INDUSTRIAL FABRICATING AND MANUFACTURING

ADDENDUM TO THE

STANDARD FORM OF UNION AGREEMENT

Addendum entered into this __________ day of ______________________________, 19____

by and between ____________________________________________________________________________

hereinafter referred to as the Employer, and Local Union No. __________________________ of
Sheet Metal Workers' International Association, hereinafter referred to as the Union.

ARTICLE I — (Scope of Work)

SECTION 1. This Addendum covers the rates of pay and conditions of employment of all employees of the
employer engaged in the manufacture, fabrication, assembling, handling, altering and repairing of all ferrous and non-
ferrous metals, including other materials used in lieu thereof, as required for installation within the confines of an
industrial, processing or manufacturing jobsite and defined in Section 2 of this Article.

SECTION 2. Section 1 of this Article relates to the fabrication only, of air pollution control systems, noise abate-
ment materials and all other industrial work excluding air conditioning, heating and ventilating systems installed in
building enclosures to provide human comfort and all architectural sheet metal work and such other work as may be
specifically excluded from coverage under this addendum by mutual agreement of the parties.

SECTION 3. In addition to work defined in Section 2 of this Article, fabrication of items or products normally
manufactured under production agreements, permitted buy-out items, and/or other items as may be mutually
agreed to by the parties, may be included in the scope of this addendum.

SECTION 4. The Employer assures the union that every effort will be made to obtain all work covered by this
addendum and will attempt to secure such work as the turnkey contractor to design, fabricate and install. All work so
obtained under this addendum shall be assigned to members of the Sheet Metal Workers' International Association to
fabricate and install.

ARTICLE II — (Erection or Installation of Company's Products)

The Company agrees that it will follow the below procedure relative to the installation or erection of all products
and/or equipment manufactured under this agreement for use in the building and construction industry, and coming within
the trade jurisdiction of journeymen members of Sheet Metal Workers' International Association.

1. Whenever the Company subcontracts such products and/or equipment it agrees to subcontract same to a con-
tractor who employs journeymen sheet metal workers for this type of work.

2. Whenever the Company erects such work itself, it shall call upon the building and construction trades union
affiliated with Sheet Metal Workers' International Association having jurisdiction over the area in which such
work is to be performed to furnish it with men at the prevailing wages and conditions of said local union, but
giving due consideration to those classifications of employees accorded the employer in his home jurisdiction. The
signatory parties shall make every possible effort to arrange a mutually satisfactory jobsite hiring arrangement so
as to make the signatory contractor as competitive as possible on the erection phase of the work.

3. Whenever the Company sells such products and/or equipment directly to a general or specialty contractor or an
owner, it shall furnish the Union with information on all such products on a mutually agreed upon basis. Such
information shall include the type of products or equipment shipped, the date of shipment, name and address of
consignee and/or location of delivery site.

ARTICLE III — (Rates and Classifications)

SECTION 1. Building Trades Journeymen Sheet Metal Workers, on the payroll of the employer on the effective date
of this addendum, shall be accorded all wages, fringes and other contractual conditions of employment as established in
the local union basic or Standard Form of Union Agreement and as may be amended from time to time.
Building Trades Journeymen may be assigned to perform any work specified in Article 1 of this addendum but must be assigned all supervision, pattern lay-out, detailed drawings, blueprints and plan take-off and such other work as may be mutually agreed upon by the parties.

SECTION 2. Building Trades Apprentices and Pre-Apprentices on the payroll of the employer on the effective date of this addendum or who may be, subsequently, employed for work under this addendum, shall be accorded their respective applicable progression schedule with applicable wages, fringes and other contractual conditions as established in the local union basic or Standard Form of Union Agreement through and to their graduation to journeymen.

Apprentices and pre-apprentices may perform work in any category, including work on field installation, as assigned and supervised by building trades journeymen. Ratios of apprentices and pre-apprentices to journeymen shall be as established in the local union basic or Standard Form of Union Agreement.

SECTION 3. Sheet Metal Industrial Workers on the payroll of the employer on the effective date of this Addendum, or who may be, subsequently, employed for work under this Addendum, shall be accorded wage rates commensurate with the existing industrial rates in the local geographical area but, in no case, less than those contained in the following progression schedule:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Rate</th>
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<tbody>
<tr>
<td>1st 6 mo.</td>
<td>$1000</td>
</tr>
<tr>
<td>3rd 6 mo.</td>
<td>$2000</td>
</tr>
<tr>
<td>5th 6 mo.</td>
<td>$3000</td>
</tr>
</tbody>
</table>

Upon completion of the progression schedule, Industrial Workers shall be classified as Industrial Journeymen Sheet Metal Workers. Wages for Industrial Journeymen shall be $1200 or $1200% of building trades journeymen basic rate.

Sheet Metal Industrial Workers may be assigned and supervised in the performance of any job category for fabrication of work outlined in Article 1 of this Addendum with the exception of those defined in Section 1 of this Article.

Industrial Journeymen Sheet Metal Workers, in addition to those duties outlined in the foregoing paragraph, may be assigned to field fabrication and installation under the supervision and direction of building trades journeymen Sheet Metal Workers on a ratio of ______. Industrial Journeymen to ______ Building Trades Journeymen. Said ratio, however, shall be based on the necessity for the contractor to be competitive on the various types of work covered by this Addendum.

SECTION 4. Employees on the payroll of the employer on the effective date of this addendum shall receive no reduction in hourly rate, fringes or contractual benefits provided in the existing local union agreement or addendums due to the adoption of this Addendum.

A. The names of those employees referred to in Section 1 and 2 of this Article and listed on original addendum shall be listed separately and attached to and duly incorporated as a part of this Addendum.

SECTION 5. Employment security shall be established for all employees referred to in Section 4(A) above. No employee listed in this section shall be laid off so long as other employees are working at comparable work in the bargaining unit for the employer except as noted in subsection (A) of this section. Termination of Employees referred to in above Section 4(A) shall be only for insubordination, physical or practical inability to perform his job, prolonged or erratic unauthorized absence from work or lack of work. Grievances arising out of this section shall be processed through Article X of the Standard Form of Union Agreement.

A. In the event layoffs become necessary due to lack of work, employees listed in Section 4(A) above may be laid off in a manner that will maintain a constant percentage ratio of all employees.

In the event of recall, employees listed in Section 4(A) above on layoff shall be recalled in their inverse order of layoff.

ARTICLE IV — (Union Security)

A. The Union agrees that membership in the Union will be made available to all on an equal basis without discrimination.

B. All employees covered by this agreement shall be required, as a condition of employment, to become and remain members of the Union in good standing during the term of this agreement. All employees shall make application for membership in the Union within 30 days following the effective date of this agreement, or the beginning of their employment, whichever is later, subject to the provisions of the Labor-Management Relations Act of 1947, as amended.
C. Upon receipt of written notice from the Union that an employee has not acquired or maintained membership in good standing therein as provided for in this section, the Company shall immediately discharge such employee, and such employee shall not be re-employed during the life of this agreement unless, or until, he or she complies with the provisions of this section.

D. Upon receipt of a signed individual authorization from any employee covered under this agreement, the Company shall withhold from such employee's earnings, payment for union dues and other obligations under the terms and conditions specified in the individual's authorization. Deductions shall be made from the first pay of each month of said employee 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. Shall any employee have no earnings due him on the first pay day of any month, deductions shall be made from the next succeeding pay of employee.

**ARTICLE V — (Hours of Work — Overtime)**

**SECTION 1.** The regular working day shall conform to the basic SFUA and all full or part time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rates as established in Article III by classification. All work performed outside the regular working hours and performed during the regular work week and all work performed on Saturdays shall be 1½ times the regular rate except as provided in Sections 2 and 3 of this Article.

**SECTION 2.** All work performed on Sundays and holidays, as well as all work performed after twelve (12) consecutive hours in the shop, shall be paid for at two (2) times the employees' regular hourly rate of pay.

**SECTION 3.** In the event shift work is/or becomes necessary, the pay and conditions, therefore, shall be negotiated between the parties hereto and inserted herein.

**SECTION 4.** Employees, if requested by the Employer to report for work and not put to work, shall receive two (2) hours pay provided:

(a) The Employee reports to the place of employment and is physically able to do his job.

(b) The Employee does not leave sooner of his own accord.

(c) The Employee is not sent home due to reasons beyond the Employer's control, such as acts of God, fire, power failure, strikes, etc.

**ARTICLE VI — (National Pension Plan)**

"Commencing with the 1st day of ___________, 19__, and for the duration of the current Collective Bargaining Agreement between the said parties, and any renewal or extensions thereof, the Employer agrees to make payments to the Sheet Metal Workers' National Pension Fund for each employee covered by the said Collective Bargaining Agreement, according to the Standard Form of Participation Agreement (Exhibit _____) which has been duly executed and is attached, and made a part thereof as if set forth herein verbatim."

**ARTICLE VII — (Fringe Benefits)**

Group insurance, paid holidays, paid vacations and/or any other benefits commensurate with the existing industrial agreements in the local geographical area shall be accorded to industrial employees covered by this Addendum and shall be negotiated by the parties hereto, and included herein.

**ARTICLE VIII — (SASMI)**

Beginning _________________ the Employer shall pay an amount equal to three (3) percent of the gross earnings of its building and construction journeymen and apprentice Employees to the Stabilization Agreement of Sheet Metal Industry Trust Funds, hereinafter referred to as SASMI, established and administered jointly by the Sheet Metal Workers' International Association and the Sheet Metal Contractors with an equal number of Union and Employer Trustees to provide benefits pursuant to a qualified plan (copy of which is attached hereto) during periods of unemployment.

The Employer agrees to become signatory to these Agreements and Trusts and any other Supplemental Agreements whereby the Trust Funds are created (and as the same may be amended from time to time) and to be bound by all the terms, conditions and provisions of the Plan, Rules and Regulations adopted by said Trustees (and as may be amended from time to time) all of which documents are deemed to be incorporated herein by this reference for all purposes and are made a part hereof (as if set forth herein at length).
ARTICLE IX — (Promotion Fund)

SECTION 1. The Employers agree to promote programs of Industry, Education, Research and Promotion in the Industrial and Air Pollution Control field, such programs designed to expand the market for the services of the contractors and employees in the Sheet Metal Industrial and Air Pollution Industry, to promote, develop and support the training of employees and to acquaint customers, architects and engineers with the advantages of using the skills and abilities of the Sheet Metal Industrial contractors and employees in any and all phases of the work.

SECTION 2. Employer shall pay the Sheet Metal Industrial Contractors' National Industry Fund ten cents (10¢) per hour for each hour worked on or after ________________, or the effective date of this Agreement, whichever is later, for all employees of the employer covered by this Agreement.

Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted to the Sheet Metal Industrial Contractors' National Industry Fund of the United States, 2523 Clio Drive, Suite 104, Flint, Michigan 48504.

All of these payments should be used solely for the promotion of the Industrial and Air Pollution Industry. No part of these payments shall be used for political or anti-union activities.

ARTICLE X — Standard Form of Union Agreement

The employer agrees to be bound by all of the provisions of the Standard Form of Union Agreement or local basic agreement with the exception of those Articles, Sections or provisions specifically altered or amended by this Addendum.

ARTICLE XI

SECTION 1. This addendum shall become effective on this __________ day of ______________, 19______, and shall remain in full force and effect for the duration of the local Standard Form of Union Agreement or local basic agreement, except as provided in Article XIII, Section 2 of the Standard Form of Union Agreement.

In Witness whereof, the parties hereto affix their signatures and seal this __________ day of ______________, 19______

__________________________________________
Name of Company

BY ________________________________________

Local Union No. __________ of Sheet Metal Workers' International Association

BY ________________________________________