a one-half (1/2) hour lunch period, with sole permission of the Union.

(c) Exceptions may also be made to Section I of Article V in that for architectural sheet metal work only, the regular work day may be ten (10) hours of labor in the field only between six (6:00) AM and four-thirty (4:30) PM and the regular work week shall consist of four (4) consecutive ten (10) hour days beginning on Monday and ending on Thursday. Friday may be used as a make-up day for inclement weather only. In order to utilize this provision, the Employer must have the permission of the President / Business Manager of the Union.

(d) The Employer agrees that when there are more than four hundred (400) Building Trades personnel on a particular job site, the Union shall have the right to stagger work hours with other trades, between the hours of seven (7:00) A.M. and four-thirty (4:30) P.M. in order to ensure the health, safety and welfare of the Sheet Metal Workers on said job site.

(e) All Employees covered by this Agreement shall be granted a morning break, not to exceed ten (10) minutes. An afternoon break shall be granted when employees work more than 8 hours, except when the work week is scheduled as four (4) days – ten (10) hours. Similar breaks will be granted during any night shift.

Section 2. All Employees covered by this Agreement shall be at shop or assigned work location at job site, ready to work at starting time and shall work eight (8) hours until quitting time, except for the lunch period. If less than eight (8) hours of work is performed as the result of the Employees' lateness or early quitting (including such at lunch period), the Employer shall have the right to deduct such lost time in figuring the weekly payroll. All tools shall be put away, in a place provided by the Employer, during the established working period.

Section 3. It shall be an established policy that when work falls off and reaches a point considered to be of serious importance, Employer will agree to negotiate with the Union's Representative to divide work among all Employees to the extent reasonably possible, by establishment of a shorter work day or week with due consideration of conditions existing at the time.

ARTICLE VI

Overtime

Section 1. Except as provided in this Article VI, Section 2, and Article VII, Section 1(b) and Article VIII of this Agreement, 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 and approval by the Union in advance of scheduling such work. All work performed outside of the regular working hours and on holidays shall be paid for as follows: The first two (2) hours of overtime, Monday through Friday, shall be paid for at time and one-half (1 1/2). The first ten (10) hours of work at the normal schedule on Saturday, shall be paid for at time and one-half (1 1/2). Sundays, holidays and all hours over the ten (10) hours, Monday through Saturday, shall be paid for at two (2) times the regular wage rate and when work is performed on Election Day, the holiday pay shall be paid in addition thereto.

(a) Preference as to overtime and holiday work shall be given to workers on the job and in the shop on a rotation basis so as to equalize such work as nearly as possible. By mutual agreement between the Employer and the Union, the Employer will include as many Journeypersons as possible from the list of unemployed on scheduled overtime lasting eight (8) hours or more provided these Journeypersons possess the required skills to perform the work, including Safety & cGMP Training that is site specific. It is further understood that members who are out of unemployment compensation benefits will be given priority to these jobs.

(b) Apprentices shall not be employed on any work outside the regular working hours or on holidays, except that when one (1) to three (3) Journeypersons work overtime and for each additional one (1) to three (3) Journeypersons, one of the Employer's regular Registered Apprentices may also work overtime.

(c) It shall not be a violation of this Agreement nor a cause for discharge if any Employee declines to work overtime.

(d) Overtime work covered in Article I of this agreement will have at least one sheet metal worker from Local 19.

Section 2. Overtime work, both on the job site and in the shop, performed in connection with jobs in existing industrial, commercial or public buildings in which a business is in full operation and it is impossible to perform the work during the regular work hours, (i.e. eight (8:00) A.M. to four-thirty (4:30) P.M., Monday through Friday), shall be paid for at time and one-half (1 1/2) except that said work performed between the hours of five (5:00) P.M. on Saturday and eight (8:00) A.M. on the following Monday and between the midnight before all holidays specified in Article VII and at eight (8:00) A.M. following shall be paid for at double time.

(a) Each Employee, when employed on this kind of work, shall be informed of the premium rate to be paid.

Section 3. Overtime for maintenance work, Monday through Saturday, shall be paid for at time and one-half (1 1/2). Sundays and holidays shall be paid for at two (2) times the regular wage rate.

(a) For purpose of this Section, "maintenance" is defined as repair, renovation or modification to existing systems and equipment in existing industrial and institutional facilities.

(b) Travel expense will not be paid for this type of work.

(c) Parts fabrication for original equipment manufacturers will be considered as maintenance work.

ARTICLE VII

Holidays

Section 1. All Sundays shall be recognized as holidays, in addition to the following legal holidays that are recognized and observed within the territory covered by this Agreement: New Year's Day, Good Friday, Memorial Day, July Fourth, Labor Day, General Election Day in November, Thanksgiving Day, and Christmas Day.

(a) All days not recognized as a holiday will be a work day. Shops and job sites will be open unless all Employees wish to take off. No one will be locked out.

(b) Election Day in November shall be granted as a holiday with pay to all Employees of the Employer who are employed during the payroll week within which is said Election Day. Eight (8) hours wages shall be paid for this holiday to all so employed whose work is currently performed during the regular work day. Employees currently working on night shift shall observe the night of Election Day as the holiday and shall be given holiday pay equal to the wages for the currently worked full shift.

(c) Whenever a holiday covered by this Agreement falls on Sunday, the following Monday shall be the holiday or when a holiday falls on Saturday, the previous Friday shall be a holiday, and shall be considered as within the holiday requirements of this Agreement.

ARTICLE VIII

Shift Work

Section 1. Night shifts may be established for the fabrication, installation, or erection of material and equipment only when not less than five (5) consecutive work nights are worked and the following conditions exist and shall be complied with:

(a) Mutual agreement has been reached by both parties hereto as to what shift hours may be worked.

(b) Each location, where night shifts are established, shall be considered as entirely new and separate from any other shift job and all conditions herein established for night shift work shall apply separately.

(c) Employees working on night shifts shall neither be permitted nor required to perform any other work during the period beginning at eight (8:00) A.M. previous to a night shift and ending at the beginning of the shift on the following night.

(d) Night shift work shall be paid for at the regular established wage rate plus fifteen percent (15%) of the regular established wage rate, except as otherwise specified in this Agreement.

(e) Work performed by night shift Employees outside the established shift hours shall be paid for at time and one-half (1 1/2) for the first two (2) hours and at double the regular wage rate thereafter. All work performed by night shift Employees on Saturday will be paid at time and one-half (1 1/2) for the first ten (10) hours and at double the regular wage rate thereafter.

(f) Double time shall be paid for all night shift work performed between midnight Saturday and the beginning of the first shift on Monday. Double time shall be paid for all night shift work performed between midnight before a holiday and the beginning of the first shift on the day following the holiday.

(g) The President / Business Manager of the Union, at his sole discretion, may reduce the shift premium to ten percent (10%) or five percent (5%) above the scale and waive the mandatory five (5) consecutive days in order to gain employment for members of the Union.

(h) Shift work covered in Article I of this agreement will have at least one sheet metal worker from Local 19.

(i) The 3 journeyperson rule specified in Article IV, Section 3 of this agreement applies to 1st shift only. For 2nd and 3rd shifts, a two (2) journeyperson rule applies.

ARTICLE IX

Wages

Section 1. The minimum increase to the beneficial wage rate for Journeyperson Sheet Metal Workers covered by this Agreement, when employed in a shop or on a job site, within the jurisdiction of the Union, to perform any work specified in Article I of this Agreement, except as hereinafter specified in this Article IX shall be as follows:

<u>Effective Date</u>	<u>Beneficial Wage Increase</u>
June 1, 2010	\$0.60
June 1, 2011	\$0.75 (deduct \$.05 for labor-management fund)
June 1, 2012	\$1.00 (deduct \$.05 for industry fund)

Section 2. Listed below is a schedule of Foreperson and General Foreperson wages in addition to the minimum wage scale as provided in Section 1 of this Article IX.

One (1) to two (2) Journey- Persons & Apprentices	8% above wage scale
Three (3) to seven (7) Journeypersons & Apprentices	12% above wage scale
Eight (8) to fifteen (15) Journeypersons & Apprentices	14% above wage scale
Sixteen (16) and more Journeypersons & Apprentices	16% above wage scale
Sub Foreperson	7% above wage scale

To clarify Section 2 of this Article IX, when a Sheet Metal Journeyman is designated to work for one (1) full day or more duration as the sole representative of his/her Employer at a specific site, he/she shall receive Foreperson's rate of pay.

Section 3. The employer agrees on all jobs or operations where eight (8) journeymen and/or apprentice sheet metal workers are employed, one (1) journeyman shall be designated as sub foreperson.

Section 4. Foreperson may work with the tools of the trade when reasonably possible or necessary and shall be members of the Union.

Section 5. Exceptions may be made to the herein, provided the ratio of Forepersons to Journeymen and/or Apprentices in emergency situations lasting only a few days but not more than one week.

ARTICLE X

Rules for Payment of Wages

Section 1. Wages at the established rates specified shall be paid as follows:

If by Cash:

At or before quitting time on Friday of each week and not more than three (3) days pay may be withheld.

If by Check:

At or before quitting time not later than Wednesday of each week and for the payroll period ending on the previous Sunday, except as provided in Section 2 of this Article X.

Electronic payment of wages shall be equivalent to payment by check, provided the employer and the employee agree to this method of payment.

Anything herein to the contrary notwithstanding Employees shall be paid in full when laid off or discharged and even though the layoff may be only temporary.

Section 2. If and when any Employee covered by this Agreement is paid by check which is later returned unpaid to the Employee for any reason, the Employer shall immediately pay any and all such Employees in cash

the full amount of wages due each Employee, and all expenses substantiated by Employees for trouble and embarrassment caused by said check plus thirty-five dollars (\$35).

(a) If and when the Employer pays any Employee by check and the check is later returned, the Employer shall forfeit their right to pay by check and shall thereafter pay Employees in cash until the Union shall be satisfied that it is not likely to again occur and gives approval to again pay by check.

(b) When checks are used in payments to Employees, they shall be whenever reasonably possible, those of the Todd Insured System or similar protected checks. All checks issued as payment for wages due shall have detachable vouchers showing last date of period paid for, number of hours paid for, gross wages, all deductions separately and for what each is made, net wages, and expenses paid.

Section 3. Pay checks may be mailed to the home of an Employee or to any other place designated by the Employee in writing, provided, however, that they shall arrive at the place designated by the Employee not later than Thursday of each week except that when Thursday is a holiday, they shall arrive on Wednesday. Should they not arrive on Thursday, or Wednesday, when so required, for any reason whatsoever, and the Employee is not at fault, the Employee will notify the Employer the following morning and their wages in cash shall be delivered to them on the job site or in the shop by quitting time on Friday. If such delays occur on more than three (3) occasions, wherein all or most Employees of the Employer are concerned, the Employer involved shall no longer be permitted to pay by mail.

(a) Out of area contractors employing Members of Local Union No. 19 must provide for payroll check cashing through a local bank when employing Members of Local Union No. 19 for sixty (60) or more consecutive days.

Section 4. Employees who have to wait to be paid after the regular quitting time on pay day shall be paid for the waiting time at double time unless conditions beyond the control of the Employer caused the delay.

Section 5. Employees, who report for scheduled work but are unable to work due to weather or other conditions beyond the control of the Employer, shall receive one (1) hour show-up pay. This shall not apply, if there is timely notification not to report, initiated by the Employer's representative to the Steward. Employees who start work on any day shall be paid a full day's or shift's wages, even though a full day is not worked, unless weather conditions or voluntary quitting causes cessation of work.

(a) Whenever a Saturday, Sunday, or holiday is involved, Section 5 of this Article X shall be as follows:

All hours worked shall be at the applicable overtime rate, but in any event, not less than (4) hours pay at the applicable overtime hourly rate. If the Employee works four (4) hours and work ceases before the end of the work day,

they will receive eight (8) hours pay at the applicable overtime rate.

Section 6. No Employee covered by this Agreement shall be laid off unless twenty-four (24) hours notice has been given to the Employee, by the Employer or their designated supervisor in advance of layoff. Rare and unusual cases wherein serious violation of the rules is involved shall be excluded from the requirements of this Section.

(a) All discharges will be accompanied by a discharge slip, which is furnished by the Union.

Section 7. Employees, who are not paid when their employment is severed by the Employer, shall be paid eight (8) hours wages at the established rate in addition to what they are entitled to at the time employment is severed and for each day thereafter.

Section 8. When the Employer has any work covered by this Agreement to be performed outside the area covered by this Agreement and within the area covered by another Agreement with this or another union affiliated with the Sheet Metal Workers' International Association and qualified Sheet Metal Workers are available in such area, they may send no more than two (2) Sheet Metal Workers per job into such area to perform any work which the Employer deems necessary. All additional Sheet Metal Workers shall come from the area in which the work is to be performed. Journeyman 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 Article IX of this Agreement but in no case, less than the established minimum wage scale of the local Agreement covering the territory in which such work is performed or supervised plus all necessary transportation, travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of that local Agreement.

(a) 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. The term "wage scale" shall include the value of all applicable hourly contractual benefits in addition to the hourly wage rate.

(b) On all work specified in Article I of this Agreement, fabricated and/or assembled by Journeyman Sheet Metal Workers, Apprentices and/or Pre-Apprentices within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other local union affiliated with the Sheet Metal Workers' International Association, whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the job site Union shall be paid to the Journeymen employed on such work in the home shop or sent to the job site.

(c) In addition to what is provided for in Section 2 of Article X and Section 8 of this Article X when the total value of the wage rate plus additional benefits established

in the other area is higher than the total value of the wage rate and other benefits established in the area of the Union, the Employer shall pay the difference as wages.

ARTICLE XI

Travel Expenses

Section 1. Each employee working out of a branch local shall be considered to be working in Zone 1 with respect to that branch local. When employed in a shop or on a job site, within the limits of Zone 1 and centered at the following points, the Employees shall be governed by the regular working hours specified herein and shall provide for themselves, necessary transportation within said limits, from home to shop or jobsite at starting time and from shop or job site to home at quitting time, and the Employer shall provide or pay for all necessary additional transportation during working hours. Past practice respecting the western section of the Harrisburg branch local shall be preserved.

(a) The Travel Expense Zones with respect to each branch local are hereby established and the central point for all radius lines in each specific area shall be as follows:

Harrisburg	Market Square
York	Continental Square
Reading	5th and Buttonwood Sts
Lehigh Valley	Stefko Boulevard and Easton Avenue in Bethlehem
Altoona	City Hall

(b) Each employee shall be paid in addition to wages, the following travel expenses for each day employed in any of the zones:

Zone 1, no expenses – shall be up to and including a fifty (50) mile radius;

Zone 2, \$15.00 per day – shall be from a fifty-one (51) mile radius up to and including a sixty-five (65) mile radius;

Zone 3, \$18.00 per day – shall be from a sixty-six (66) mile radius up to and including an eighty (80) mile radius.

(c) For all work outside Zone 3, Room and Board expense shall be paid in full, but in any case, not less than fifty dollars (\$50.00) per day shall be paid when less than a week is involved, but Room and Board at not less than two hundred and fifty dollars (\$250.00) for a five (5) day work week. Whenever additional costs are incurred, they shall be paid (with receipts) in full over and above the minimum provided herein. In either case, the above shall be paid regardless of whether or not a full day's work is performed; including legal holidays and for days when weather or other reasons beyond the control of the Employee prevent working. It is specifically agreed that

each Employee employed in Board and Room areas shall be paid travel time and mileage for reaching the job location at the beginning of the job and the same upon their return at the completion of any intermittent period of employment on such jobs.

Section 2. Each Employee starting work in one zone and required to move to another zone during the day, where they are located at quitting time shall be paid one-half (1/2) the allowance for both zones.

Section 3. The employer shall pay for transportation during working hours (shop to job, job to shop, job to job) at the current Internal Revenue Service (IRS) allowance of forty-four and a half (\$.445) cents per mile for deduction business miles driven for each mile so traveled.

Section 4. Travel time shall be paid for at the straight time regular rate of wage of each Employee while traveling.

Section 5. Employees shall not be required to travel in conveyance furnished by the Employer. The Union, however, at its discretion, may approve such use of Employer's conveyance provided it is clean, safe, and comfortable and that each Employee so transported shall have full insured coverage for any and all costs and losses resulting from injury while so traveling and a mutually satisfactory pick up place is established and travel time is paid to the driver.

When the Employer furnishes an automobile, which may be a sedan, station wagon, or an enclosed auto van to an Employee for use related to their business and for said Employee's travel to and from their home and place of work, the requirements of the travel expense zone or the mileage expense shall not apply for the Employee directly involved. If there are Employees riding in this same vehicle, the zone expense requirements shall apply to these riders. The Employer shall pay for and be responsible for all costs related to the use of the vehicle(s). It is agreed that no travel expense zone will be paid in the counties of Lebanon and Lancaster.

Section 6. When only one day's work is involved in a Board and Room area, the Board and Room daily payment need not be paid unless the Employee is required to stay overnight. If, however, an Employee can reasonably go and return on the same day, travel time and expense shall be paid them in addition to the pay for hours on the job, from the time they leave home until they return to their home.

ARTICLE XII

Funds

Section 1. All Funds are calculated on the basis of hours of wages paid. Hours of wages paid shall mean the number of hours resulting from dividing gross wages by the Employee's regular time hourly wage rate. Travel time pay should be included as hours of wages paid.

Section 2. The Employer agrees to make deductions for the Sheet Metal Workers' Vacation Fund of Local

Union No. 19, the Sheet Metal Workers' Work Assessment - Service Fee of Local Union No. 19, and the Virva Community Credit Union.

(a) The Employer agrees to make contributions to the Sheet Metal Workers' Annuity Fund of Local Union No. 19, the Sheet Metal Workers' Health & Welfare Fund of Local Union No. 19, the Sheet Metal Workers' Pension Fund of Local Union No. 19, the Local Union No. 19 Supplemental Unemployment Benefit (SUB) Fund, the Sheet Metal Workers' Joint Apprenticeship and Training Fund of Central Pennsylvania, the Industry Fund of the Sheet Metal Contractors Association of Central Pennsylvania, and the International Training Institute for the Sheet Metal and Air Conditioning Industry.

(b) Owner-Members shall make the above deductions and contributions to the various funds with the exception of the Local No. 19 Sub Fund for a minimum of forty (40) hours per week; subject, however, to the following: an Owner-Member may execute an agreement with the Local Union opting out of making contributions on his or her behalf to the Pension, Welfare, Annuity and Vacation Funds. Thereafter, the Owner-Member shall enjoy no benefits from the Welfare and Vacation Funds and they shall accrue no additional benefits from the Pension and Annuity Funds. An Owner-Member who has opted out of the foregoing funds may rescind his or her agreement to opt out only with the approval of the Local Union and the Trustees of the Funds. A bargaining unit member who ceases to be an Owner-Member shall have contributions made on his or her behalf without regard to this provision of the agreement.

The term "owner-members" shall be interpreted to include any member of Local Union No. 19 who is (i.) an owner or partner in any capacity in a sheet metal business performing the scope of work defined in this Collective Bargaining Agreement; (ii.) any member who is a family relation of an owner or partner of a sheet metal business performing the scope of work defined in this Collective Bargaining Agreement, unless the member can prove to the satisfaction of the Union and the Funds' Trustees that such member does not exercise significant control over the management and operation of the business.

All owner-members must continuously contribute to the Local Union No. 19 Benefit Funds and pay working assessments at the rate of forty (40) hours per week, as required by the Collective Bargaining Agreement except as specified in this Article XII, Section 2(b). Owner-member contributions may cease only when the business permanently ceases operations or when the owner-member permanently severs any relationship with the business. Owner-members who fail to make required contributions shall be dropped from participation in the Funds.

No owner-member who has withdrawn or been expelled from owner-member status shall be reinstated to that status without approval of the Union and the Trustees of the Benefit Funds.

(c) Deductions and Contributions to the Funds shall be in the amounts specified in the hourly wage, deduc-

tion and contribution schedule effective June 1, 2010 through May 31, 2011, as adjusted by allocation of the beneficial wage increases effective June 1, 2011, and June 1, 2012 by the Union.

Section 3. It is also agreed that the Vacation Fund shall have authority to remit monies received to the Sheet Metal Workers' Local Union No. 19's League for Political Education, Sheet Metal Workers' Local 19 Scholarship Trust Fund and Sheet Metal Workers' Charity Fund upon receipt of valid check-off authorizations signed and executed by individual participants of the Fund.

Section 4. The Employer and the Union agree to be bound by the Agreements and Declarations of Trust established said Funds, as if included herein and Amendments thereto as may be made from time to time and hereby designate as their representatives on the Board of Trustees as are named, together with any successors who may be appointed, pursuant to said Agreement.

Section 5. The Employer and the Union agree to abide by and comply fully with all rules, regulations, and requirements established by the Funds within the powers and authorities under the Trust Agreements and this Agreement.

Section 6. The Employer agrees to furnish the respective Trustees with records, setting forth the names, classifications, social security numbers of the Employees and number of hours worked by and wages paid to each Employee during the period or periods accounted for and, the Funds shall have the right, at any time, to inspect or audit all Employer's records related to the herein provided payment.

Section 7. The parties hereto agree that should the amount of payment by the Employer, as provided in this Article XII, at any time later be reduced by mutual agreement of both parties hereto the amount by which it is reduced shall immediately be added to the then current and subsequent wage rates established in this Agreement.

Section 8. Fund contributions shall not be duplicated.

Section 9. The money herein agreed to be paid to the Vacation Fund is wages earned by Employees and shall be deducted from wages after taxes have been withheld. The Employer hereby agrees and affirms that all vacation wages withheld and not turned over to the Vacation Fund shall have precedence as wages and together with other wages due shall be paid, before any and all other debts, obligations or the financial requirements the Employer may or does have, except as otherwise required by applicable law.

Section 10. No part of the Funds or property of the Industry Fund may be used, spent, loaned, or allocated to or for any political party or candidate for public office or for the use of any person holding public office or for any activity whatsoever that may or does have for its purpose or intent, or have the effect of causing or resulting in, anything considered by the Union to have harmful effect on the Union.

Section 11. Failure to comply with the provisions and requirements of this Agreement related to the payment of money to any and all Funds established by and included in this Agreement and wages in the manner and to the extent required, shall be considered as and shall constitute a violation of this Agreement of especially serious nature and, therefore, special additional provisions are herein provided to compensate, therefore, and to establish procedures and requirements related thereto.

Section 12. Because of the serious nature of failure to furnish the required reports and to make payment therewith, within the required time limit(s), the following rules are hereby agreed to:

(a) Reports and payments or contributions shall be made for each calendar month on or before the fifteenth (15th) of the next following month and shall include coverage of all work performed from the last day reported in the previous month up to and including the very last payroll week of the month being reported. Postmark date shall be acceptable evidence of compliance with date requirements.

(b) Reports and payments or contributions made after the fifteenth (15th) of the month following the month for which they are due, shall include an additional five percent (5%) of the gross amount due each Fund for each month thereafter during which they remain unpaid, provided however, said late charge shall not be assessed if:

1. The Employer has not been late in making any of their payments in the previous twelve (12) months; and,
2. The Employer makes the full late payment within ten (10) days of the due date; and,
3. The Employer pays the Funds' interest at the prime rate as published by Wachovia Bank for the month in which the delinquency occurred on the total contribution for the period from the due date to the date of actual payment.

For the purposes of this Section, any month shall be considered as from the fifteenth (15th) of one month to the fifteenth (15th) of the next following month.

(c) If reports and/or payments or contributions remain unpaid or delinquent on or after the twenty-fifth (25th) of the month following the month for which they are due, the Union may withdraw Employees from the employment of the Employer. The Union may withdraw Employees on the twenty-fifth (25th) of the month upon written notice of delinquency given at least forty-eight (48) hours prior thereto. Should the Union withdraw Employees for this reason, the Employer agrees to pay each and every Employee withdrawn for this reason, full wages and expenses for each hour of wages lost, until all reports and all payments, contributions, and premiums due are made, and the appropriate deposits in escrow are made or bond presented as required, but in any event, for not more than sixteen (16) hours of wages, in addition to the required reports and payments, contributions, and premiums made.

(d) Should the Trustees of the Funds and/or the Union enter suit in a court of law to enforce compliance with the provisions and requirements of this Agreement related to reports and payments or contributions to all Funds and wages, the Employer agrees to pay the costs including counsel fees and the costs of any audits of such Employer's records required or requested by the Trustees.

Section 13. The Employer hereby agrees to make payments to the Local Union No. 19 Supplemental Unemployment Benefit Fund for each Employee covered by this Collective Bargaining Agreement, as follows:

(a) For each hour for which a Journeyperson, Foreperson, or General Foreperson, subject to this Collective Bargaining Agreement receives pay from the Employer, the Employer shall make a total contribution to the Sheet Metal Workers' Local Union No. 19 Supplemental Unemployment Benefit Fund equal to three percent (3%) of the negotiated Journeyperson wage rate plus contributions paid by such Employer on behalf of such Employee to the Pension, 401 (h) Annuity, and Health & Welfare Funds.

(b) For each hour for which a 3rd through 8th period Apprentice, subject to this Collective Bargaining Agreement receives pay from the Employer, the Employer shall make a total contribution to the Sheet Metal Workers' Local Union No. 19 Supplemental Unemployment Benefit Fund equal to three percent (3%) of negotiated 8th period Apprentice wage rate plus contributions paid by such Employer on behalf of such Employee to the Pension, Annuity, and Health & Welfare Funds. For each hour for which a 1st and 2nd period apprentice, subject to this collective bargaining agreement, receives pay from the employer, the employer shall make a total contribution to the Sheet Metal Workers Local Union No. 19 Supplemental Unemployment Benefit Fund equal to 50% of the Journeyperson contribution rate.

(c) The Employer hereby agrees to become a party to the Local Union No. 19 Supplemental Unemployment Benefit Fund and Declaration of Trust, and agrees to be bound by all 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 provided 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.

(d) 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.

(e) 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 contributions to the Fund as a deduction for income tax purposes; 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 Service Code; and not be required to include such contributions, for purposes of the Fair Labor Standards Act, in the regular rate of pay of an Employee.

(f) If the Employer fails to make contributions to the Fund within ten (10) days after the date required by the Trustees, the Local Union, in addition to any rights the Trustees may have, shall have the right with 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.

(g) It is expressly understood that the Employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedure of this Collective Bargaining Agreement and that the no-strike clause, if any, shall not prohibit any action the Union chooses to take to compel payment of contribution.

Section 14. The expiration date of the present Collective Bargaining Agreement between the Sheet Metal Workers' Local Union No. 19 and the Employer is May 31, 2013.

Section 15. The parties agree that this Agreement, including the following SUB Work Rules, shall be considered a part of the Collective Bargaining Agreement between the Employer and the Sheet Metal Local Union No. 19 and all subsequent Collective Bargaining Agreements between said parties.

(a) The selection of Sheet Metal Forepersons and General Forepersons shall be entirely the responsibility of the Employer. Forepersons and General Forepersons shall take orders from individuals designated by the Employer.

(b) There shall be no limit on production by workers or restrictions on the full use of tools or equipment or on the number of workers 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 Foreperson.

(c) Security procedures for control of tools, equipment, and materials are solely the responsibility of the Employer.

(d) Workers 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 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 that are not a part of the terms and conditions of this Collective Bargaining Agreements will not be recognized.

(f) Slowdowns, standby crews, and featherbedding practices will not be tolerated.

(g) A Steward shall be a qualified worker performing work of their 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 workers within forty-eight (48) hours (Saturdays and holidays excluded), the Contractor shall be free to obtain workers 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 Employees. 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, they 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 workers to be assigned to each of the shifts as established.

Section 16. The Employer agrees to provide to the Funds and the Union an indemnity bond guaranteeing that Employees and the Funds will be paid amounts due to Employees and Funds as and when the Employer fails to meet and comply with the provisions and requirements of this Agreement related to wages and payments or contributions to the Funds. In the event an indemnity bond is not obtainable by the Employer, the Employer may provide the Funds and the Local Union with an irrevocable letter of credit. Said letter of credit shall not be canceled without sixty (60) days notice to the Funds Office and the Local Union.

The bond and/or irrevocable letter of credit shall be issued by a reputable bonding company and/or bank and shall be acceptable to the Union and the Trustees of the Funds, and shall be at all times in an amount meeting the requirements of the following schedule or formula:

If the total of two (2) weeks of gross wages (before vacation) plus nine (9) weeks of contributions and payments due the Funds (excluding payments to the Vacation Fund) (hereinafter referred to as the "Bond Amount") equals or is less than \$10,000 the employer's bond shall be for \$10,000. Each Employer's bond shall increase in increments of \$10,000 as its bonded amount exceeds the prior amount of the Employer's bond by One Dollar (\$1.00). For example, if the bonded amount becomes \$10,001 the bond shall be for \$20,000, when the Bonded Amount becomes \$20,001 the bond shall be for \$30,000, and so forth.

Effective August 1, 2009 the maximum bond required shall be \$440,000.

A bank letter of credit, acceptable to the Trustees will be accepted in lieu of an indemnity bond.

Section 17. Bonds shall be provided for a period of not less than one (1) year and may be renewable or continuous until revision of the amount necessary to satisfy the herein schedule or formula as required, at which time, the new bond shall be furnished for a like period.

The amount of the bond required shall be determined by the application of the above formula to annual payments made or due for the annual period ending with July 31st of any year. If a change in the amount is required, the change shall take place immediately.

If the Employer has no record of previous employment or contributions to the Funds and is required to furnish a bond, it shall be for not less than ten thousand dollars (\$10,000) or an amount established by the Union to adequately cover payments expected or estimated to be required in view of anticipated employment. Such estimates shall be related to the amount of money expected to be due for wages and contributions on a basis of ten thousand dollars (\$10,000.00) per worker and the resulting figure shall be related to the bond coverage formula as described in Section 16 of this Article XII.

Section 18. Bonds shall be written to provide for payments covering wages and the several Funds in the following order. When money remains after satisfying the requirements of the first, then the balance shall be allocated to each of the others in the order shown, to the extent possible:

First, the full amount due for wages. (Wages include credit union deductions, work assessments, and LPE check-off).

Second, the full amount due to the Vacation Fund.

Third, the full amount due to the Annuity Fund.

Fourth, the full amount due to the Health & Welfare Fund.

Fifth, the full amount due to the Pension Fund.

Sixth, the full amount due to the Local Union No. 19 SUB Fund.

Seventh, the full amount due to the Apprenticeship and Training Fund.

Eighth, the full amount due to the Industry Fund.

Ninth, the full amount due to the International Training Institute for the Sheet Metal and Air Conditioning Industry.

Section 19. The posting of the bond with the Funds shall not exempt the Employer from liability to make reports and full payment of amount due all Funds, if the bond does not meet full amounts due or the bonding company does not pay or if the Union and the Trustees are required to sue the bonding company. Nor does it exempt the Employer from meeting and complying with all other requirements and provisions of this Agreement relating to the Funds and Wages.

Section 20. The Employer agrees to have the required bonds, in duplicate, in the possession of the Funds within thirty (30) days immediately following the effective date of this Agreement.

Should the Employer fail to produce the required bond within the prescribed time period, said Employer shall be required to make all reports and/or payments or contributions on a weekly basis. These reports and/or payments or contributions shall be paid on the same day that wages are paid and shall cover the same payroll period. Should the Employer fail to meet the requirements of this Section, the Union may withdraw Employees from the employment of the Employer on the first working day following the day on which all reports and/or payments or contributions are due.

(a) Employers who must report on a weekly basis, and fail to mail the benefits on the day that wages are paid, shall be assessed liquidated damages at the rate of one and one-quarter percent (1 1/4%) of the gross amount due each Fund for each week thereafter during which they remain unpaid.

(b) Where employers are required to pay weekly, because they do not have a bond, and have not maintained 12 consecutive months of on time fringe benefit payments, there shall be an administrative fee charged not greater than 0.0025 (one quarter of one percent) of the value of the fringe benefit contributions due weekly as determined by the Trustees. The fee is to be paid with the weekly contributions until they maintain 12 consecutive months of on time payments. New employers will be considered on time.

Section 21. Employers, whose principal office or place of business is located outside of the area covered by this Agreement, employing Employees covered by this Agreement within its territorial coverage or Employers employing workers represented by the Union and for short periods not exceeding eight (8) man-weeks may, in lieu of posting bond, with the approval of the Union:

(a) Deposit with each Fund cash or certified check in an amount ranging from a minimum of five hundred dollars (\$500) to three thousand dollars (\$3,000) to guarantee reports and payments due the Funds and Wages. The actual amounts to be so deposited shall be those required by the Union, and shall be related to the number of workers employed and the anticipated length of the job. Upon completion of the job, should the Employer fail to meet the requirements and provisions of this Agreement, the amount due and unpaid shall be deducted and kept by the Funds and the balance, if any, shall be returned to the depositor or, if the Employer has complied in full, the amount deposited shall be returned, upon request, at the earliest opportunity, following the satisfaction of all requirements.

(b) Make payments or contributions to all Funds each time wages are paid to Employees on the job, but separate from wages, in a manner prescribed by the Union.

Section 22. The Employer agrees that, when performing work in the territory of other local unions of the Sheet

Metal Workers' International Association, the terms, conditions, and requirements of the then existing Agreement between the appropriate Local Union and the Employers in that area related to Funds and as established therein shall be complied with and that failure to do so will permit the Union to take whatever action it deems appropriate to assure compliance.

Section 23. The Employer agrees that the Trustees of any and all Funds herein provided for may, at their discretion, enter into reciprocal Agreements with other similar Funds, in any manner they may to determine, protect, and advance the interest of Employees covered by these or other Funds of similar nature.

Section 24. The undersigned hereby agrees to accept and confirm as representatives and members of the Board of Trustees the following:

Joseph Sellers, Jr.	Edmund J. Bransfield
Thomas J. Klingenberg	D. Robert Buccini
Patrick Doyle	Robert J. Kryszczak
Gary Masino	Roeland Hoeke

These representatives, together with their successors selected in the manner provided in said Trust Agreement, are hereby authorized to and shall represent the Union and the Employer and other Employers, parties to this or similar Agreements in the administration of the Health & Welfare, Annuity, Pension, 401(h), Vacation, and Sub Funds.

SHEET METAL WORKERS INTERNATIONAL ASSOCIATION - LOCAL #19
HOURLY WAGE, DEDUCTION AND CONTRIBUTION SCHEDULE
CENTRAL PENNSYLVANIA AREA
EFFECTIVE JUNE 1, 2010 THROUGH MAY 31, 2011

CLASSIFICATION	GROSS LABOR COST	APPR FUND	ITI	INDS FUND	TOTAL CONTRIBUTIONS			TAXABLE WAGE			VAC FUND	ASSMT WAGE	NET WAGE	TOTAL DED/ FUNDS	APPR PERIOD
					BENEF WAGE	HEALTH & WELFARE	401-H PENSION	ANNUITY SUB	RATE						
JOURNEYPERSON	\$59.28	\$0.82	\$0.15	\$0.27	\$58.04	\$13.27	\$1.50	\$10.08	\$2.15	\$1.45	\$29.59	\$1.14	\$1.68	\$26.77	\$32.51
FOREPERSON	\$61.65	\$0.82	\$0.15	\$0.27	\$60.41	\$13.27	\$1.50	\$10.08	\$2.15	\$1.45	\$31.96	\$1.14	\$1.68	\$29.14	\$32.51
(1-2 MEN) 8% SUB FOREPERSON	\$61.35	\$0.82	\$0.15	\$0.27	\$60.11	\$13.27	\$1.50	\$10.08	\$2.15	\$1.45	\$31.66	\$1.14	\$1.68	\$28.84	\$32.51
7%															
FOREPERSON	\$62.83	\$0.82	\$0.15	\$0.27	\$61.59	\$13.27	\$1.50	\$10.08	\$2.15	\$1.45	\$33.14	\$1.14	\$1.68	\$30.32	\$32.51
(3-7 MEN) 12%															
FOREPERSON	\$63.42	\$0.82	\$0.15	\$0.27	\$62.18	\$13.27	\$1.50	\$10.08	\$2.15	\$1.45	\$33.73	\$1.14	\$1.68	\$30.91	\$32.51
(8-15 MEN) 14%															
GENERAL FOREPERSON	\$64.01	\$0.82	\$0.15	\$0.27	\$62.77	\$13.27	\$1.50	\$10.08	\$2.15	\$1.45	\$34.32	\$1.14	\$1.68	\$31.50	\$32.51
(OVER 15 MEN) 16%															
APPRENTICES															
1ST PERIOD	\$28.00	\$0.82	\$0.15	\$0.27	\$26.76	\$12.21	\$0.50	\$0.73	\$13.32	\$1.14	\$0.38	\$11.80	\$16.20	45%	
2ND PERIOD	\$29.48	\$0.82	\$0.15	\$0.27	\$28.24	\$12.21	\$0.50	\$0.73	\$14.80	\$1.14	\$0.39	\$13.27	\$16.21	50%	
3RD PERIOD	\$36.93	\$0.82	\$0.15	\$0.27	\$35.69	\$12.21	\$5.04	\$1.17	\$16.27	\$1.14	\$0.47	\$14.66	\$22.27	55%	
4TH PERIOD	\$38.41	\$0.82	\$0.15	\$0.27	\$37.17	\$12.21	\$5.04	\$1.17	\$17.75	\$1.14	\$0.48	\$16.13	\$22.28	60%	
5TH PERIOD	\$39.89	\$0.82	\$0.15	\$0.27	\$38.65	\$12.21	\$5.04	\$1.17	\$19.23	\$1.14	\$0.50	\$17.59	\$22.30	65%	
6TH PERIOD	\$41.37	\$0.82	\$0.15	\$0.27	\$40.13	\$12.21	\$5.04	\$1.17	\$20.71	\$1.14	\$0.51	\$19.06	\$22.31	70%	
7TH PERIOD	\$42.85	\$0.82	\$0.15	\$0.27	\$41.61	\$12.21	\$5.04	\$1.17	\$22.19	\$1.14	\$0.53	\$20.52	\$22.33	75%	
8TH PERIOD	\$45.81	\$0.82	\$0.15	\$0.27	\$44.57	\$12.21	\$5.04	\$1.17	\$25.15	\$1.14	\$0.56	\$23.45	\$22.36	85%	

WORK ASSESSMENT IS 1.5% OF JOURNEYPERSON TOTAL BENEFICIAL WAGE PLUS .81
WORK ASSESSMENT IS 1.0% OF APPRENTICE TOTAL BENEFICIAL WAGE PLUS \$.11
SUB FUND -- JOURNEYPERSON TAXABLE WAGE PLUS ANNUITY, PENSION AND WELFARE TIMES 3% MINUS 25 CENTS
APPRENTICE 8TH PERIOD TAXABLE WAGES PLUS ANNUITY, PENSION AND WELFARE TIMES 3% MINUS 13 CENTS
***1st and 2nd PERIOD APPRENTICES, 50% OF JOURNEYPERSON SUB FUND CONTRIBUTION**

ARTICLE XIII

Apprentice & Training

Third Year
First Half - 65% Second Half - 70%

Fourth Year
First Half - 75% Second Half - 85%

Section 1. All duly qualified Apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee (JATC) composed of eight (8) members, four (4) of whom shall be selected by the Employer and four (4) by the Union. Said Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they 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 a 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 and it is hereby mutually agreed by both parties that they will individually and collectively cooperate to the extent that duly qualified and Registered Apprentices be given every opportunity to secure proper technical and practical education and experience in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

Section 3. It is hereby agreed that the Employer shall be entitled to apply to the Joint Apprenticeship and Training Committee on the basis of one (1) Apprentice for each three (3) Journeypersons regularly employed throughout the year, not to exceed eleven (11) Apprentices, and said ratio shall govern the consideration and granting of Apprentices by the Committee; however, the Employer may petition the Joint Apprenticeship and Training Committee for authorization to exceed the eleven (11) Apprentice limit, and the Committee shall consider such requests on an individual company basis and may in their judgment agree to permit a firm to exceed the limit.

Section 4. All applicants for Apprenticeship shall have attained a minimum age of seventeen (17) years. Each Registered Apprentice shall serve an Apprenticeship of four (4) years and such Apprentices shall not be put in charge of work on any job and shall work under the supervision of a Journeyperson until Apprenticeship term has been completed, and they have qualified as Journeypersons.

Section 5. A graduated wage scale for Apprentices who enter the Apprenticeship Program shall be established and maintained on the following percentage basis of the established taxable wage rate of Journeyperson Sheet Metal Workers' and shall be as follows:

First Year
First Half - 45% Second Half - 50%

Second Year
First Half - 55% Second Half - 60%

For all Apprentices, effective June 1, 2010, contributions to the Health & Welfare Fund shall be twelve dollars and twenty one cents (\$12.21) plus sixty-five percent (65%) of all journeyperson Health & Welfare allocations until the expiration of this agreement. Contributions to the Pension Fund on behalf of all 3rd through 8th period Apprentices shall be made at 50% of the Journeyperson contribution rate. No contributions shall be made to the section 401(h) component of the Pension Fund on behalf of Apprentices. The Annuity Fund contributions for all 3rd through 8th period Apprentices shall be frozen for the term of this Agreement at one dollar (\$1.00) per hour and all 1st and 2nd period apprentices shall be frozen for the term of this agreement at fifty cents (\$.50) per hour. This Agreement is made with the understanding that Central Pennsylvania Apprentices whose service is covered by a reduced pension contribution rate as compared to the Central Pennsylvania area commercial journeyperson's contribution rate will earn a pro rata share of a journeyperson's pension credit, determined by multiplying the Central Pennsylvania area commercial journeyperson's pension credit by a fraction, the numerator of which is the reduced contribution rate and the denominator of which is the Central Pennsylvania area journeyperson's contribution rate.

Section 6. Registered Apprentices shall be rotated from one kind of work to another in the shop or on the job site, so that training shall be fully integrated.

Apprentices will be rotated from Employer to Employer at the sole discretion of the Joint Apprenticeship Training Committee. The Employer agrees that failure to comply with proper application of the Apprentice Standards, if such is so decided by the Joint Apprenticeship and Training Committee, shall be sufficient cause for removal of any or all Apprentices in their employ.

Section 7. The Employer agrees to pay eighty two cents (\$.82) per hour to the Sheet Metal Workers' Joint Apprenticeship and Training Fund of Central Pennsylvania hereinafter referred to as the JATF. It is further agreed that the Employer will pay an additional fifteen cents (\$.15) per hour to the International Training Institute for the Sheet Metal and Air Conditioning Industry (iTl) for each hour of wages paid for all Employees covered by this Agreement to the iTl.

(a) Hours of wages paid shall mean the number of hours resulting from dividing gross wages by the Employee's regular time hourly rate. Travel time pay shall be included as hours of wages paid.

(b) Payments made as herein required shall be used exclusively by the JATC to formulate and make operative such rules and regulations as they may deem necessary or wise and which do not conflict with the specific terms of this Agreement and/or Trust Agreement to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified Apprentices and

Journeypersons, and the operation of an adequate Apprentice and Journeyman training system to meet the needs and requirements of the trade. Said rules and regulations when formulated and adopted shall be recognized as a part of this Agreement as if written herein.

(c) Included in the Employer's contribution for each hour of wages paid to the iTi is twelve cents (\$.12) which will be remitted to the iTi and three cents (\$.03) per hour for each hour of wages paid which will be remitted to the National Energy Management Institute.

(d) The Employers and the Union agree to be bound by the Agreement and Declaration of Trust established by said iTi as if included herein and amendments thereto as may be made from time to time and hereby designate as their Representatives on the Board of Trustees, as are named, together with any successors who may be appointed pursuant to said Agreement.

(e) Payments for the JATF will be forwarded with and at the same time as all other Fund payments to our Funds Office, 1301 South Columbus Boulevard, Philadelphia, PA 19147. The Administrator, in accordance with arrangements made by and between the Trustees of the JATF, and the Funds Administrator will deposit that amount due to the JATF to the source designated by the Trustees.

(f) The said JATF shall be administrated pursuant to an Agreement and Declaration of Trust (hereinafter referred to as "Trust Agreement"), which shall be administered jointly by an equal number of representatives of the Employer and of the Union all of whom shall be Members of the JATC established in Section 1 of Article XIII of this Agreement.

(g) A copy of the Trust Agreement, together with amendments thereto, shall be attached to this Agreement and shall then be considered as part of this Agreement, as if set forth herein at length. The said Trust Agreement shall provide for annual audited reports of the JATF. The payment by the Employer of contributions to the JATF shall be made monthly, on or before a date and in a manner and form that shall be prescribed by the Trustees requiring such information as is hereinafter set forth.

(h) The Employer agrees to abide by and comply fully with all rules, regulations and requirements established by the JATC within the powers and authorities under the Trust Agreement and this Agreement.

(i) The Employer agrees to furnish the Trustees with records setting forth the names, classifications, social security numbers of the Employees, and the number of hours worked by and wages paid to each Employee during the period or periods accounted for, and the JATC by itself or by its agent, shall have the right at any time to inspect or audit all Employer's records related to the herein provided payment.

(j) The parties to this Agreement agree to accept and confirm as Representatives and Trustees of the Sheet Metal Workers' Joint Apprenticeship and Training Fund of Central Pennsylvania the following:

Union Representatives

Joseph Sellers, Jr. Patrick Doyle
William C. Dorward Walter Friedrich

Employer Representatives

Richard Mertz Daniel McCallum
William Sponaugle Lori Eshenaur

These Representatives and their successors selected in the manner provided in said JATF Trust Agreement are hereby authorized to and shall represent the Employer and the Union in the administration of the JATF.

(k) The parties hereto agree that should the amount of payment by the Employer as provided in this Section 7, later, at any time, be reduced by mutual Agreement of both parties hereto the amount by which it is reduced shall immediately be added to the then current and subsequent wage rates established in this Agreement.

(l) The parties hereto agree that the Employer shall pay directly, each Apprentice in their employ for time spent in attendance at day-time school at the appropriate straight time rate.

(m) Third (3rd) year Apprentices will attend two (2) - forty (40) hour weeks of concentrated training. The Apprentice can be laid off. This will not affect the employees' eligibility to collect unemployment compensation and SUB Fund benefits.

Section 8. (a) An Apprentice may be sent by their employer from the branch local in which they are based to work in another Central Pennsylvania branch local as set forth in Article IV, Section 3. This section is not intended to increase the portability of labor as described in this agreement.

(b) Apprentices shall not be employed outside the territorial jurisdiction of the Union, as designated in this Agreement, unless specific permission is given by the Union and the Local Union having jurisdiction where the work is located.

Section 9. Registered Apprentices shall not be assigned to or employed by any Employer whose principal business is such as does not meet the requirements of training in required skills as established by the Joint Apprenticeship and Training Committee and the established Standards of Apprenticeship.

Section 10. Any Apprentice or Employer affected by a decision of the JATC, regarding discipline, discharge, or reassignment, may appeal to the Joint Adjustment Board. The appeal must be filed within fourteen (14) days of the Joint Apprenticeship and Training Committee's decision. The Joint Adjustment Board must meet within fourteen (14) days of receipt of the request, unless the time is extended by mutual agreement of all parties to render a final and binding determination.

Section 11. It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the International Training Institute for the Sheet Metal and Air Conditioning Industry (iTi) and any

Local Joint Apprenticeship and Training Fund (Local JATF) will not be used to train Apprentices or Journeypersons who will be employed by Employers in the Sheet Metal Industry not signatory to a collective bargaining agreement providing for contributions to the iTi and a Local JATF. Therefore, the Trustees of the iTi and a Local JATF shall adopt and implement a Scholarship Loan Agreement Program, which will require Apprentices and Journeypersons 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 iTi and Local JATF materials, facilities, and personnel utilized in training. If a Local JATF does not implement the Scholarship Loan Agreement, the Local JATF will be prohibited from utilizing iTi materials and programs.

Section 12. The local Joint Apprenticeship and Training Committee shall implement and supervise a sheet metal industry training program and encourage participation in sponsored training events. Each Journeyperson shall complete one (1) approved sheet metal industry related educational and/or training course during one (1) semester every three (3) years.

ARTICLE XIV

Safety, Tools, & Conditions

Section 1. The Employer, if not immediately or otherwise subject to state laws governing unemployment and workers' compensation, health, safety, and other laws of benefit to the Members of the Union, shall immediately become subject to and comply with all such laws in all states, in which work is performed and shall furnish the Union with satisfactory evidence of such action when requested. The Employer agrees to be fully responsible in faithfully discharging all Employer duties and responsibilities applicable to the Employer by OSHA and any other Federal, State, or Local safety regulations.

(a) The Employer will provide hard hats with chin straps, eye shields, hearing protection, and/or other safety devices as may be required by law, local ordinance, or at their discretion to prevent or reduce industrial accidents.

(b) The Employer will provide potable water per OSHA standards, whether in the shop or on the job site.

(c) The Union will schedule first aid training for all Members and Apprentices.

Section 2. This Agreement provides that no Employees shall be required to work on asbestos contaminated building sites. At locations where asbestos has been removed to a safe level of contaminant and certified by the licensed inspector to be safe, Employees will be permitted to work. Prior to work commencing on asbestos sites, the Employer will supply, at no expense to the Employees, a complete set of proper dress gear as

required and approved by OSHA. Such equipment shall include; coveralls, gloves, foot protection, respirators, and head gear and be provided to each Employee at the asbestos job site designated.

(a) It shall not be a violation of this Agreement if the Union orders any or all Employees to immediately cease work on any job site or in the shop of the Employer nor shall it be a violation of this Agreement or a cause for discharge if any Employee or Employees refuse to work because conditions under which they must work are considered unsafe or unhealthy, provided that the Employer has been given reasonable opportunity to correct the condition and does.

(b) If an Employee, with the agreement of a representative of the Employer, deems it necessary or wise to have an injury attended to by a doctor, either in his office or at a hospital, during work hours, they shall be paid for the time required from the time they leave the job until their return or, if they are advised by the doctor not to return to work, they shall be paid for the balance of the day.

(c) The Employer will have posted at the shop and the job site, the name, address, and telephone number of a nearby doctor and hospital.

(d) An employee, who must seek a doctor's treatment during work hours for a work injury, will be paid at their regular rate of pay for lost time during the time of employment.

Section 3. The Employer will provide scaffolding, ladders, rope, mechanical lifts, and other tools and equipment in good, safe condition.

(a) The Employee will endeavor to keep all tools and equipment entrusted to their use and care in good, safe condition and will promptly report failures or weaknesses in such tools and equipment. No Employee shall be required to use any equipment considered to be unsafe and should question arise as to whether or not equipment is safe, the issue shall immediately be referred to the Union and the Employer for settlement.

(b) The Employee will furnish and wear, where required, approved safety shoes and clothing without unsafe appendages. Optical eye glasses shall have no-shatter type lenses.

(c) When required by law or by direction of the Employer, Employees will wear hard hats, eye shields, dust masks, and hearing protection furnished by the Employer.

(d) Employees who fail or refuse to comply with directions of the Employer with regard to OSHA safety provisions may be subject to penalties by the Employer, such penalties are not to be arbitrarily or maliciously assessed, and before assessment, shall be subject to review by the Union.

(e) All injuries shall be reported to the Union within twenty-four (24) hours, when practical, on forms provided. Failure to report as herein provided, shall not, however, in any way diminish or void the Employee's legal rights or privileges.

Section 4. Journeyperson Sheet Metal Workers and Registered Apprentices covered by this Agreement shall provide for themselves all necessary hand tools.

Section 5. It shall not be a violation of this Agreement or cause for discharge if any Employee declines to use explosive actuated tools.

Section 6. Journeyperson Sheet Metal Workers and Registered Apprentices 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 workers, tools, equipment, or material from shop to job site, from job site to job site, or from job site to shop, means for such transportation is to be provided by the Employer except that Journeyperson Employees may carry the following Employer supplied hand tools on occasion, but only as and when the Employee freely agrees: a Whitney Punch, electric drills, an electric cord, a caulking gun, a small box each of screws, rivets, and bolts, but only when necessary for the work they are performing. Whenever it is necessary for an Employee to go out of their normal way to or from work to get or carry these tools, they shall be paid forty-four and a half (.445) cents for each mile so traveled as expensed and for any additional time shall be paid for same at their regular rate of wages. 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 site at starting time or from job site to home at quitting time. Absolutely nothing else may be carried by an Employee in their own automobile or other personal conveyance without specific approval of the Union.

Section 7. The Employer agrees that they shall reimburse Employees for loss of tools, clothes, or other property, reasonably located at the job site, or shop by proven theft, or fire or other damage beyond the control of the Employee provided, however, the maximum paid will be three hundred fifty dollars (\$350) in each case to each Employee sustaining such loss, and provided receipts are presented for such tools and clothing, and/or property.

Section 8. Employees shall conscientiously safeguard, to the extent reasonably possible, all tools, which are furnished to them by the Employer against loss or pilferage. The Employer agrees that they will provide a suitable and safe receptacle for all tools, both those of the Employer and the Employee.

Section 9. The Employer agrees that design and implementation of Employee evaluation programs such as psychological screening, polygraph, drug and alcohol, and genetic testing will not be arbitrarily introduced and are subject to negotiation. Local Union No. 19 and the SMCA of Central Pennsylvania affirm that the use of controlled substances and alcohol are forbidden on job sites.

(a) Where, as a condition of the contract or subcontract, the Employer's customer requires Sheet Metal Workers to be tested for the presence of controlled substances as a condition for entry to the job site, the Union agrees to cooperate in the implementation of a non-discriminatory, non-random program of controlled substance testing. The cost of such a program shall be the sole responsibility of the Employer or customer. Nothing

herein shall modify Article XIV, Section 9 of the current labor Agreement.

Section 10. The Employer agrees to install proper ventilation systems in the shop in such areas as welding, plasma cutting, grinding, insulation, etc. when materials and equipment are being used that may prove to be hazardous and unhealthy to Employees.

Section 11. The Employer shall provide a clean, heated shelter or space for Sheet Metal Workers in cold weather, so Employees may change their clothes, and eat their lunch on jobs of twenty (20) working days or more duration.

Section 12. Any Employee who is discharged for alcohol or drug use, and who after testing within a twenty-four (24) hour period by a qualified laboratory or doctor, approved by the Employer and the Union, tests negative for either drug and/or alcohol use, the Employee will be reinstated with back pay for all time lost directly related to this incident.

Section 13. The Sheet Metal Industry Advancement Committee has developed, maintains, and will from time to time amend, a joint statement known as the "Drug and Alcohol Free Workplace Policy". This Policy may be adopted by an Employer upon written notice to the Association and the Association shall notify the Union.

Section 14. By November 30, 2008 all journeyperson Sheet Metal Workers of Local 19 shall complete the OSHA 10 hour training course. It is intended for all journeypersons to complete the OSHA 30 hour training by the expiration of this agreement.

Journeypersons failing to complete the OSHA 10 hour requirement will not be referred for employment until this requirement is satisfied.

ARTICLE XV

Picketing

Section 1. The Employer agrees that it shall not be a violation of any term, provision, or requirements of this Agreement, if Employees covered by this Agreement refuse to cross or work behind any legal picket line established by a bona fide union, provided the strike or picket line is authorized or sanctioned by the Union involved or by the International Union of the Union that called the strike or established the picket line or is authorized or sanctioned by a Central Labor, Building and Construction Trades, Metal Trades, or other recognized Council of Unions having jurisdiction of the area involved. No Employee covered by this Agreement shall be requested to perform any work operations that were being performed by persons on strike.

Section 2. The Employer recognizes the Union's internal picketing rules and the necessity thereof and pledges non-interference therewith. The Union will strive to avoid serious conflict with Employer's job scheduling when assigning Members to picket duty and will inform the Employer prior to such action.

ARTICLE XVI

Union Representatives

Section 1. The Employer agrees that Business Representatives of the Union shall have the right to enter the shop of the Employer at any time it is open and in operation for the purpose of checking safety, grievances, and other conditions of employment in which the Union has interest and to conduct business therein without interference by the Employer provided there is no unnecessary interference with the operation of the shop and provided they notify the Employer or their specified supervisor of their presence on the premises.

Section 2. Stewards may be appointed within the rules of the Union to any job site or shop of the Employer. The Union will notify a Company Representative when a job or shop steward is appointed. The Employer agrees to recognize Stewards in the settlement of minor or ordinary grievances and job problems. Further, the Union may appoint one (1) Steward for all Employers with ten (10) or less Employees.

(a) Stewards shall have nothing to do with matters related to the referral, hiring, layoff, or discharge of Employees except that the Employer shall have each new Employee report to the Steward so that they may know each other.

(b) Stewards shall have no authority whatsoever to call, order or create a strike or work stoppage. They shall report all serious matters to the Union Office.

(c) Stewards shall be given by the Employer reasonable time to perform their normal duties and shall be given reasonable time to check, at the job site where they are employed, and report on any sheet metal work not included in the Employer's contract during the regular working hours and without loss of wages. Stewards shall not be dilatory or waste time in the performance of their duties and shall report to their Foreperson before devoting time to checking other work. Under no circumstances shall a Steward make any arrangement with the Employer or others that will conflict with or be in violation of this Agreement.

(d) Stewards shall be the next to last worker laid off and the first rehired in the shop or on the job site, unless just cause is established by the Employer and in no case shall a Steward be laid off or transferred prior to consultation with the appropriate representative of the Union.

ARTICLE XVII

Owners & Owner Members

Section 1. The Employer shall employ at least one (1) Journeyperson Sheet Metal Worker who is not a member of the firm on all work specified in Article I of this Agreement.

Section 2. The Employer agrees that not more than one (1) owner, partner, officer, stock holder, or agent

involved either directly or indirectly in the ownership or management of a sheet metal shop or business shall work with the tools of the trade or on any productive equipment or on the work specified in Article I of this Agreement, but such work shall be confined to the Employer's shop only.

Section 3. Owner-members will operate in accordance with provisions of the Sheet Metal Workers' International Association Constitution and Ritual and the Trust Agreements of the various Funds such as Vacation, Health & Welfare, Pension, 401(h), Annuity, and Local Union No. 19 SUB Funds.

Section 4. The Union agrees that the terms and conditions contained herein will be available only to HVAC Sheet Metal Contractors who maintain a properly equipped fabrication shop. This shall not apply to Architectural Sheet Metal Contractors, Specialty Sheet Metal Contractors, and Environmental Balancing Contractors.

ARTICLE XVIII

Grievance Procedures

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. An Employer may have the local Association present to act as their representative. To be valid, grievances must be raised within thirty (30) calendar days following the knowledge given 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 Joint Adjustment Board having jurisdiction over the parties and such Board shall meet promptly on a date mutually agreeable to the Members of the Board, but in any case not more than fourteen (14) calendar days following the request for its services, unless the time is extended by mutual agreement of the parties, to render a final and binding determination, except as provided in Sections 3 and 5 of this Article XVIII. The Board shall consist of an equal number of representatives of the Union and of the local Employers' Association, and both sides shall cast an equal number of votes at each meeting. The local Employers' Association, on its own initiative, may submit grievances for determination by the Board as provided in this Section.

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 mutual agreement of both parties.

Section 3. Grievances not disposed of under the procedure 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 General President of the Sheet Metal Workers' International Association and one (1) representative appointed by the Chairman of the Labor Relations Committee of the Sheet Metal and Air Conditioning Contractors' National Association, Inc. Appeals on behalf of Employees shall be mailed to the General Secretary-

Treasurer of the Sheet Metal Workers' International Association, and those on behalf of an Employer should be mailed to the Secretary of the Sheet Metal and Air Conditioning Contractors' National Association, Inc. Joint appeals shall be mailed to the Secretaries of both Associations. 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 the case of a deadlock, the decision of the Panel shall be final and binding.

Notwithstanding the provisions of Paragraph 1 of this Section, an Employer who was not a party to the labor Agreement of the area in which the work in dispute is performed may appeal the decision of the Local Joint Adjustment Board, including a unanimous decision, and request a Panel hearing as set forth in Section 3 of this Article XVIII, providing such appeal is approved by both the Chairman of the Labor Relations Committee of Sheet Metal and Air Conditioning Contractors' National Association, Inc., and by the General President of Sheet Metal Workers' International Association.

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, as established by the Sheet Metal Workers' International Association and the Sheet Metal and Air Conditioning Contractors' National Association, Inc. Submission shall be made and decisions rendered under such procedures as may be prescribed by such Board, from time to time, and mutually approved by the parties creating it. Copies of the procedures shall be available from and submissions of grievances may be made to either the General Secretary-Treasurer of the Sheet Metal Workers' International Association or the Secretary of the Labor Committee of the Sheet Metal and Air Conditioning Contractors' National Association, Inc. Submissions on appeal to the National Joint Adjustment Board shall be made within thirty (30) days after termination of the procedures prescribed in Section 3 of this Article XVIII.

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 and, if it is believed warranted, to direct that the involved Agreement and any other Agreement or Agreements between the Employer and any other local union affiliated with the Sheet Metal Workers' International Association be canceled, provided, however, that any decision of a Local Joint Adjustment Board or Panel directing cancellation of an Agreement or Agreements shall be automatically reviewed by the National Joint Adjustment Board and such cancellation shall not be effective unless the order is affirmed by an order from the National Board.

Section 6. In the event any party fails or refuses to comply with any decision of a Local Joint Adjustment Board or Panel, without appeal, or any decision of the National Joint Adjustment Board, within thirty (30) days

notice thereof, a Local Joint Adjustment Board, Panel, or any party to the dispute may, in addition to any other legal remedies which may be available to the parties, request the National Joint Adjustment Board to cancel the involved Agreement and any other Agreements between the involved Employer and other Local Unions affiliated with Sheet Metal Workers' International Association. Unless otherwise decided by unanimous vote, the National Joint Adjustment Board shall cancel such Agreements if it finds the involved party to be in non-compliance with the decision in question. Requests for the Board's services shall be made in the same manner and in the same form as other appeals to the National Joint Adjustment Board, and the procedure followed shall be the same except that any intermediate step or steps shall be omitted and the requests made directly to the National Joint Adjustment Board.

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

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

(d) Unless a different date is agreed upon mutually between the parties or is directed by the unanimous decision of the National Joint Adjustment Board, all effective dates in the new agreement shall be retroactive to the date immediately following the expiration date of the expiring agreement.

Section 9. The parties hereto agree that all Employers and Local Union Business Representatives and Officers thereof, resorting to the provisions of this Article XVIII and availing themselves of the procedures therein provided, expressly waive and relinquish in the individual and their representative capacities, any and all potential claims against any members or members of the appropriate Local Joint Adjustment Board, National Panel or National Joint Adjustment Board. It is further agreed that individuals serving as members of such Boards or Panels are arbitrators performing a quasi-judicial function.

Section 10. Grievances appealed to the National Joint Adjustment Board, in accordance with Section 4 of this Article, which result in a deadlock or failure of said Board to act shall be resubmitted to the Local Joint Adjustment Board which must meet and settle the dispute.

ARTICLE XIX

Severability Clause

Section 1. It is not the intention of the parties hereto to violate any existing Federal, State or Municipal Law or legal regulation. However, should any article, section, paragraph, sentence, or clause of the within Agreement be held to be illegal or in contravention or violation of any applicable existing law by a court of competent jurisdiction, such part or parts shall immediately be held to be inoperative under this Agreement. All other parts hereof shall continue to remain in full force and effect for the duration of this Agreement. It is the intent of both parties, hereto, that those parts of this Agreement not found to be illegal would have been agreed to and included herein whether or not the others were included.

ARTICLE XX

Term of Agreement

Section 1. This Agreement shall become effective on the first day of June, 2010, and remain in full force and effect through the last day of May, 2013, and shall continue in force from year to year after unless written notice of reopening is given not less than ninety (90) days prior to the expiration date. In the event such notice of requested reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party.

Section 2. Notwithstanding any other provisions of this Article, an award of the Joint Adjustment Board rendered pursuant to the procedures prescribed in Article XVIII of this Agreement, may as a part thereof, direct the cancellation of this Agreement and in addition to any other legal remedies which may be available to the parties, this Agreement may also be canceled by either party hereto in the event of the failure of the other to effectuate any award or order of the National Joint Adjustment Board within thirty (30) days of the date of notice thereof.

Section 3. By execution of this agreement the employer authorizes the Sheet Metal Contractors Association of Central Pennsylvania 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 120 days prior to the then current expiration date of this agreement.

**Sheet Metal Workers' International
Association Local Union No. 19**

Joseph Sellers, Jr.

Date

Employer

Date

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