STANDARD FORM OF UNION AGREEMENT

SHEET METAL, ROOFING, VENTILATING AND AIR CONDITIONING CONTRACTING DIVSIONS OF THE CONSTRUCTION INDUSTRY

Agreement entered into this 1st day of June, 2018 by and between Illinois Valley Sheet Metal Contractors Association Affiliated with the Illinois Valley Contractors Association and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the employer, and Local Union No. One of Sheet Metal, Air, Rail, and Transportation, hereinafter referred to as the Union for Bureau, La Salle, Putnam, Marshall, and Stark Counties Illinois

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, conditioning adjustment, alteration, cleaning, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all HVAC systems and air handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches whether manually drawn or computer assisted used in fabrication an erection, including those taken from original architectural and engineering drawing or sketches; (e) metal roofing; and (f) all other work included in the jurisdictional claims of Sheet Metal, Air, Rail, and Transportation. See # 8 of Addenda.

ARTICLE II--SUBCONTRACTING

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

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

ARTICLE III—EMPLOYER HIRING PRACTICES

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

ARTICLE IV—UNION MANPOWER OBLIGATIONS

SECTION 1. The Union agrees to furnish upon request by the Employer duly qualified journeymen, apprentice and preapprentice sheet metal workers in sufficient numbers as may be necessary to properly execute work contracted for by the Employer in the manner and under the conditions specified in this Agreement. As of June 1,

2012 duly qualified journeymen members of SMART Local 1 Ottawa Area shall have completed an OSHA 10 Hour class, provided that this class has been made available locally and at no cost to the individuals or the JATC. Any individual joining SMART Local 1 Ottawa Area as a journeyman after June 1, 2012 shall have two (2) years from their date of joining to complete the previously stated class under the same conditions. An example of an opportunity would be for an individual to attend class(es) as offered by our local Labor/Management Committee.

Section 2. All employees whose duties include the supervision of other Sheet Metal Workers and are considered a general foreman, foreman, or supervisor on the job in the field, and that are signatory to Local 1 north, shall have OSHA 30-hour safety training. A class will be offered by Labor Management upon significant applicants; otherwise members will take the class online.

ARTICLE V—UNION SHOP LANGUAGE

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

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

SECTION 3. 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 involved employees immediately upon compliance with such conditions.

ARTICLE VI—WORK DAY, WORK WEEK, HOLIDAY & SHIFT WORK

SECTION 1. The regular working day shall consist of eight (8) hours labor in the shop or on the job between six (6:00) A.M. and five-thirty (5:30) 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, beginning with Monday and ending with Friday of each week. All full time or part time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate. Except as otherwise provided pursuant to Section 4 of this Article, all work performed outside the regular working hours and performed during the regular work week, shall be at one and one-half (1 ½) times the regular rate. All work performed on Saturday shall be at one and one-half (1 ½) times the regular rate. Employees shall be at the shop or project site at scheduled starting time each day and shall remain until quitting time. Starting time can be anytime between six (6:00) a.m. and nine (9:00) a.m. Normal starting time shall remain the time that work historically has started. Any deviation from normal start time requires notification to the affected employee prior to completion of shift, on the workday immediately before the start time changes, and like notification of when the employee is to return to normal start time.

SECTION 2. New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day Thanksgiving Day, Christmas Day or days locally observed as such, and Sunday shall be recognized as holidays. (Veteran's Day to be observed the Friday after Thanksgiving) If a holiday falls on, or is locally observed on a Sunday, the holiday shall be observed on the following Monday. All work performed on that Monday would be at the holiday pay rate. All work performed on holidays shall be paid as follows:

Two (2) times the regular hourly rate. See #9 of Addenda

SECTION 3. It is agreed that all work performed outside of regular working hours during the regular workweek and on holidays shall be performed only upon notification by the Employer to the local union in advance of scheduling such work. Preference on overtime and holiday work shall be given to men/ women on the job on a rotation basis so as to equalize such work as nearly as possible.

SECTION 4. Shift work and the pay and conditions therefore shall be only as provided in written addenda attached to this Agreement. Energy conservation-Retrofit work performed outside the regular workday in occupied buildings shall be performed under shift work conditions to be established by the local parties or by the National Joint Adjustment Board on the request of either party, if not locally provided. See #1 of Addenda

ARTICLE VII—TRAVEL PROVISIONS

SECTION 1. When employed in a shop or on a job within the limits of this Agreement employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within the said limits from home to shop or job at starting time and from shop or job to home at quitting time, and the Employer shall provide, or pay, for all necessary additional transportation during working hours.

SECTION 2. When employed outside of the limits specified in Section 1 of this Article, and within the jurisdiction of the Union, employees shall provide transportation for themselves which will assure their arrival at the limits specified in Section 1 of this Article at regular starting time, and the Employer shall provide or pay for all additional transportation for such jobs, including transportation from such job back to the limits specified in Section 1 of this Article which will assure arrival at such limits at quitting time. As an alternative to the foregoing method, travel expense may be paid by a zone or other method of payment. If this alternative method is used, it will be as provided in a written addendum attached hereto. See #2 of the Addenda

ARTICLE VIII—PURCHASE MANUFACTURED EQUIPMENT WORKING OUTSIDE OF LOCAL

SECTION 1. The minimum rate of wages for journeymen sheet metal workers covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be $_____ per hour, except as hereinafter specified in Section 2 of this Article. See #3 of Addenda

SECTION 2. On all work specified in Article I of this Agreement, fabricated and/or assembled by journeymen sheet metal workers, apprentices and/or preapprentices within the jurisdiction of this Union or elsewhere, for erection and/or installation within the jurisdiction of any other Local Union affiliated with Sheet Metal Workers International Association, whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the job site Union shall be paid to the employees' employed on such work in the home shop or sent to the job site.

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

1. Ventilators
2. Louvers
3. Automatic and fire dampers
4. Radiator and air conditioning unit
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air Diffusers, grilles, registers
9. Sound attenuators

enclosures

5. Fabricated pipefittings for residential installations and light commercial work as defined the locality

10. Chutes
11. Double-wall panel plenums
12. Angle rings

SECTION 4. The provisions of Section 2 of this Article shall not be applicable to Air Pollution Control Systems fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems. In addition, the provisions of Section 2 of this Article will not be applicable to the manufacture of spiral pipe and fittings for high-pressure systems.

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

SECTION 6. When the Employer has any work specified in Article I of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another union affiliated with Sheet Metal, Air, Rail, and Transportation, and qualified sheet metal workers are available in such area, he may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeymen sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation, travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of that local Agreement. If employees are sent in to an area where there is no local Agreement of Sheet Metal, Air, Rail, and Transportation covering the area then the minimum conditions of the home local union shall apply.

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

SECTION 8. Welfare benefit contributions shall not be duplicated.

When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this agreement agree to arrange through the Health & Welfare Trust Fund to transmit health and welfare contributions made on behalf of the employee to the Health and Welfare Fund in the employee's home local union.

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

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

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

SECTION 9. Wages at the established rates specified herein shall be paid by check or cash in the shop or on the job at or before quitting time on pay day of each week, or by direct deposit to the employee's account, as long as both the employer and employee are agreeable to direct deposit payment, and no more than two (2) days' pay will be withheld. However, employees when discharged shall be paid in full.

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

SECTION 11. Each Employer covered by this Agreement shall employ at least one (1) journeyman sheet metal worker who is not a member of the firm on all work specified in Article I of this Agreement. See #4 of Addenda

SECTION 12.

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

(b) The employer shall pay the Sheet Metal and Air Conditioning Contractors' National Industry Fund of the United States (IFUS) five cents ($.05) per hour for each hour worked on and after the effective date of this Agreement by each employee of the employer covered by this Agreement. Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted to IFUS, 8224 Old Courthouse Road, Vienna, Virginia 22182, or for the purpose of transmittal through – See #3.4D of Addenda

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

(d) Grievances concerning use of IFUS funds for purposes prohibited under Section 12(a) for violations of other subsections of this Section may be processed by Sheet Metal, Air, Rail, and Transportation directly to the National Joint Adjustment Board under the provisions of Article X of this Agreement. In the event such proceedings result in a deadlock, either party may, upon ten (10) days notice to the other party, submit the issue to final and binding arbitration. The Arbitrator shall be selected by Co-Chairman of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he deems appropriate for violation of this Section, including termination of the employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a deadlocked issue under this Section, (Section 12, Article VIII), and no other.

SECTION 13.

(a) Contributions provided for in Section 13(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and

promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

(b) The Employer shall pay to the Illinois Valley Sheet Metal Contractors Association Affiliated with the Illinois Valley Contractors Association (hereinafter referred to as the local industry fund), fourteen cents ($.14) per hour for each hour worked on or after the effective date of this Agreement by each employee of the employer covered by this Agreement. Payment shall be made monthly on or before the twentieth (20th) day of the succeeding month. See #3 of the Addenda

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

(d) Grievances concerning use of local industry fund monies to which an employer shall contribute for purposes prohibited under Section 13(a) or for violations of other subsections of this Section shall be handled under the provisions of Article X of this Agreement. The National Joint Adjustment Board shall be authorized to impose any remedial order for violation of this Section, including termination of the employer's obligation to contribute to the local industry fund.

SECTION 14. Effective as of the date of this Agreement the employers will contribute to the International Training Institute Fund for Sheet Metal and Air Conditioning Industry twelve cents ($.12) per hour for each hour worked by each employee of the employer covered by this Agreement. Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees of the Fund, or for purposes of collection and transmittal through Sheet Metal Workers National Benefit Fund, P.O. Box 79321, Baltimore, MD 21279-0321.

Effective as of the date of this Agreement the employers will contribute to the National Energy Management Institute Committee, a jointly administered trust fund, three cents ($.03) per hour for each hour worked by each employee of the employer covered by this Agreement. Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees of the Fund, or for the purpose of collection and transmittal through Sheet Metal Workers National Benefit Fund, P.O. Box 79321, Baltimore, MD 21279-0321. See #3.3A of Addenda

Effective as of the date of this Agreement the employers will contribute to the Sheet Metal Occupational Health Institute Trust two cents ($.02) per hour for each hour worked by each employee of the employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the twentieth (20th) day of the succeeding month and shall be remitted as designated by the Trustees of the Trust, or for purposes of collection and transmittal through Sheet Metal Workers National Benefit Fund, P.O. Box 79321, Baltimore, MD 21279-0321. See 3.4E of Addenda

The parties agree to be bound by the separate Agreements and Declarations of Trusts establishing the International Training Institute Fund for the Sheet Metal and Air Conditioning Industry, the National Energy Management Institute Committee, the Sheet Metal Occupational Health Institute Trust and the separate agreements and declarations of trusts of all other local or national programs to which it has been agreed that contributions will be made. In addition, the parties agree to be bound by any amendments to said trust

agreements as may be made from time to time and hereby designate as their representatives on the Board of Trustees such trustees as are named together with any successors who may be appointed pursuant to said agreements. See #3.4 of Addenda

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

ARTICLE IX—HAND TOOLS & TRANSPORTATION

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

SECTION 2. Journeymen, apprentice and preapprentice sheet metal workers covered by this Agreement shall not be permitted or required as a condition of employment to furnish the use of automobile or other conveyance to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop; facilities for such transportation to be provided by the Employer. This provision shall not restrict the use of an automobile or other conveyance to transport its owner and personal tools from home to shop or job at starting time or from shop or job to home at quitting time.

ARTICLE X—GRIEVANCE & ARBITRATION

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

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

To be valid, grievances must be raised within thirty (30) calendar days following the occurrence giving rise to the grievance, or, if the occurrence was not ascertainable, within thirty (30) calendar days of the first knowledge of the facts giving rise to the grievance.

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

The local Employers' Association, on its own initiative, may submit grievances for determination by the Board as provided in this Section. Except in the case of deadlock, a decision of a Local Joint Adjustment Board shall be final and binding.

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

SECTION 3. Grievances not disposed of under the procedure prescribed in Section 2 of this Article, because of a deadlock or failure of such Board to act, may be appealed jointly or by either party to a Panel, consisting of one (1) representative appointed by the Labor Co-Chairman of the National Joint Adjustment Board and one

(1) representative appointed by the Management Co-Chairman of the National Joint Adjustment Board. Appeals shall be mailed to the National Joint Adjustment Board. *Notice of appeal to the Panel shall be given within thirty (30) days after termination of the procedures prescribed in Section 2 of this Article. Such Panel shall meet promptly but in no event more than fourteen (14) calendar days following receipt of such appeal, unless such time is extended by mutual agreement of the panel members. Except in case of deadlock, the decision of the Panel shall be final and binding.

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

SECTION 4. Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by such Board. Appeals to the National Joint Adjustment Board shall be submitted within thirty (30) days after termination of the procedures described in Section 3 of this Article. The Procedural Rules of the National Joint Adjustment Board are incorporated in this Agreement as though set out in their entirety. (Copies of the procedures may be obtained from the National Joint Adjustment Board.*)

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

All correspondence to the National Joint Adjustment Board shall be sent to the following address: National Joint Adjustment Board, P.O. Box 289, Merrifield, Virginia 22116-2829.

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

SECTION 7. Failure to exercise the right of appeal at any step thereof within the time limit provided therefore shall void any right of appeal applicable to the facts and remedies of the grievances involved. There shall be no cessation of work by strike or lockout during the pendency of the procedures provided for in this Article. Except in case of deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

SECTION 8. In addition to the settlement of grievances arising out of the 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, 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 alternative thereto, the Co-Chairmen of the Board may each designate a member to serve as a subcommittee and hear the dispute in the local area. Such committees shall function as arbitrators and are authorized to resolve all or part of the issues. They are not, however, authorized to deadlock and the matter shall be heard by the National Joint Adjustment Board in the event a subcommittee is unable to direct an entire resolution of the dispute.

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

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

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

ARTICLE XI—APPRENTICE TRAINING

SECTION 1. All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of six (6) members, three (3) of whom shall be selected by the Employer, and three (3) by the Union. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices and the operation of an adequate apprentice system to meet the needs and requirements of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as part of this Agreement. See #5 of Addenda

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

to secure proper technical and practical education experience in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

SECTION 3. It is hereby agreed that the Employer shall apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant apprentices on the basis of one (1) apprentice for each three (3) journeymen regularly employed throughout the year. Provided, however, an Employer will not be entitled to a new apprentice if the Employer has an apprentice on layoff for lack of work. See #5.1 of Addenda

SECTON 4. All applicants for apprenticeship shall be a minimum of seventeen (17) years of age and each apprentice shall serve an apprenticeship of four (4) years and such apprentices shall not be in charge of work on any job and shall work under the supervision of a journeyman until apprenticeship terms have been completed and they have qualified as journeymen. Third and Fourth year apprentices may perform residential heating and air conditioning major component change out, and, may perform residential heating and air conditioning service work under indirect supervision of a specific sheet metal journeyman. Residential is defined as a single or two-family dwelling. See #5.2 of Addenda

SECTION 5. A graduated wage scale for apprentices shall be established and maintained on the following percentage basis of the established wage rate of journeymen sheet metal workers:

First Year	First half 40%	Second half 45%
Second Year	First half 50%	Second half 55%
Third Year	First half 60%	Second half 65%
Fourth Year	First half 70%	Second half 75%

This Section shall not have the effect of reducing the wage progression schedule of any apprentice who was indentured prior to the effective date of this Agreement.

The Joint Apprenticeship and Training Committee has the authority to withhold advancements, wage increases, and program completion for any apprentice found in violation of apprenticeship rules, regulations, and/or standards.

ARTICLE XII—PRE-APPRENTICE HIRING & RATIO

SECTION 1. It is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant pre-apprentices. An Employer who employs one (1) apprentice shall be entitled to one (1) pre-apprentice. An Employer who employs two (2) apprentices shall be entitled to two (2) pre-apprentices. The maximum number of pre-apprentices employed by an Employer shall not exceed two (2). Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to any preapprentice.

In the event the employer is entitled to employ a pre-apprentice, employers may hire employees on a temporary trial basis as a probationary pre-apprentice Sheet Metal worker, from any source, for the purpose of determining the technical and skill qualifications of such employees and refer them to the union.

Employers upon hiring a probationary pre- apprentice, within seven (7) days give written notification to the union of the individuals name, Social Security Number, and employment date. The probationary period of employment shall not exceed one (1) year,at or before the end of which time the employer would

1. Hire the probationary employee as a first year apprentice.
2. Terminate employment

Employer will send written notification of employee's status before the one (1) year period expires
Pre-employment Substance abuse testing for probationary pre-apprentice:
All probationary pre-apprentices shall submit to substance abuse testing for illegal/unauthorized drugs prior to employment. The testing shall be conducted in accordance with the J.A.T.C.

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

The wage scale for preapprentices shall be thirty percent (30%) of the wage rate of journeymen sheet metal workers including contributions to the ITI,NEMI and SMOHIT .Health and Welfare coverage shall be arranged on behalf of the pre-apprentices by the parties and shall be at least 80/20 coverage with reasonable out-of-pocket expenses.

ARTICLE XIII

SECTION 1. This Agreement and Addenda Numbers One through Eighteen attached hereto shall become effective on the 1st day of June, 2018, and remain in full force and effect until the 31st day of May, 2019 , and shall continue in force from year to year thereafter unless written notice of reopening is given not less than ninety (90) days prior to the expiration date. In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party by written notice, provided, however, that, if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint Adjustment Board or until the procedures under Article X, Section 8 have been otherwise completed. See #3 of Addenda

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

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

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

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

In witness whereof, the parties hereto affix their signatures and seal effective the 1st day of June, 2018.

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

Illinois Valley Sheet Metal Contractors Association Affiliated With the Illinois Valley

By: _____
Daniel F. Aussem
Executive Director

Local Union Number 1 of Sheet Metal, Air, Rail, and Transportation

By _____
Bob Miller
Business Representative

ADDENDA

THE FOLLOWING ADDITIONS AND AMENDMENTS TO THE STANDARD FORM OF UNION AGREEMENT HAVE BEEN NEGOTIATED AND AGREED TO

1. STANDARD MULTIPLE SHIFT CLAUSE

FIRST SHIFT: When so elected by the contractor, multiple shifts of at least five (5) days duration may be worked. When two (2) or three (3) shifts are worked, the first shift (day shift) shall be worked between the hours of 8:00 A.M. and 4:30 P.M. Workmen on the day shift shall receive eight (8) hours pay at the regular hourly rate for eight (8) hours work. Starting time can be agreed to by Union and Employer as 7:00 A.M. or 8:00 A.M.

SECOND SHIFT: The second shift (swing shift) shall be worked between the hours of 4:30 P.M. and 12:30 A.M. Workmen on the swing shift shall receive eight (8) hours pay at the regular hourly rate plus ten percent (10%) for seven and one-half (7 ½) hours work.

THIRD SHIFT: The third shift (graveyard shift) shall be worked between the hours of 12:30 A.M. and 8:00 A.M. Workmen on the graveyard shift shall receive eight (8) hours pay at the regular hourly rate plus fifteen percent (15%) for seven (7) hours work.

A lunch period of thirty (30) minutes shall be allowed on each shift.

All overtime work required after the completion of a regular shift shall be paid according to craft agreement.

There shall be no pyramiding of overtime rates and double the straight time rate shall be the maximum compensation for any hour worked.

There shall be no requirement for a day shift when either the second or third shift is worked.

2. TRAVEL EXPENSE

Section 1. Proof of Insurance. An employee will provide to the employer proof of insurance on his own personal vehicle before traveling on behalf of the employer in his personal vehicle.

Section 2. Free Travel Zone. The following constitutes free zone and no travel pay will be issued for this zone.

A. Radius from shop. Travel within a 40 mile radius surrounding each shop.

Section 3. Work performed outside of free travel zone. When employed outside of the 40 mile radius surrounding an employee's shop travel pay will be as follows.

A. Employer transportation. When using transportation furnished by employer, an employee shall be paid $0.25 per mile from the outer limits of the free zone to the job site, stay on the job site till quitting time and be paid $0.25 per mile from job site, back to the outer limits of the free zone.

B. Employee Transportation. When an employee is using his own vehicle for transportation, an employee shall be paid $0.56 per mile from the outer limits of the free zone to the job site, stay on the job site till quitting and be paid $0.56 per mile back to the outer limits of the free zone.

C. Car Pooling. When two or more employees are riding together in an employee's vehicle, one employee, specifically the vehicle owner, shall be paid $0.56 per mile; the other employee shall receive $0.25 per mile.

Section 4. Travel into a higher wage rate. When traveling into a higher wage rate of $5.00 or more No travel pay will be issued.

3. WAGE SCALE

6-1-2018 through 5-31-2019

One dollar and Eighty five cents ($1.85) per hour increase to be allocated as follows:

Construction Industry Retirement Fund of Rockford	$1.00
Health & Welfare Fund	0.25
Local Apprentice Training Fund	0.04
Industry Advancement Fund	0.06
Local Labor Management	0.02
Wages.	0.48

Hourly rates:

* $ 36.36	Journeyman Wage
$ 12.41	National Pension Fund
$ 6.75	Local Pension – Rockford Fund
$ 8.87	Health & Welfare Fund
$ 1.00	Health & Welfare Supplement Fund
$ 0.86	Apprentice Training Fund
$ 0.20	Illinois Valley Industry Advancement Fund
$ 0.06	Illinois Valley Labor/Management Fund
$ 0.17	ITI/NEMI/SMOHIT

*This includes $1.00 per hour for the Savings Fund.
*This includes Working Assessment equal to 2% of total Package

Travel expense remains at $ 5.00 per day. For contractors NOT signatory to Local 1 North

Effective 6-1-2019

A wage increase of $1.60 /hour June 1, 2019; it was agreed that an additional $0.25/hr. would be added to the second year increase for a total of $1.85, if the supervisors attain the OSHA 30 and 90% of all members receive the First Aid CPR training. This increase to be allocated by the union to wages and/or fringe benefits.

Travel expense remains at $5.00 per day. For contractors NOT signatory to Local 1 North

The Illinois Valley Contractors Association Reserves the right to increase the amount of contribution to the Industry Advancement Fund, throughout the term of this contract on the anniversary date. Not to be considered Wages and/or Fringe Benefits.

CONTRACT COMES TO TERM MAY 31, 2020

- Health & Welfare Fund (see 3.1 of Addenda)
- Nation Pension Fund (see 3.2 of Addenda)
- Health & Welfare Supplement Fund (see 3.3 of Addenda)
- NEMI (see 3.3(A) of Addenda)

- Industry Advancement & Apprentice Training & Labor-Management (see 3.4 of Addenda)
- Savings Plan (see 3.5 of Addenda)
- Occupation Health Institute Trust (see 3.4 of Addenda)
- Construction Industry Retirement Fund (see 14 of Addenda)
- Organizer Fund (see 13 of Addenda)

3.1 HEALTH & WELFARE PLAN

For each hour worked by a journeyman and/or apprentice employee covered by this Agreement, the Employer of such employees shall pay on and after the effective date of this Agreement (see #3 of Addenda for effective date and amount of contribution) to the Trustees of the Sheet Metal Workers Local No. 1 Welfare Trust to be held, invested, administered and disbursed by said Trustees in accordance with the purpose of the Trust Agreement dated August 31, 1961.

3.2 NATIONAL PENSION FUND

For each hour worked by a journeyman and/or apprentice employee covered by this Agreement, the Employer of such employees shall pay on and after the effective date of this Agreement (see #3 of Addenda for effective date and amount of contribution) to the Trustees of the Sheet Metal Workers National Pension Fund to be held, invested, administered and disbursed by said Trustees in accordance with the purposes of the Trust Agreement of the Sheet Metal Workers National Pension Fund dated May 16, 1966.

This section relates to the Employer's obligation to contribute to the Sheet Metal Workers' National Pension Fund ("NPF" or "Fund"). The Parties have adopted the NPF's Alternative Schedule and the Employer agrees to contribute consistent with the timing and amount of the Contribution Rate increases established in this Agreement and as required under the Alternative Schedule. The Alternative Schedule and the Fund's Trust Document are incorporated into, and form part of, this Agreement. The Employer will increase its NPF Contribution Rate on or before the date, and in the amounts, required in the Alternative Schedule.

1. For the duration of this Agreement and any renewals or extensions thereof, the Employer will contribute to the NPF the negotiated rate per this Agreement and as required by the Alternative Schedule, for each hour or part of an hour for which an Employee covered by this Agreement receives the basic hourly wage rate. Contributions for those hours paid at time and one half or double time rates will be made to the Fund at one and one-half (1 1/2), or two (2) times the hourly Contribution Rate respectively, unless contributions for all other funds in this Agreement are limited to straight time contributions for all hours worked. Contributions are required for vacation time, sickness, absences, and other hours for which payment is made to the employees under this Agreement unless no funds under

this Agreement require payment for hours for which a Cover Employee is paid but does not perform services.

2. Contributions shall be paid starting with the employee's first day of Covered Employment (as defined in the Plan Document).

3. All contributions shall be made at such time and in such manner, as the Trustees require. The Trustees have the authority to audit the Employer's financial, payroll, wage, job or project records for determining the accuracy of contributions due to the Fund and the Employer's ability to meet its contribution obligations. If the audit reveals that inaccurate contributions or insufficient contributions have been made, the Employer agrees to pay all auditors' fees incurred in making the audit and also all legal fees and costs incurred in collecting audit fees if judicial enforcement of this provision is necessary.

4. Employers shall submit a remittance report and the required contributions to the Fund Office by the twentieth (20th) of the month following the month when Covered Employment was performed. Reporting and remittance shall be done via the Fund's on-line reporting and remittance system. Failure to pay and timely file a report constitutes a delinquency in violation of the Employer's obligation under this Agreement, the Trust Document and ERISA. The Trustees may take whatever steps they deem necessary, including legal action and termination of the Employer, to collect such delinquent payments, and provision of this Collective Bargaining Agreement to the contrary notwithstanding.

3.3 HEALTH & WELFARE SUPPLEMENT

The Employer agrees to pay one dollar ($1.00) per hour for each building trades journeyman and apprentice. A single check will be made out and mailed to the Health & Welfare Fund administrator monthly. This money will be paid into account until September 30, 1993 or until actuary declares the account sound. The actuary will then decide how much hourly contribution amount will be needed to keep the account sound. SMART Local No. 1 will be allowed to redistribute remainder of money to wages or current funds existing in this Agreement.

3.3(A) NEMI

For each hour worked by a journeyman, apprentice and/or pre- apprentice employee covered by this Agreement, the Employer of such employee shall pay three cents ($.03) per hour on and after the effective date of this Agreement (see #3 of Addenda for effective date and amount of contribution) to the Trustees of the National Energy Management Institute Fund to be held, invested, administered and disbursed by said Trustees in accordance with the purposes of the Trust Agreement.

3.4 INTERNATIONAL TRAINING INSTITUTE FUND, LOCAL TRAINING FUND, INDUSTRY ADVANCEMENT FUND, SHEET METAL OCCUPATIONAL HEALTH INSTITUTE TRUST AND ILLINOIS VALLEY LABOR/MANAGEMENT FUND

The Employer shall pay the specified amount listed below for each hour worked by all employees of the Employer covered by this Agreement.

(A). Twelve cents ($.12) shall go to the International Training Institute Fund for journeyman, apprentice, and the Sheet Metal and Air Conditioning Industry.
or pre-apprentice

(B). Fourteen cents ($0.20) shall go to the Illinois Valley Sheet Metal Contractors Industry Advancement Fund to be held, invested, administered and disbursed by the Contractors Association.

No part of the payments to the fund shall be used for political or anti-union activities, nor shall any activity of the program conflict with the interest of the Union.

The cost of administering the local transmittal office shall be funded by the Illinois Valley Sheet Metal Contractors Industry Advancement Fund.

(C). Eighty-Six cents ($.86) from Journeyman and apprentice shall go to the Local #1 North Training Program to be held, invested, administered and disbursed by the Local Joint Apprenticeship Committee.

(D). Your attention is called to Article VIII, Section 12(b) of the Standard Form of Union Agreement. The five cents ($.05) for the Sheet Metal and Air-Conditioning Contractors National Industry Fund of the United States has been cancelled as of June 2, 1974.

(E). Effective as of the date of this Agreement the Employers will contribute to the Sheet Metal Occupational Health Institute Trust two cents ($.02) per hour for each hour worked by each employee of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the fifteenth (15th) of the succeeding month and shall be remitted as designated by the Trustees of the Trust or for purpose of collection and transmittal through Sheet Metal Workers National Benefit Funds, P.O. Box 79321, Baltimore, MD 21279-0321.

(F). The Parties agree to participate in the Illinois Valley Labor-Management Committee under authority of 6(b) of the Labor-Management Cooperation Act of 1978 and Section 302 of the Taft-Hartley Act.

It is understood and agreed that the Employer shall be bound by the terms and provisions of the Agreement and Declaration of Trust of the Illinois Valley Construction Industry Labor-Management Fund, and all amendments heretofore or hereafter made thereto, as though the same were fully incorporated herein.

Both parties agree to participate in Illinois Valley Labor/Management Program. Contribution rate and effective date to be mutually agreed. If the Employer does not contribute to the Illinois Valley Labor/Management Fund, the contribution rate established will be paid into the Apprenticeship Fund. (see #3 of Addenda for effective date and amount of contribution)

3.5 SAVINGS PLAN

Effective August 1, 1980, the Employer will deduct one dollar ($1.00) per hour from each employee covered by this Agreement. These monies will be withheld weekly (after taxes) and remitted by the twentieth (20th) of the following month to SMART Local Union No. 1 Savings Plan, c/o Financial Plus Credit Union, 800 Chestnut, Ottawa, Illinois 61350 Phone: (815)433-1496.

3.6 REMITTANCE REPORT INSTRUCTIONS

All Employers will be required to fill out one remittance report entitled Sheet Metal Workers Uniform Fringe Benefit Remittance Report.

VERY IMPORTANT – PLEASE NOTE
EMPLOYERS WILL BE CONSIDERED A DELINQUENT CONTRIBUTOR IF COMPLETED REPORTS AND REMITTANCES ARE NOT RECEIVED BY THE TWENTIETH (20TH) OF THE MONTH!

(A.) SHEET METAL WORKERS REMITTANCE REPORT
See number three (3) of Addenda for effective date and amount per hour.

Mail remittance form and checks to:

1 copy & 1 check to:
National Pension Fund/ITI/NEMI/SMOHIT (separate check @ $12.58 per hour)

6 Copies & 1 check to:
Health & Welfare Fund ($8.87 per hour), Health & Welfare Supplement Fund ($1.00 per hour), Local Pension Fund ($6.75 per hour, Apprentice $2.03 per hour), Local 1 North JATC Fund ($0.86 per hour), Local Industry advancement Fund ($0.20 per hour), Illinois Valley Labor/Management Fund ($0.06 per hour), Savings Plan ($1.00 per hour), & Working assessment 2% of total package
To: Busey Bank, Po Box 5126, Peoria, IL 61601

1 Copy To: SMART Sheet Metal Local #1, 341 Bellevue Ave, Ottawa, IL 61350

1 Copy Employer to retain for their records
While fund due dates vary slightly, remittance is generally due by the 20th of the month for hours worked in the previous month. Example: May by June 20, June by July 20, etc.

Mail one copy of remittance report to, Business Representative, SMART Local #1, 341 Bellevue Avenue, Ottawa, Illinois 61350.

Retain copy of remittance report for your files.

If you are reporting an employee whose name and social security number is not preprinted on the form, please enter the employees name and social security number where specified on the remittance report.

(B.) DELINQUENT EMPLOYER
If an Employer fails to pay wages and/or fringe benefits into said fund, the Union shall be entitled to resort to all legal and economic remedies, including the right to strike and picket delinquent Employer until such failure to pay has been corrected.

(C.) The Local Union upon 60 days' notice to the Employer has the right, through the term of this Agreement to implement a legal working assessment, to be remitted by the Employer to SMART Local #1 by the twentieth (20th) of the following month.

3.7 FOREMAN PAY

When two (2) journeymen are employed by an employer on any one job or in the shop, there shall be one (1) Foreman. When eight (8) or more sheet metal workers are employed on any one job or in the shop, there shall be two (2) Foremen. When fifteen (15) or more are employed on any one job or in the shop, there shall be three (3) Foremen and one (1) General Foreman. When there are twenty-one (21) employed on any one job or in the shop, there shall be four (4) Foremen and one (1) General Foreman. This ratio shall continue, with one (1) Superintendent required for every three (3) General Foremen employed.

Foreman ----------5% of journeyman wage per hour above wage rate
General Foreman ----------7.5% of journeyman wage per hour above wage rate
Superintendent ----------10% of journeyman wage per hour above wage rate

Residential work (one or two family dwelling) to be excluded.

*An additional fifty cents ($.50) per hour will be paid when a Foreman/General Foreman/Superintendent is the sole Contractor's representative on the job; with the additional responsibilities listed herein, the hiring and laying off of men, the coordinating of sheet metal work with other mechanical trades, general contractor or architect, handling of payroll, etc.

4. DEFINITION OF A RECOGNIZED SHEET METAL CONTRACTOR

(A.) Sheet metal journeymen will be employed only by recognized sheet metal contractors.

(B.) Established place of business and signatory to this Agreement.

(C.) General sheet metal tools and all power equipment necessary to perform work contracted for.

(D.) Employ one journeyman sheet metal worker for the major part of the year.

(E.) Employers will furnish SMART Local #1 with a copy of their compensation & liability insurance policies.

(F.) Proper insurance coverage to include:

1) Full insurance coverage under the Workman's Compensation Act.
2) Unemployment compensation under the Illinois Unemployment Compensation Act on all employees covered by this Agreement.

5. APPRENTICE DISCHARGE AND OTHER DISPLINARY ACTION

Any apprentice who fails to comply with the apprenticeship standards, the rules and regulations of the Joint Apprenticeship and Training Committee, or who fails to attend school, or fails to fulfill his financial obligation to the Union, as required, shall be disciplined and/or discharged by the Employer immediately upon receipt of notification to such effect from the apprenticeship committee to the Employer. It shall be understood that the chairman of the Apprenticeship Committee shall be acting on behalf of the Apprentice Committee.

An apprentice who has been discharged, if he believes that the facts upon which his discharge are based are untrue, may question or disagree with such facts by filing a written statement with the Joint Apprentice and Training Committee within three (3) working days from the date of such discharge and within five (5) working days thereafter a hearing shall be held before the Joint Apprenticeship and Training Committee and the Employer for the purpose of passing upon the claim of such apprentice.

5.1 RATIO OF APPRENTICES TO JOURNEYMEN

When one (1) journeyman is employed in any one shop, on an average yearly basis, one (1) apprentice may be used. When four (4) journeymen are employed on an average yearly basis, one (1) additional apprentice may be used. When seven (7) journeymen are employed on an average yearly basis, one (1) additional apprentice may be used. Thereafter, one (1) additional apprentice for every three (3) journeymen.

5.2 QUALIFICATIONS FOR APPRENTICESHIP

All applicants shall be a minimum of seventeen (17) years of age. They must satisfy the Joint Apprenticeship and Training Committee that they have the ability and aptitude to master the skills of the trade and have sufficient education to satisfactorily complete the required hours of related instructions. Applicants will furnish the Joint Apprenticeship and Training Committee with a transcript of credits from the school last attended by the applicant and a certificate of completion for all vocational training for which credit is requested.

It is recommended that applicants should be high school graduates or equivalent and are required to furnish evidence, such as a diploma or course book to substantiate statements made as to education. They must be citizens of the United States or in the process of naturalization, physically able to perform the work required of the trade, and meet such other entrance requirements as may be established by the local committee. Physical examination by a doctor may be required by the committee and such examination shall be paid for by the applicants.

6. STEWARD

The Employer agrees to recognize the right of the Union or the Union's representative to appoint a Steward whose duty shall be to see that all employees covered by this Agreement are members of the Union in good standing in accordance with the requirements of Safety Rules of the State of Illinois.

Representatives of the Union shall not be denied access to the Employer's place of business or any part of the project for the transaction of necessary business with the Employer or employees covered by this Agreement, except for security reasons where it is not feasible.

In case of a grievance by the Employer against the Steward, the Employer shall notify the Union office which will within forty-eight (48) hours, send the Business Manager or a Business Representative to investigate and try to settle the dispute.

If the dispute is not thereby settled, negotiations by and between the Local Union #1 Representative, Ottawa, Illinois, and the Employer Representative, such negotiations shall be pursued until it is apparent that the dispute cannot be resolved at the local level. The dispute will be submitted for settlement under the provisions of Article X Standard Form of Union Agreement.

The Employer and employees will abide by all State and Federal Safety Laws (OSHA). Contractors shall furnish all hard hats, liner, and safety glasses, and the employees will return them when job is completed or pay for them at actual cost to the Contractor.

When an employee fails to comply with the State or Federal Safety Code after being warned once in writing by the Employer representative, with a copy to the Union office and job Steward, said employee will be subject to discharge.

7. REFERRAL PROCEDURE

(A.) The Union agrees to furnish at all times to the Employer upon request, duly qualified journeymen sheet metal workers and registered apprentices in sufficient numbers as may be necessary to properly execute work contracted for by the Employer in the manner and under the conditions specified in this procedure. All referrals shall be in accordance with the succeeding provisions hereof.

(B.) The Employer retains the right to reject any job applicant referred by the Union.

(C.) Selection of applicants for referral to jobs by the Union shall be on a non-discriminatory basis and shall not be based on or in any way affected by Union membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policies or requirement.

(D.) A copy of the referral procedure set forth herein, together with the security provision above set forth shall be posted on the bulletin board in the offices of the Local Union and in the office of the Employer where notices to the employees and applicants for employment are customarily posted.

(E.) The Union shall maintain a list of applicants for employment established on the basis of the groups listed below. Each applicant for employment shall be registered in the highest priority group for which he is qualified.

Group 1) all applicants for employment who have worked within the territorial jurisdiction and job classifications of the Agreement, with a period of service in the unit covered by the Agreement for four (4) or more years prior to the effective date of the Agreement.

Group 2) All applicants for employment who have worked within the territorial jurisdiction and job classifications of the Agreement, with a period of service in the unit covered by the Agreement for more than one (1) year but less than four (4) years prior to the effective date of the Agreement.

Group 3) all applicants for employment who have worked at the trade for more than one (1) year regardless of territorial jurisdiction or unit worked.

Group 4) All applicants for employment who have worked at the trades for less than one (1) year.

Group 5) All other applicants.

Subject to those employees retained being qualified and capable of performing the necessary job duties, the Employer shall lay off employees on the reverse order of their group classifications set out above, with Group 1 employees the last to be laid off.

(F.) The Union shall maintain an out-of-work list for the area of LaSalle, Bureau, Marshall, Putnam and Stark Counties, and an out-of-work list for the area of Peoria, Tazewell, Fulton, Woodford and McLean Counties. When the Employer calls for referrals, he shall call for applicants from the out-of-work list covering the area in which the job site is located. The out-of-work list shall list applicants for employment within each group in chronological order of the dates they register and availability for employment.

(G.) All apprentices shall be entirely governed by the recognized Joint Apprentice Committee, and not the foregoing referral procedure.

(H.) When an Employer requests the Union to refer applicants, the Business Representative of the Union shall refer applicants to the Employer by first referring applicants in Group 1 in order of their places on the out-of-work list, and then referring applicants in the same manner successively from the out-of-work list in Group 2, then Group 3, then Group 4, and then Group 5. An applicant who is rejected by the Employer shall be returned to his appropriate place within his group.

(I.) An Appeals Committee is hereby established, composed of one (1) member appointed by the Union, one (1) member appointed by the Employer, and an impartial third member appointed by the Union and Employer members. The Appeals Committee shall consider any complaint of any employee or applicant for employment arising out of the administration of the referral procedure herein set forth. The Appeals Committee shall have the power to make a final and binding decision on any such complaint which shall be immediately complied with by the parties hereto. The Appeals Committee is authorized to issue procedural rules for the conduct of its business.

(J.) Employers who have not been a recognized Sheet Metal Contractor in the territorial jurisdiction of Local #1 for at least one (1) continuous year prior to the start of a new job in this area shall request the Union to refer applicants from the referral list as required, and shall not recruit applicants directly or hire persons not referred by the Union, or in any manner circumvent the Union in recruiting applicants. Nothing contained in this Section shall infringe upon any other Employer's right to hire employees, but if employees are hired without having been referred by the Union, the Employer shall notify the Union of such employment within twenty-four (24) hours.

(K.) In the event that any of the provisions of Section (A) through (K) of the above referral procedure are modified by the National Labor Relations Board or a court of competent jurisdiction or Act of Congress, then and in such event the parties shall meet within fifteen (15) days after written notice by either party to the other for the purpose of negotiation regarding the matters covered by such modified provision.

8. MISCELLANEOUS JURISDICTION

The Employer agrees that none but journeymen, apprentice, and pre-apprentice sheet metal workers shall be employed on any work described below.

A. All cutting, burning, drilling or knocking out of any and all holes or openings, in conjunction with or a part of the sheet metal workers jurisdiction.

B. The unloading, handling, rigging and installing of any and all types of mechanical equipment or machinery that is installed in conjunction with or a part of any sheet metal ducts, chutes, spouts, hoppers, bins, or transition pieces.

C. The unloading, handling, erection, moving, dismantling, or loading of any and all types of patented scaffold, when used in hoisting material and/or installation or erection of all sheet metal material.

D. When pick-up trucks are furnished for transportation from shop to job, job to shop, or on job site the use of same shall be restricted to the following. Hauling of personnel, hauling of any and all types of material, equipment, scaffold, drinking water, scrap, junk, etc.

E. Any and all cleaning, sweeping, picking-up of all scrap, cartons, crates, packing or other debris.

9. SERVICE WORK

The wage rate for service work is the same as for any other kind of sheet metal work, and the workweek for journeymen performing service work shall consist of forty (40) hours, Monday through Friday. Service men shall be paid on the basis of one and one-half (1 ½) times the rate for work over eight (8) hours, Monday through Friday and all day Saturday, double-time rate for Sunday and holidays.

10. COMPOSITE CREW

When an employee covered by the Agreement is working for the same contractor as a member of a "composite crew" on jobs of eight (8) or more hours duration, his minimum hourly rate of wage for the time worked as a member of the crew shall be not less than the highest minimum hourly rate of wage (exclusive of fringe benefits) paid to a member of the crew.

11. POLITICAL ACTION LEAGUE

The Financial Plus Credit Union agrees to honor Political Action Contribution deduction on authorizations from its Local #1 members that sign the following form:

I hereby authorize the Employer to deduct from my pay the sum of two cents ($.02) for each hour worked and to forward that amount to PAL Political Fund. This authorization is signed voluntarily and with the understanding that PAL Political Fund will use this money to make political contributions and expenditures in connection with federal, state and local elections. I am aware of my right to refuse to sign this authorization without reprisal. This authorization may be revoked by mailing notices of revocation by United States Registered or Certified Mail, Return Receipt Requested, to the Treasurer, PAL Political Committee, 1750 New York Avenue, N.W., Washington, D.C. 20006 and to the Employer.

The political contribution deduction shall be made on the first pay period of each month during which an employee who has performed compensated service has in effect a voluntarily executed political contribution deduction authorization. The money shall be remitted within ten (10) days thereafter to PAL Political Fund, 1750 New York Avenue, N.W., Washington, D.C. 20006, accompanied by a form stating the names and hours worked for each employee for whom a deduction has been made.

12. INTEGRITY CLAUSE

SECTION 1. A "bad faith" Employer for the purposes of this Agreement is an Employer that itself, or through a person or persons subject to an Owner's control, has ownership interests (other than a non-controlling interest in a corporation whose stock is publicly traded) in any business entity that engages in work within the scope of SFUA Article I herein above using employees whose wage package, hours, and working conditions are inferior to those prescribed in this Agreement or, if such business entity is located or operating in another area, inferior to those prescribed in the Agreement of the sister local union affiliated with Sheet Metal, Air, Rail, and Transportation, AFL-CIO in that area.

An Employer is also a "bad faith" Employer when it is owned by another business entity as its direct subsidiary or as a subsidiary of any other subsidiary within the corporate structure thereof through a parent-subsidiary and/or holding-company relationship, and any other business entity within such corporate structure is engaging in work within the scope of SFUA Article I herein above using employees whose wage package, hours, and working conductions are inferior to those prescribed in this Agreement or, if such other business entity is located or operating in another area, inferior to those prescribed in the Agreement of the sister local union affiliated with Sheet Metal, Air, Rail, and Transportation, AFL-CIO in that area.

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

In the event any Employer signatory to or bound by this Agreement shall be guilty of fraudulent conduct as defined above, such Employer shall be liable to the Union for liquidated damages at the rate of $500.00 per calendar day from the date of failure to notify the Union until the date on which the Employer gives notice to the Union. The claim for liquidated damages shall be processed as a grievance in accordance with, and within the time limits prescribed by the provisions of SFUA Article X.

SECTION 3. Whenever the Union becomes aware that an Employer has been or is a "bad-faith Employer", it shall be entitled, notwithstanding any other provisions of this Agreement, to demand that the Agreement between it and such "bad-faith Employer" be rescinded. A claim for rescission shall be processed by the Union as a contract grievance in accordance with, and within the time limits prescribed under the provisions of SFUA Article X of this Agreement.

13. ORGANIZER

The Local Union, upon 30 days' notice to the Employer, has the right through the term of this Agreement to implement an after tax hourly deduction for the purpose of organizing under the Labor Management Relations Act of 1947 as amended. Remittances will be paid to SMART Local #1 by the twentieth (20th) of the following month.

14. CONSTRUCTION INDUSTRY RETIREMENT FUND OF ROCKFORD

It was understood and agreed that there has been established a Pension Plan known as the Construction Industry Retirement Fund of Rockford.

Effective _____, the Employer shall be liable to contribute _____ per hour for each hour worked by the employee under the terms of this Agreement to the aforementioned Pension Trust Fund. (see #3 of Addenda for effective date and amount of contribution)

The Pension Fund maintains a place of business at 1322 E. State, Suite 300, Rockford, Illinois 61104 or at such other place as designated by the Trustees. Contributions of the Employer shall be forwarded to South Side Bank, PO BOX 5126 Peoria, IL 61601

It is understood and agreed that the Employer shall be bound to the terms and provisions of the Agreement and Declaration of Trust of the Construction Industry Retirement Fund of Rockford, and all amendments heretofore or hereafter made thereto, as though the same were fully incorporated herein.

All contributions shall be paid by the 20th to South Side bank by the 20th of the month. The Employer shall be deemed to be in violation of this Agreement and the aforementioned Trust Agreement and shall be liable for contributions due, liquidated damages, interest and any other costs of collection.

The Pension Fund is established and to be administered in accordance with the applicable provisions of the Labor Management Relations Act of 1947, as amended and the Employee Retirement Income Security Act of 1974 as amended, and all other applicable laws.

Contributions to the aforesaid Pension Fund shall not constitute or be deemed wages due to the employee. The sole liability of the Employer, except as otherwise provided herein, shall be the payment of the pension contributions as provided in this Article. (See #3 of Addenda for effective date and amount of contribution)

Effective June 1, 2011, all apprentices indentured after May 31, 2011 shall receive no contributions to the Construction Industry Retirement Fund of Rockford for the first six (6) months of their apprenticeship. Thereafter, the hourly contribution shall be thirty (30) percent of the Building Trades Journeyman hourly contribution for the remainder of the apprenticeship. This section shall not have the effect of reducing contributions for any apprentice who was indentured prior to June 1, 2011.

15. DRUG & ALCOHOL POLICY (OPTIONAL)

Employees are the Contractor's most valuable resource and for that reason, the health and safety of all employees is a paramount concern. Therefore, employers recognize the importance of maintaining a safe, healthy working environment for all employees. Contractors shall develop and maintain drug testing programs for all employees. Testing may be done prior to new applicant or apprentice employment and after a reportable accident or injury. Standards for laboratories selected to perform testing would be the same as FHWA (i.e., National Institute on Drug Abuse certified). Possession, sale or use of alcohol or non-prescription drugs by an employee on the employer's property, site of construction, or during working hours regardless of location, may result in termination from employment. Employees must not report for work under the influence of any drug, intoxicant or narcotic.

Employees working under this Agreement will be required to submit to any and all testing as required by the project owner or any federal or state mandated agency at the expense of the Employer. Employees refusing to consent to such testing shall be deemed to have voluntarily quit their employment for all purposes under this Agreement.

Employees taking prescription medication, which, according to their physician, may have physical or mental side effects which could cause impairment on the job site, should report the medication to site supervision in writing in advance. Said medication must be contained in the original prescription container. Employees who report the use of lawfully prescribed medication shall not be disciplined for use of same, but may be subject to possible reassignment to less hazardous operations or, in the case of an employee deemed to be impaired as to their mental and/or motor functions, may be placed on temporary medical leave. The employer reserves the right to have its physician determine if a prescription drug produces hazardous effects or to restrict the quantity the employee is allowed to bring to the work place.

Within three (3) days of notification of a positive test result, an employee may request that the laboratory retest the original split sample at his or her own expense. If the test result is negative, the employer shall reimburse the employee for the cost of the retest. In the event the initial test indicates a negative result, the employee shall be paid any wages and benefits that would have been paid had his work hours not been interrupted by the test.

If any test result is positive, the employee may voluntarily seek assistance and enroll in the designated Union Health & Welfare Plan. A negative test within seven (7) days after successfully completing the program will make the employee eligible for immediate reinstatement, provided that the employer has work available and the employee continues the required chemical dependency treatment program.

Upon return to work, the employee agrees to be tested periodically at the expense of the employer. The Union shall be notified when any of its members are requested to submit to drug and/or alcohol testing.

Any employee who feels that he or she has developed an addiction or dependence on alcohol or drugs is encouraged to seek assistance before it deteriorates into a disciplinary matter. Requests for assistance will be handled in the strictest confidence within the Company and the Union. The Company will act in concurrence with the Union Health & Welfare Plan to help any employee who voluntarily notifies a supervisor that he or she may have a substance abuse problem, in obtaining suitable treatment. A negative test within thirty (30) days will make the employee eligible for immediate reinstatement, provided that the employer has work available and the employee continues the required chemical dependency treatment program. It is understood that the goal is not being one of replacing an employee who voluntarily sought help and continues to seek help after initial treatment.

16. SPECIAL SHIFT

One "Special Shift", with a start time not consistent with the start time specified in Article VI Section 1, and not consistent with the start time(s) specified in 1. STANDARD MULTIPLE SHIFT CLAUSE of the ADDENDA may be worked, if required. Workmen of the special shift shall receive eight (8) hours pay at their regular hourly rate plus fifteen (15) percent, for seven and one-half (7½) hours work. This pay schedule shall remain in force for seven (7) continuous work days, not including Saturday, Sunday, and holidays. After the seven (7) continuous work days, the workmen shall receive eight (8) hours pay at their regular hourly rate for seven and one-half (71/2) hours work. Only one (1) special shift may be worked at one time, per project. Saturday, Sunday, and holidays are not part of the special shift and work performed on Saturday, Sunday, or holidays shall be at the appropriate overtime rate. Any work performed before or after the established hours of the special shift would be at the appropriate overtime rate. Once a special shift is terminated and another special shift is required, or a different start time is required, the provisions of the special shift would reapply. Notification to, and concurrence from the local union is required prior to starting a "Special Shift".

17. ANYTHING HEREIN CONTRARY TO LAW SHALL BE VOID

Signed effective the 1st day of June, 2018.

ILLINOIS VALLEY SHEET METAL CONTRACTORS ASSOCIATION AFFILIATED WITH THE ILLINOIS VALLEY CONTRACTORS ASSOCIATION

BY _____
Daniel F. Aussem
Executive Director

LOCAL UNION NUMBER 1 OF SHEET METAL, AIR, RAIL, AND TRANSPORTATION

BY _____
Bob Miller
Business Representative