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1,800 workers

73 pp.

AN AGREEMENT

by and between

OTIS ELEVATOR COMPANY

and

LOCAL NO. 1,

INTERNATIONAL UNION OF

ELEVATOR CONSTRUCTORS

March 17, 2000 to March 16, 2005

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THIS AGREEMENT, made this 17th day of March, 2000, by and between the Otis Elevator Company, hereinafter called the Company, and the International Union of Elevator Constructors, Local No. 1, of New York and vicinity, hereinafter called the Union, a voluntary association of more than seven persons, acting through its President and his successor in office, witnesseth: That, in consideration of the mutual promises hereinafter obtained, the parties hereto covenant and agree as follows:

SECTION I - RECOGNITION OF THE UNION AND OF THE COMPANY'S RESPONSIBILITY

A) The Company recognizes the Union as the exclusive bargaining representative for all Elevator Constructor Mechanics and Elevator Constructor Helpers (hereinafter sometimes referred to as Employees) in the employ of the Company, engaged in construction, modernization, maintenance and repair for that area within a radius of 35 miles of the City Hall of the City of New York, except Monmouth County, New Jersey, but including all of Long Island.

B) The Union recognizes that it is the responsibility of the Company in the interest of the purchaser, the Company and its employees to maintain the highest degree of operating efficiency and to continually improve the design, tools, methods of manufacture and assembly of his equipment to obtain better quality, reliability and cost of its product. However, the above stated responsibility and objectives are not intended to affect the work jurisdiction provisions set forth in Section IV, IV(A), V, and VI of this Agreement, Paragraph 2 (except for 2(a)), Paragraph 3 and Paragraph 9 of Article IV of the Otis/TUEC Agreement, Joint Industry Committee Decisions.

In light of the above, the Union specifically recognizes the Company's need to continuously upgrade the technologies it employs. This includes devices carried and used by its Employees to record data such as product performance or callback-related information, payroll information, to communicate with other Employees both in the field and in the office, to communicate with computers and computer-related devices, to record service data, and/or to obtain customer authorization or approval of work performed or to be performed. These devices may include some form of KDT (Keyed Data Terminal) or an evolution of KDT technology, cell phones or an evolution of cell phone technology, beepers or an evolution of beeper technology, or portable computers or an evolution of portable computers, video technology or an evolution of video technology. All such devices shall be supplied to its Employees by the Company. Further, the Union and each of the Company's Employees understands their collective and individual obligations to utilize these devices as prescribed by the Company.

The Union and its members recognize each member's/Employee's individual accountability for each and every action undertaken by such Employee on behalf of Otis. The Company will protect each and every Employee acting on its behalf by indemnifying them in accordance with and to the extent provided in Section 7 of the by-laws of the Company for acts taken on behalf of the Company in the course of such Employee's employment.

Each Employee understands his/her obligation to comply with customer requirements. These requirements include issues such as building/facility security, cooperation with building personnel, and any other special requirements.

In addition, each Employee understands his/her responsibility to properly and safely plan all work, and execute such plans in conformance with Otis' safety practices and standard work processes. This paragraph is expressly subject to the Grievance and Arbitration provisions outlined in this contract.

The Employer understands that work is to be scheduled by supervision, and that supervision is responsible to ensure necessary tools, equipment and materials are available.

The Union also recognizes that all work is to be performed safely in accordance with the methods and processes as established by the Company and will be acknowledged to the extent completed by the Employee in whatever fashion prescribed by the Employer. The Union will cooperate in ensuring each Employee of the Company understands his/her obligations under this section of the contract.

SECTION II - GENERAL CONDITIONS APPLICABLE TO ALL TYPES OF WORK AND ALL EMPLOYEES

(A) EMPLOYMENT PRACTICES

The Company and the Union mutually agree that they will comply and cooperate with all Federal, State and/or Local laws, codes, rules and ordinances prohibiting discrimination based on race, creed, color, sex, national origin, age, sexual orientation, marital status or disability. The Gender references in this agreement shall apply to male or female.

1. The Union shall establish, maintain and keep current an open employment list for the employment of workmen competent and physically fit to perform the duties required. Such list shall be established, maintained and kept current on a non-discriminatory basis and shall not be based or in any way affected by Union membership, Union by-laws, rules, regulations or constitutional provisions or any other aspect or obligation of Union membership, policies or requirements.

2. Whenever desiring to employ workmen covered by this Agreement, the Company shall call the Union (except as noted in Paragraph 3) and the Union shall promptly refer to the Company, but in no event later than 72 hours exclusive of Saturdays and Sundays, workmen who are believed to be competent and physically capable of performing the duties needed by the Company.

The Company shall have the right to reject for good cause any workman referred to it by the Union. The application of this provision shall be subject to arbitration under Section VIII of this Agreement. If the Union fails to refer qualified and competent workmen within the specified period, the Company may obtain workmen from any available labor source.

3. The Company may during any calendar year hire from other sources the number of employees set forth in the table that is applicable:

| Average Number Employees Represented By IUEC on Company's Payroll During Preceding Year | Maximum Outside Hiring During Current Calendar Year |
|---|--|
| 0 to 10 | 1 |
| 11 to 20 | 2 |
| 21 to 50 | 3 |

Plus one (1) for each additional 125 employees. During the life of this agreement, Otis shall have the right to hire 5 more individuals per year than allowed under the above formulation.

In addition, the Company has the right to assign management associates to work with field associates. These management associates shall be issued temporary union permits valid for 90 days and shall work in the field no more than 45 days within that 90 day period. However, such Employee will not replace an existing Local #1 member. It is management's intention to use this as a training period and not as a method to replace Local #1 members with non-union Employees. Their number shall not exceed 12 per year.

4. The Union shall refer to the Company only workmen whose names appear on the open employment list and in so doing shall be governed by the following criteria:

(a) If the Company requests by name from the open employment list a workman, other than a probationary man, who has had previous employment with the Company within the past two (2) years, that workman shall be referred by the Union to the Company unless the workman is then working for another company or is unwilling to accept employment with the Company.

(b) If the Company does not request that a particular workman be referred to it to fill a particular vacancy as provided in sub-paragraph (a), above, the referral shall be by classes and priorities in the following order:

First: Workmen competent and experienced in the performance of work of their classification and who have had employment experience, other than probationary employees with any company party to an agreement with the Union. The order of referral within this class of workmen, known as Experienced Class, shall be in the order of registration of the applicants on the employment list.

Second: Workmen competent and able to perform the work in the classification to be filled but who have had no previous employment experience with any company party to an agreement with the Union. The order of referral within this class of workmen shall be in the order of registration of the applicants on the employment list.

5. Whenever the Company decides to reduce its work force on any job, it shall select the employees to be retained on the basis of competency, ability to perform the available work and length of all prior service with the Company. The application of this provision shall be subject to arbitration under section VIII of this Agreement.

The Company reserves the right to transfer Employees from job site to job site, from job to job, from office to office, and from department to department except that no Employee shall be transferred for the sole purpose of layoff. Understanding the Union's concerns, the Company agrees not to use this provision for punitive purposes. Should a layoff be necessary within a given department, no transfers into that department shall take place within thirty (30) days before/after the layoff.

It is understood and agreed that the undersigned parties have reached the following agreement with respect to Experienced Helpers who are to be laid off. Section II (A) (5) shall not apply in the case of Experienced Helpers who are to be laid off when the Company decides to reduce its workforce. Instead, the following procedure shall apply:

When the Company decides to reduce its workforce of Experienced Helpers (Helpers who have more than six (6) months of industry experience and who are receiving the rate of pay for Helpers set forth in Section VII (B) of the collective bargaining agreement) on any job, it shall select the Experienced Helpers to be retained on the basis of competency, ability to perform the available work and length of service with the Company. The determination of competency and ability to perform the available work shall include consideration of the Helper's record of absenteeism and tardiness, ability to perform assigned work, safety habits, general work habits. The Company's superintendent shall consult with the Mechanic-In-Charge or other Mechanics who have worked with the Experienced Helpers for the purpose of evaluating the competency and ability to perform available work of such Experienced Helpers.

Where Experienced Helpers are determined to be equal in regard to competency and ability to perform available work, the Company shall give preference to those Experienced Helpers who are actively participating in the National Elevator Industry Educational Program (NEIEP), and such Experienced Helpers shall be the last to be laid off. Where one or more Experienced Helpers are participants in NEIEP, between such Experienced Helpers, length of service with the Company shall govern the order of layoff.

The parties agreed that Union membership or lack thereof, (except for failure to render periodic dues and initiation fees), shall not be a criteria in any Company decision to retain or lay off an Experienced Helper.

The term "actively participating" shall mean a helper who has been regularly pursuing the NEIEP program. A helper who has not been regularly pursuing the NEIEP program in the six month period prior to the date of layoff shall not be deemed to be actively participating in the NEIEP program.

6. All Employment Practice provisions are to be posted in the Union Hall and in the Company's personnel office.

(B) MAINTENANCE OF ELEVATORS IN TEMPORARY OPERATION

The Employer shall have the unquestioned right to accept contracts from owners, contractors and others to provide maintenance on elevators during this period of temporary operation. The Employer shall, as between the Employer and the Union, have the exclusive right to provide such maintenance. The selection and assignment of employees to maintenance on such elevators and the control of such work shall be solely with the discretion of the Employer. Employees assigned to such work shall be paid at the rate of pay for construction workers established by this contract during the period of temporary operation (i.e. while the car is operated by an elevator constructor or operating engineer, or until the unit is placed on Otis' NIS (New-Installation Service) list, or a final certificate of occupancy is issued, whichever occurs first). However, such employees shall be paid at the rate of pay for Service Work no later than 6 months after the final certificate (or until the car is accepted by the customer) on the car is issued by the appropriate governing agency.

(C) MEMBERSHIP REQUIREMENTS

1. All employees covered by this Agreement shall, as a condition of employment, apply for membership in the Union on or after the 30th day following the beginning of their employment, or the executed date of this Agreement, whichever is later.

2. The Company shall be obligated under this Section to terminate the employment of any employee who fails to obtain or maintain membership in the Union as required by this section, upon receipt of written request for such termination from the Union; except that the Company shall have the right to refuse such request if there are reasonable grounds for believing (a) that such membership is not available to the employee on the same terms and conditions generally applicable to other members, or (b) that membership has been denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

(D) PROBATIONARY EMPLOYEES

1. A newly hired employee without previous mechanical experience shall be classified as a Helper and shall work as a probationary employee, in the status of a Helper for a period, or periods totaling six (6) months within an aggregate period of not more than nine (9) months. For purposes of this Section, a probationary employee shall advance from the fifty (50) percent wage rate upon completion of six (6) months in the elevator industry provided such probationary employees have worked a minimum of one hundred (100) hours in each thirty (30) day period during the six (6) months. Hours accumulated with other elevator companies signatory to an agreement with the Union shall be credited toward meeting the probationary requirements set for the above.

2. It is understood that probationary employees during this probationary period above set out may be discharged or laid off at any time by the Company with or without cause, and no reason need be assigned therefor and no such discharge shall be the subject of a grievance.

(E) PROBATIONARY HELPERS

1. Probationary Helpers, as defined in Section II, Paragraph "D" of this Agreement, shall be paid one-half of the average of the Construction Mechanic's rate and the Service Mechanic's rate as outlined in Section VII of this agreement.

2. Following completion of the probationary period, Helpers actively participating in the National Elevator Industry Educational program who have an industry hire date of July 1, 1993 or later shall be compensated in accordance with Section VII of this agreement:

Should a Helper fail to remain an active participant in NEIEP, the Helper's increase shall be suspended until such time as the Helper is again actively participating. At that time, the helper shall be reinstated at the point where the suspension began.

3. It is understood that Helpers, during the first twenty-four (24) months, may be discharged or laid off at any time by the Company, with or without cause, and no reason need be assigned therefore and no such discharge shall be the subject of a grievance.

4. Helpers with an industry hire date prior to July 1, 1993 shall continue to be compensated at the rates set forth in Section VII.

5. When there is either overtime worked or a layoff made on a job, preference will be given to the experienced Helper over the probationary Helper. An experienced Helper for purposes of all Helpers with an industry hire date after July 1, 1993 is one who has had twenty-four (24) months experience or more and is receiving more than one-half the appropriate Mechanic's rate. An experienced Helper for purposes of all Helpers with an industry hire date prior to July 1, 1993 is one who has had six (6) months experience and is receiving more than one-half the Construction Mechanic's rate as outlined in Section VII of this Agreement. When Helpers are to be laid off, probationary Helpers employed by the Company shall be the first to be laid off, except that individuals hired pursuant to Section II(A) Paragraph 3 as management trainees shall be excluded from this requirement for a maximum of a 14 week training period.

6. No contributions shall be due to the Annuity Fund for a Helper with an industry service date of July 1, 1993 or later until such helper completes six (6) months of service as said term is defined in ERISA for such an employee after July 1, 1993.

(F) JOINT EXAMINING COMMITTEE

A Joint Examining committee shall be appointed consisting of two (2) representatives from the Company and two (2) from the Union and shall meet quarterly.

1. No Helper may qualify or be raised to the capacity of Mechanic until he has worked for a period of three (3) years in the elevator industry, has successfully completed the required National Elevator Industry Educational Program courses, and has passed a Mechanic's examination administered by the N.E.I.E.P. Director's office. Such examination shall be administered no less than once every twelve (12) months. A Helper who has successfully passed the Mechanic's examination shall become a Mechanic no later than 11 (eleven) months after the date of the examination. Should he fail to qualify, he cannot again take the Mechanic's examination for a period of one (1) year.

Every helper entering the trade from the date of this agreement forward (1 July 1996) must pass the Mechanic's examination within seven (7) years of the signing of this Agreement. Failure to pass the examination within this period will be grounds for dismissal.

2. In addition to the tests given pursuant to Section II(F)(1), examination shall also be given pursuant to the Consent Decree. The tests given pursuant to the Consent Decree shall be governed exclusively by the provisions of the Consent Decree and the test given pursuant to Section II (F)(1) shall be governed exclusively by the provisions of Section II(F)(1).

3. A Helper is eligible to work as a temporary Mechanic provided he has complied with the requirements for temporary Mechanics prescribed from time to time by N.E.I.E.P. There shall be no restrictions on hours or work a temporary Mechanic may perform, except that a temporary Mechanic will not act as a Mechanic-In-Charge on a job where there are permanent Mechanics.

When the Company needs an additional Mechanic in Contract Service it shall have the right to upgrade a Helper from among the Helpers on the payroll of the Company to the position of Temporary Mechanic. When the Company needs another Mechanic in Contract Service, it shall call the Union and request the referral of a Mechanic, in accordance with Section II hereof. Further openings for Mechanics and Temporary Mechanics shall be filled in the same alternative manner.

If the Union can refer a Mechanic in accordance with Section II of this agreement subsequent to the designation of a Temporary Mechanic under this procedure, the Union may refer such Contract Service Mechanic or Mechanics to the Company as a replacement for the Temporary Mechanic or Mechanics most recently designated pursuant to this procedure. This provision shall apply on an industry-wide basis. In such event, the designated Temporary Mechanic or Mechanics in Contract Service will revert back to Helper.

With respect to Construction, Modernization and Repair, prior to making any Helper a Temporary Mechanic the Company will first request a Mechanic from the local union in accordance with Section II of this agreement.

If during the time a Helper was working as a Temporary Mechanic and the local union can refer a Mechanic in accordance with Section II of this agreement, then the Company agrees that such Temporary Mechanic will revert back to his prior status of Helper. The last Temporary Mechanic made shall be the first required to revert back to Helper status on an industry wide basis. It is understood, however, that such reverting back will not include a Mechanic laid off in Construction and Modernization requiring a Temporary Mechanic in Repair or Contract Service to revert back to Helper, nor a Mechanic laid off in Contract Service or Repair requiring a Temporary Mechanic in Construction or Modernization to revert back to Helper status. The Company may also make a Helper a Temporary Mechanic to perform work as an Adjuster subject, however, to the prior agreement of the Business Manager of the Union. The Union will not act in Arbitrary or capricious manner relative to such a request.

4. In the case of reduction in the work force by the Company in any department, Temporary Mechanics in that department shall revert back to Helpers before any Mechanics in that department shall be laid off. It is further understood that men working as adjusters shall not be subject to the above.

5. The above stated rules with regard to the Joint Examining Committee and Temporary Mechanics are the only ones which govern and neither party shall take unilateral action which changes such rules.

However, the Company may elevate any experienced helper to Temporary Mechanic for a period not to exceed 30 days without reference to the above. The Company will notify the Union at the start and the end of any such assignment.

6. A man with previous mechanical experience in the elevator industry may be hired as a probationary employee in Repair or Contractual Service either as a Helper or a Mechanic's scale of wages for a period of six (6) months at which time he shall be subject to an examination to qualify as a Mechanic administered by the NEIEP Director's office. If such employee does not qualify and pass the examination at the end of the six (6) month's period, he may be discharged on recommendation of the Examining Committee, unless the Company elects to retain him as a Helper. At the discretion of the Examining Committee, he may be given another examination for Mechanic at the end of a further one (1) year period.

(G) HOLIDAYS

The following holidays shall be observed:

New Year's Day, Lincoln's Birthday, President's Day, Memorial Day, Fourth of July, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving, and Christmas Day.

Employees will not be granted time off from work on Election Day for voting purposes except as otherwise provided by law.

All Holidays which fall on a Saturday will constitute no days off from the regular work week. An additional day's pay (8 hours at straight time rates) will serve as Holiday pay to be added to all hours worked that week. All Holidays which fall on a Sunday will be observed on Monday.

Any bonafide employee who does not work on the holidays mentioned above will be paid at his single time rate for such days. A bonafide employee, within the meaning of this Section, must have worked the last complete scheduled work day prior to, and the next complete scheduled work day after such holiday. Exceptions to the above requirements will be given when due to a legitimate personal or family illness, or due to an emergency that prevented attendance and the employee will then receive pay for the holiday. To qualify for this exception the employee must provide supervision with satisfactory documentary evidence that may be required.

The above holidays shall be observed on the day set for such observance by the majority of the trades in the Building and Construction Industry in the City of New York and the parties shall mutually agree on the specific date at least thirty days in advance of the observance of the holiday.

Employees who, because of religious or personal beliefs, need to take time off for special observance days such as Martin Luther King Day or a religious holiday may be excused from work with the prior approval of supervision. Such approval shall not be unreasonably withheld. Any such excused absence shall be without pay or fringes.

(H) HEALTH PLAN AND PENSION PLAN

1. The National Elevator Industry Health Plan and the National Elevator Industry Pension Plan and Declarations of Trust as the same now exist or may hereafter be amended during the term of the Agreement including any change in benefits and Company and/or employee contributions, are hereby made part of this agreement.

(a). The Health Plan shall be financed by mutual contributions of the Company and Elevator Constructor Mechanics and Helpers as provided herein. The Company agrees to pay and contribute the amount listed below for each hour of work performed by all Elevator Constructor Mechanics and Helpers in its employ:

| Effective Date | Welfare Contribution |
|-----------------------|-----------------------------|
| 3/17/2000 | \$3.925 |
| 3/17/2001 | 4.125 |
| 3/17/2002 | 4.325 |
| 3/17/2003 | 4.425 |
| 3/17/2004 | TBD |

Each Elevator Constructor Mechanic and Helper shall continue to contribute three and one-half (3 1/2) cents per hour. Payments of said contributions by the Company and Elevator Constructor Mechanics and Helpers shall be in accordance with the National Elevator Industry Health Plan and Declaration of Trust.

(b). The Plan of Pension Benefits shall be financed by contributions as provided herein. The Company agrees to pay and contribute the amount listed below for each hour of work performed by all Elevator Constructor Mechanics and Helpers in its employ:

| Effective Date | Pension Contribution |
|-----------------------|-----------------------------|
| 3/17/2000 | \$2.360 |
| 3/17/2001 | 2.410 |
| 3/17/2002 | 2.460 |
| 3/17/2003 | 2.610 |
| 3/17/2004 | TBD |

Payments of said contributions by the Company shall be in accordance with the terms of Declaration of Trust adopted by the Board of Trustees appointed under the National Elevator Industry Pension Plan.

2. If the Company is required for any reason to increase the Company's contribution to the National Elevator Industry Health Plan or Pension Plan, then the amount of such additional Company contribution shall serve to reduce the effective wage rate set forth in Section VII of this Agreement in an amount adjusted to reflect such increased Company contribution and its effect upon the wage rate.

(I) METHOD OF PAYMENT

All employees shall be paid by check, which shall be sent to any address they elect to designate, other than the Company address. Employees may be given the option of electing direct deposit in lieu of the foregoing. Once enrolled in direct deposit, the employee may elect to discontinue enrollment by giving the Company ten (10) days written notice. No employee is to cash any check other than his own personal check. The Company agrees that the pay day will be either Thursday or Friday, except when compelled by City or Government contract to pay differently. Employees must be paid by voucher in the morning of the next regular work day following the employee's regular pay day if the employee did not receive his regular check. Voucher must be at least seventy-five percent (75%) of employee's earned pay.

All employees hired or rehired shall be required to utilize the Company's Direct Deposit method of pay. Existing employees who enroll in the Company's Direct Deposit method of payment for the first time shall receive a one-time bonus of \$50 (fifty dollars).

To receive the bonus, the Employee must not have been enrolled in the Employer's Direct Deposit program in the past. If the Employee withdraws from the Direct Deposit program within one (1) year after enrolling, he/she must reimburse the Company the \$50.00 (fifty dollar) one-time bonus.

Time tickets shall be made out on Company time. The Company shall not change the hours or expenses on any time ticket without informing the employee. The employee's time not in dispute shall not be held up. Elevator Constructors shall receive, at the time of weekly payment, a check stub containing the following information:

1. Employee's name and social security number.
2. Total hours worked - regular and overtime.
3. Total wages - weekly and accumulative.
4. Federal income taxes withheld.
5. F.I.C.A. taxes withheld.
6. Welfare and pension deduction.
7. Any other authorized or legitimate deductions.
8. Annuity days weekly and accumulative.

On pay days preceding Thanksgiving Day, Christmas and New Year's, checks are to be delivered to each employee during the regular working hours.

Should the Company's payroll and/or accounting department experience a short work week due to a holiday or any other reason, the Company shall make any special arrangements necessary to ensure employees receive pay on schedule.

(J) FRACTION OF A DAY

The employee shall be paid for any fraction of a day at his regular hourly rate. Any fraction of an hour worked will be rounded to the next higher quarter of an hour for pay purposes. This applies to jobs on which an employee is paid at a single time rate.

(K) REPORTING TIME

Whenever a Mechanic or Helper covered by this Agreement, reports to work on a Construction, Modernization or Repair job at the request of the Company and there is no work available except for reasons beyond the control of the Company, the employee shall receive two (2) hours pay at straight time rates.

When a Mechanic or Helper, covered by this Agreement, reports to work on a Construction, Modernization or Repair job, without being notified not to report and commences work on such job, the employee shall receive two (2) hours pay at straight time rates if the employee ceases to work at the direction of the Company.

(L) TRANSPORTATION AND TRAVEL TIME

An employee who is sent out of town at the request of the Company, shall be paid travel time at time and one-half, if such travel takes place prior to and/or after the regular work hours, at the start and finish of the job. The employee will also be reimbursed for all out-of-pocket transportation expenses and room and board. The room and board allowance shall not be less than \$20.00 per day or \$140.00 per week. If the Company and the employee agree that the employee use his personal auto for transportation the employee is to be paid the IRS maximum cents per mile allowance. The mileage reimbursement rate shall be changed thirty (30) days after receipt of notification of a change in the IRS standard mileage rate then in effect.

Employees operating vehicles provided by the Company shall not be entitled to payment of wages or commuting expenses for time spent traveling from the Employee's home to the first job site of the regular work day or traveling from the last job site of the regular work day to the Employee's home. (Note: Employees shall be reimbursed for any tolls in excess of the toll charge for passenger vehicles.)

(M) SUBCONTRACTORS

On any job where the Company sublets any work within the trade jurisdiction of the Elevator Constructor, it is understood that the Company shall have inserted in its contract with the subcontractor a clause requiring that Elevator Constructor Mechanics and Helpers covered by this Agreement be employed on this work. If the Union cannot supply Elevator Constructors qualified for the class of work involved or if said workers cannot perform this work competitively, the subcontractor may employ other qualified men at the rates specified herein.

(N) NAMES - COMMUNICATIONS - RULES

1. The Company agrees that at the end of the calendar year, the Company shall, upon request of the Union, furnish the names of members of Local No. 1, carried on their payroll during the year, with the total number paid in wages to each man. Also upon request of the Union, the Company will, within two (2) working days, supply the weekly wage, hours worked and travel time of any member of Local No. 1 (limit to eight (8) men in any week or ninety-six (96) men per year).

2. No discrimination shall be made against any member of the Union or the Company. All written communications passing between the Company and the Elevator Constructors Union shall be addressed to the Secretary of Local 1 and the Director, Industrial Relations for Otis or his designee.

3. No salaried employee, partner or member of the firm of the Company shall perform any of the physical work of employees covered by this Agreement unless agreed to by the Union, except for situations of emergency or in which the services of the Elevator Constructors are not available. An emergency shall be defined as a situation in which someone is caught in an elevator, personal safety is in immediate danger, substantial property damage is involved, or the safety of the general public is jeopardized.

4. Neither the Company nor the Union shall adopt any rule or regulation that conflicts with any of the provisions of this agreement.

(O) JURISDICTIONAL DISPUTES

The Union and the Company agree that the Arbitration plan adopted by the Building Trades Employers Association of New York shall be used to resolve any disputes concerning trades jurisdiction arising under Section IV, Construction Work and/or Section V New Construction and Modernization Work in Existing Buildings. The Union shall not be compelled to violate any of the rules of its International Union. The Company shall not be compelled to abide by any decision, agreement, understanding or the like with respect to any Award of jurisdiction not arising from a dispute concerning work performed under Section IV, Construction Work and/or Section V New Construction and Modernization Work in Existing Buildings.

(P) LOSS OF CLOTHING AND TOOLS

1. The Company shall furnish suitable lockers or chests for storage of clothing and tools. In the event of theft or fire, and in order to definitely place the responsibility, it is agreed that claims be limited as follows:

| | |
|----------|--------|
| Clothing | 200.00 |
| Tools | 900.00 |

2. In order to fix the responsibility for the amount of loss by theft or fire, it shall be the duty of the employees in charge of the work to obtain from the employees, when reporting such a loss, a list of the value of the property, which shall be verified by affidavit.

3. Payment shall be upon presentation of an itemized bill within sixty (60) days of the loss for the replaced items. The Company agrees to pay 60% of the loss, subject to the above limitations, and the Union agrees to pay the remaining 40%.

(Q) LAWS

In the event that provision of the Agreement shall be declared by any Act, Governmental Board, or Agency having jurisdiction, to be illegal or contrary to any law, order or directive any such Board or Agency having jurisdiction, then such provision shall be inoperative without any effect upon the remaining provision of the Agreement. It is further provided that in the event any provision or provisions are declared to be in conflict with such Act, Government Board, or Agency, both parties shall meet within thirty (30) days for the purpose of renegotiating the provision or provisions so invalidated.

(R) TOOLS

The Company shall furnish all power operated tools, rigging equipment, instruments and meters as may be required. The union recognizes the Company's obligations to continually improve its safety and efficiency. The Company has the right to and will introduce new tooling (other than powder actuated devices), rigging, metering and instrumentation to achieve these obligations. Further, the Union and each of the Company's Employees understands their collective and individual obligations to utilize these devices as prescribed by the Company.

(S) SAFETY

The Company and the Union recognize a mutual obligation to provide a workplace free of hazards. Every Employee is obligated to abide by all safety practices, procedures, methods, policies, etc.

The Union shall designate a Safety Committee which may review the Company's Safety Practices and make recommendations. Quarterly meetings of the Safety Committee will be held with representatives of the Company. It is further understood the Company assumes no financial support or liability for such Safety Committee.

The Company recognizes its obligation to comply with applicable state statutes and OSHA regarding the health and safety of its work force including the handling, use and proper labeling of potentially hazardous materials.

(T) SHOP STEWARD

1. The Company hereby recognizes that, on any construction or modernization job site with more than seven (7) employees, there shall be a Shop Steward. The Shop Steward shall be designated by the Union Business Manager from among the employees on the job. Similarly, for each other department of the Company, providing that such department has more than thirty (30) employees, a Shop Steward shall be designated for each such department from among the employees in that department. If, however, such department has fewer than thirty (30) employees, then there shall be one (1) Steward who will represent more than one department, selected as above. Where the Company operates its departments (other than construction) out of more than one location, the above recognition shall apply to each such location.
2. Such Shop Steward will perform his normal work assignments during his normal working hours and will only conduct Union business prior to or after working hours. Union business is defined as the investigation of grievances, trade jurisdictional problems, Union security problems and safety. The Shop Steward shall have no right to interfere with any work assignment, nor have any right to engage in or call any work stoppage, slowdown, or in any other means interfere with the work duties of the employees.
3. The Shop Steward, once appointed, shall not be transferred or laid off from that job while that job meets the requirements of Paragraph 1 above, provided, however, that the Steward must have the skill and ability to perform the remaining work.
4. The Union will notify the Company in writing of the employee appointed the Shop Steward.

(U) METRIC TOOLS

When the Company requires the use of Metric Tools such tools shall be provided.

SECTION III - VACATIONS

A. The following plan is established for vacations:

1. An employee who has worked less than 5 years in the industry shall receive Vacation Pay credit on the basis of 4% of his regular hourly rate for all hours actually worked. An employee who has worked 5 to 15 years in the industry shall receive Vacation Pay credit on the basis of 6% of his regular hourly rate for all hours actually worked. An employee who has worked 15 or more years in the industry shall receive Vacation Pay credit on the basis of 8% of his regular hourly rate for all hours actually worked.

2. The Vacation Pay accrued from January 1 of one year through June 30 of the same year shall be paid in full to the employee by July 15 of that year. The Vacation Pay accrued from July 1 of one year through December 31 of the same year shall be paid in full to the employee by January 15 of the succeeding year.

Minimum annual vacation payments for employees in Service and Modernization departments will be equivalent to 40 hours pay for each week of vacation eligibility provided they have worked at least 1750 hours during the vacation year.

Minimum annual payments for employees in the Construction department will be equivalent to 35 hours pay for each week of vacation eligibility provided they have worked at least 1530 hours during the vacation year.

3. The vacation schedule shall be as follows:

Six (6) months or more, but less than five (5) years - two (2) weeks.
Five (5) years, but less than fifteen (15) years - three (3) weeks.
Fifteen (15) years or more - four (4) weeks.

4. The rate of pay for vacation days shall be the rate in effect on the earlier of

(a) June 30 for the July 15 payout and December 31 for the January 15 payout, or

(b) the employee's last day worked in either payout period.

5. Each employee shall schedule half of his vacation from January 1st through June 30th and the remaining half of his vacation from July 1st through December 31st, inclusive, which vacation shall be arranged with the Company so as to cause a minimum of interference with work.

All vacation will be taken in increments of whole weeks. An employee with three (3) weeks of vacation time may take two (2) of those weeks in either half of the year.

Where a team is broken up because of vacation, the Company shall have the right to place the extra employee to the Company's advantage. As between employees, the first selection of vacation date shall be given to the employee with the longest service in the bargaining unit. The taking of vacation shall be mandatory.

6. Vacation Pay accrued will change from 4% to 6% on the first payroll period after the first month following completion of five (5) years in the business. These five (5) years include the six (6) months probationary period.

7. The local union shall furnish the Company, on request, the dates that Elevator Constructor Mechanics and Elevator Constructor Helpers were first employed in the elevator industry.

8. When an employee leaves the Company the Vacation Pay shall be retained. He shall receive the retained amount due him at the time specified in (b) above.

9. Time spent outside the industry, whether or not a member of the local union, shall not count toward vacation eligibility status. An employee with at least one (1) year of service in the industry who takes time off for annual training duty in the United States Armed Services shall have such service time counted toward his vacation eligibility status upon return to the Company.

10. Hours worked for the Company by a member of a local union, while outside of the jurisdiction of that local, shall count for Vacation Pay.

11. Hours paid as holiday pay, vacation or traveling time outside of the regular working hours, are not to be counted as hours worked when computing Vacation Pay, except those overtime travel hours which occur between contiguous callbacks.

12. At the time Vacation Pay is paid, Federal and State and Local taxes shall be withheld on the basis of the number of weeks of vacation or portion of week of vacation the accrued Vacation Pay represents. The intent of this provision is that taxes will be withheld at weekly rates rather than the higher rates for a lump sum payment of Vacation Pay.

SECTION IV - CONSTRUCTION WORK

(A) DEFINITION OF "CONSTRUCTION WORK"

It is agreed by the parties to this Agreement that all work specified in this Paragraph shall be performed exclusively by Elevator Constructor Mechanics and Elevator Constructor Helpers in the employ of the Company. This section shall also include Paragraph 2 (except for 2(a)), Paragraph 3, and Paragraph 9 of Article IV of the Otis IUEC Agreement, Joint Industry Committee Decisions.

Construction Work is defined as follows:

1. The erection of complete new or used elevators, escalators, dumbwaiters, elevettes, parking garage elevators, stage lifts, curtain lifts, console lifts, moving sidewalks, Trav-O-Lators, speed ramps or the like.
2. The removal or dismantling of old elevators, escalators, dumbwaiters, elevettes, parking garage elevators, stage lifts, curtain lifts, console lifts, moving sidewalks, Trav-O-Lators, speed ramps or the like, except as noted under the definition of Service Work, Section VI of this Agreement.

(B) ALL WORK IS TO BE PAID FOR AT RATES HEREINAFTER ESTABLISHED IN SECTION VII

(C) WORK DAY AND WEEK

For the purpose of establishing straight time working hours, the regular work day on Construction work shall not exceed seven (7) hours in any one day. Monday, Tuesday, Wednesday, Thursday and Friday shall constitute the regular work week of thirty-five (35) hours.

The regular work day of seven (7) hours is to be performed between the hours of seven (7:00) a.m. in the forenoon and two-thirty (2:30) in the afternoon or between the hours of eight (8:00) a.m. in the forenoon and three-thirty (3:30) p.m. in the afternoon with one-half hour allotted as lunch period from 12:00 Noon to twelve-thirty (12:30) p.m.

(D) OVERTIME

All Construction work performed after the regular work day, either 2:30 p.m. or 3:30 p.m. until the start of the next work day, either 7:00 a.m. or 8:00 a.m. and all work performed on any Saturday or Sunday shall be overtime work and paid for at double the regular rate. Should the Company require that the employee work on any paid holiday he shall be paid double time plus holiday pay.

Overtime will be shared among the employees on each job site as equally as practicable, considering the type of overtime work involved, the employees presently performing such work during regular working hours, and the skill and ability of the various employees to perform such overtime work.

(E) TRAVEL EXPENSE

Travel expense shall be allowed for each day worked by an employee reporting to work in the area set forth in Appendix A; except that when Otis Residential and L.U./L.A. Elevators are installed, no zone expense shall be paid. However, zone pay shall not be paid to employees supplied with a Company vehicle.

(F) HELPERS

The total number of helpers employed by the Company shall not exceed the number of Mechanics, but the Company may use as many Helpers as best suits its convenience, under the direction of Mechanics, in wrecking old plants, hoisting of all kinds, handling of materials, putting on cables and all foundation work; and it is agreed that there will be no restriction placed on the character of the work which the Helpers may perform under the direction of the Mechanics, (except that Mechanics shall operate all hoisting machines). It is also agreed that in drilling holes for plunger elevators, stage organ, console or orchestra elevators two (2) Helpers may be employed to one (1) Mechanic.

(G) HOISTING

The Company reserves the right to hoist or lower all machine room equipment except governors and secondary sheaves, but to include pistons and cylinders with the aid of derricks being used on a building by other contractors. Where the Company elects to preassemble or prefabricate Apartment House elevators and as provided in Article IV, para. 3(a)(6) et seq., the Company shall have the right to hoist or lower all such equipment with such mechanical equipment as the Company deems necessary to perform such work. It is understood that work of this character will be done under the supervision of the Elevator Constructor in charge. The handling of all rails is under the jurisdiction of the Elevator constructor. In addition, escalator trusses or truss sections may be unloaded from trucks to the ground or a loading dock by means of power-operated equipment. (Where conditions warrant, the Company may utilize a derrick or crane to handle a truss or sections of trusses from the truck to the wellway.) In addition, where trusses or sections of trusses are to be hoisted or lowered outside of the structure, a derrick or crane can be used under the supervision of the Elevator Constructors in the employ of the Company/

(H) TEMPORARY OPERATION OF CARS FOR OTHER TRADES

The Company reserves the right to assign Elevator Constructor Mechanics or Helpers to operate and move incomplete cars to permit trades performing work for the Elevator Contractor, not belonging to the Elevator Contractor, to complete the work. The assignment of employees to such work shall be solely in the discretion of the Company. Employees assigned to such work shall be paid at the rate of pay for Construction Workers.

The Company shall not be required to furnish an operator while elevator constructors are working in concert with Company's subcontractors' employees who are members of other trades.

If there is need for more than one movement of a car to be used as a platform for other trades during the period of a day, then the Company will hire a full time operator to move such a car. In those situations where multiple cars are involved, the Company shall not use the spotting of all cars at specified floor levels to avoid the Company's obligation to hire a full time operator.

(I) MECHANIC-IN-CHARGE (FOREMAN) OF JOB

1. When four (4) or more persons but less than sixteen (16) persons, including the Elevator Constructor Mechanic-in-Charge, are employed on a new construction job, one (1) shall be designated as the Elevator Constructor Mechanic-in-Charge of the job and shall have his hourly rate increased by twelve and one-half percent (12-1/2%) for all hours actually worked.

2. When sixteen (16) or more but less than twenty-five (25) persons including the Elevator Constructor Mechanic-in-Charge, are employed on a new construction job, one (1) shall be designated as the Elevator Constructor Mechanic-in-Charge of the job and shall have his hourly rate increased by fifteen percent (15%) for all hours actually worked.

3. When twenty-five (25) or more persons, including the Elevator Constructor Mechanic-In-Charge, are employed on a new construction job, one (1) shall be designated as Elevator Constructor Mechanic-In-Charge of the job and have his hourly rate increased twenty percent (20%) for all hours actually worked.
4. When the number of men employed on the job drops below the above stated numbers, the rate for the Elevator Constructor in charge will be immediately reduced to the applicable rate.
5. The Mechanic-In-Charge shall have the right to assign and schedule work, direct the work force, and enforce the safety practices and procedures on the job to which he is assigned by the Company.

(J) SECTION IV (A) - SYSTEMS, MODULAR AND INDUSTRIAL STRUCTURES

Par. 1. Systems Building. Systems, modular, industrialized or similar structures are those whose superstructures and components are preassembled in sections, rooms or floors, in whole or in part, in areas adjacent to or remote from the permanent site of the structure. The erection and assembly of elevator components in building modules is to be done by Elevator Constructor Mechanics and Helpers whether the assemble site is adjacent to the job or remote from the job. If the Company has no choice as to assembly site and such assembly site is outside of the jurisdiction of Local No. 1, then the work at such remote assembly site shall be done by Elevator Constructor Mechanics and Helpers of another local, and members of Local No. 1 shall perform the remainder of such work at the permanent job site. If, however, the Company has a choice of assembly site and the permanent job site is within the jurisdiction of Local No. 1, then assembly, as well as remainder of the work, shall be performed by members of Local No. 1. The elevator work remaining to be done after modules have been put into permanent place, shall be performed by Elevator Constructor Mechanics and Helpers so that the jurisdiction of the Elevator Constructors as related to any other Building Trade, shall remain intact as outlined in the latest "Green Book," or "Plan for Settling Jurisdictional Disputes, Nationally & Locally" as approved by the Building & Construction Trades Department, AFL-CIO.

Par. 2.

The work to be done by Elevator Constructors is as follows:

- (a) The installation and assembly of all machine room equipment whether overhead or below on prefabricated machine room floors.
- (b) Assemble car frames and cabs complete with door operating equipment, control, signal and operating devices.
- (c) Connect electric traveling cables to either car, controller or half-way junction box. The connections to be prepared and/or made at both ends of assembly site.
- (d) Shackle hoist, compensating and governor cables and pre-connect to car or counterweight hitches.
- (e) The setting of templates.
- (f) The installation of all grating and counterweight screens, overhead work, either wood or iron, and all material used for mounting of elevator apparatus in machine rooms, overhead or below.
- (g) All foundations, either of wood or metal, that should take the place of masonry.
- (h) The installation and aligning of guide rails in hoistway modules.
- (i) Erect and assemble doors, hangers, tracks, door locks or locking devices for opening or closing and all related equipment.

- (j) Install corridor side operating and signal devices.
- (k) Install hoistway wiring.
- (l) Install all elevator equipment and devices in hoistway and hoistway modules including governor rope tension sheaves, control equipment, buffers and supports.
- (m) The operating of temporary elevators.
- (n) The installation and aligning of all pistons and cylinders on hydraulic elevators.

Unloading, handling, hoisting and lowering material covered in (a) through (n) will be performed under the supervision of the Elevator Constructor.

Para. 3. Nothing in this Section is intended to change the practices either party has previously enjoyed in erection of elevators in conventional type buildings as related to Section IV.

SECTION V - NEW CONSTRUCTION AND MODERNIZATION IN EXISTING BUILDINGS

This Section covers the general conditions under which all Modernization work is to be performed.

(A) DEFINITION

1. The addition, replacement, refurbishing or relocation of control drive, generating equipment, hoistway or pit equipment, including work involving a structural rise in the elevator shafts in an existing building and other elevator work in the machine room, hoistway or pit.
2. Changes in design and appearance of basic escalator equipment.
3. Service work performed as part of a modernization.

(B) ALL WORK IS TO BE PAID FOR AT RATES HEREINAFTER ESTABLISHED IN SECTION VII

(C) WORK DAY & WEEK

For the purpose of establishing straight time working hours, the regular work day on work shall not exceed eight (8) hours in any one day. Monday, Tuesday, Wednesday, Thursday and Friday shall constitute the regular work week of forty (40) hours. Each day's work of eight (8) hours is to be performed between the hours of seven (7 a.m.) in the forenoon and five-thirty (5:30 p.m.) in the afternoon with one-half hour (from 12:00 Noon to 12:30 p.m.) allotted as the lunch period. Each employee shall be required to take a lunch period during his work day.

(D) OVERTIME

All work performed in excess of eight (8) hours in any regular day and all work performed on Sunday or on paid holidays shall be overtime work and paid at time and one-half. All work performed after the regular work day and/or between the hours of 5:30 in the afternoon and 6:00 in the forenoon and all work performed on any Saturday or Sunday shall be time and one half.

Should the Company require that the employee work on any paid holiday he shall be paid time and one-half plus holiday pay.

Overtime will be shared among the employees on each job site as equally as practicable, considering the type of overtime work involved, the employees presently performing such work during regular working hours, and the skill and ability of the various employees to perform such overtime work.

(E) TRAVEL EXPENSE

Travel expense allowed for construction as set forth in Section IV (E) will apply to work under this section.

(F) HELPERS

The total of number of Helpers employed by the Company shall not exceed the number of Mechanics on any one job, except on jobs where one or more teams are working, one extra Helper may be employed for each additional team. It is agreed that there will be no restriction placed on the character of the work the Helpers may perform under the direction of Mechanics.

Further, the Company may use as many Helpers as best suits its convenience under the direction of a Mechanic in wrecking old plants, and in handling and hoisting material, and on foundation work.

Helpers who have completed all of the NEIEP modules shall be able to perform any work that a mechanic could be assigned, except such a Helper could not serve as a mechanic-in-charge. If such a Helper is working callback coverage outside of his/her normal working hours, he/she shall be paid at the mechanic rate.

(G) HOISTING

The Company reserves the right to hoist or lower all machine room equipment, except governors and secondary sheaves, but to include pistons and cylinders, with the aid of derricks being used on a building by other contractors. It is understood that work of this character will be done under the supervision of the Elevator Constructor in charge. The handling of all rails is under the jurisdiction of the Elevator Constructor. In addition, escalator trusses or truss sections may be unloaded from the trucks to the ground or a loading dock by means of power operated equipment. (Where conditions warrant, the Company may utilize a derrick or crane to handle a truss or sections of trusses from the truck to the wellway.) In addition, where trusses or sections of trusses are to be hoisted or lowered outside of the structure, a derrick or crane can be used under the supervision of the Elevator Constructors in the employ of the Company.

(H) TEMPORARY OPERATION OF CARS FOR OTHER TRADES

The Company reserves the right to assign Elevator Modernization Mechanics or Helpers to operate and move incomplete cars to permit trades performing work for the Elevator Contractor, not belonging to the Elevator Constructor, to complete the work. The assignment of employees to such work shall be solely in the discretion of the Company. Employees assigned to such work shall be paid at the appropriate rate of pay.

The Company shall not be required to furnish an operator while elevator constructors are working in concert with Company's sub-contractors' employees who are members of other trades.

(I) MECHANIC-IN-CHARGE (FOREMAN) OF JOB

1. When four (4) or more persons but less than sixteen (16) persons, including the Elevator Constructor Mechanic-In-Charge, are employed on work under this section, one (1) shall be designated as the Elevator Constructor Mechanic-In-Charge of the job and shall have his hourly rate increased by twelve and one-half percent (12 1/2%) for all hours actually worked
2. When sixteen (16) or more persons but less than twenty-five (25) persons, including the Elevator Constructor Mechanic-In-Charge, are employed on work under this section, one (1) shall be designated as the Elevator Constructor Mechanic-In-Charge of the job and shall have his hourly rate increased by fifteen percent (15%) for all hours actually worked
3. When twenty-five (25) or more persons, including the Elevator Constructor Mechanic-In-Charge, are employed on work under this section, one (1) shall be designated as the Elevator Constructor Mechanic-In-Charge of the job and shall have his hourly rate increased by twenty percent (20%) for all hours actually worked
4. When the number of men employed on a job drops below the above stated number, the rate for the Elevator Constructor In Charge will immediately be reduced to the applicable rate.
5. The Mechanic-In-Charge shall have the right to assign and schedule work, direct the work force, and to enforce the safety practices and procedures on the job to which he is assigned by the Company.
6. When four (4) or less persons are employed on residential (apartment house, condominium, etc.) modernization work under this section there shall be no Mechanic-In-Charge.

SECTION VI - SERVICE WORK

(A) DEFINITION OF SERVICE WORK

Service work is defined as that service rendered under a contract between the Company and an owner or agent in which the Company provides regularly scheduled inspection, cleaning, oiling and adjusting and/or including repair and replacement of parts for the purpose of maintaining the elevator, escalator, dumbwaiter and equipment outlined in Section IV, Paragraph (A) in good operating condition. Service work shall include response to unscheduled callbacks, emergency service and special contract service hereinafter described.

Service work shall also include repair and replacement of parts and assemblies of an elevator, escalator or dumbwaiter because of normal wear, damage or deterioration.

(B) WORK ASSIGNMENTS

1. The following jobs have been identified as assignments to be performed by a team of employees consisting of a Mechanic and Helper or two Mechanics:

- (a). Renewal of all ropes (not including hoist belts)
- (b). Renewal of brake linings (339,269, 90 and equivalent machines)
- (c). Shortening of all hoistway and compensating cables (except governor cables, belts, and compensating chain/whisperflex)
- (d). Replacement of any hoistway traveling cable
- (e). Safety tests where test weights are required; and adjusting/readjusting where test weights are required and the adjustments are made on top of or under the car and/or in the motor room
- (f). Replacement of crosshead, counterweight or deflector sheave bearings
- (g). Rescoring of sheaves or drums
- (h). Replacement of machine worms and gears
- (i). Rebabbiting of bearings
- (j). All work of installing sound isolation
- (k). Realigning guide rails
- (l). Replacing crossheads, stiles, safeties or equalizers
- (m). Replacement or relocation of hall lanterns, corridor position indicators, hall push button stations and lobby panels if the fixture box is being relocated and work both inside and outside the hoistway is necessary to accomplish the task
- (n). Escalators prepared and/or disassembled for cleaning, oiling, greasing, adjusting and minor replacement requiring more than two (2) hours work or as required by the Otis safety program.
- (o). Complete hoistway cleandown

It is understood other work assignments not listed above may be one (1) or two (2) employee assignments depending on the factor of safety. Any one person assignment may be performed by any service mechanic. If any dispute should arise as to whether work is to be performed by one (1) or two (2) employees, supervision's assignment shall be observed and the dispute shall be immediately referred to the arbitration procedure. The above listing of two-person assignments will be reviewed periodically to ensure efficiency and safety.

(C) THE RATE OF PAY FOR SERVICE EMPLOYEES SHALL BE HEREINAFTER ESTABLISHED IN SECTION VII

(D) WORK DAY AND WEEK

For the purpose of establishing straight time working hours, the regular work day for service employees shall be any eight (8) consecutive hours between 7:00 a.m. and 5:00 p.m. with an unpaid lunch period not to exceed one (1) hour, Monday through Friday.

Any Service employee starting a regular work week shall be paid in full for each hour worked. The Company will provide a minimum of eight (8) hours work per day and forty (40) hours per week, except when sufficient work is not available, such employee may be terminated.

(E) OVERTIME

1. Service department employees shall be paid at time and one-half under the following conditions:

(a). All Service work performed on overtime callbacks when performed by a single mechanic.

(b). All Service work performed by a team of employees after the completion of their regular shift, Monday through Friday up to Midnight.

(c). All Service work performed by a team of employees between 8:00 a.m. and Midnight on Saturdays.

(d). All travel time outside of normal working hours.

2. Service department employees shall be paid at double time under the following conditions:

(a). All Service work performed by a team of employees, i.e. Mechanic and Helper, scheduled in advance by supervision between Midnight and 8:00 a.m., Monday through Friday.

(b). All Service work performed by a team of employees, i.e. Mechanic and Helper, scheduled in advance by supervision between Midnight on Saturday and 8:00 a.m. on Monday.

(c). All Service work performed by a team of employees scheduled in advance by supervision on a paid holiday.

(F) SPECIAL CONTRACT SERVICE

1. Special Contract Service is defined as the service to be rendered on a single building or group of buildings where the Company's Contracts require continuous service during sixteen (16) hours (two shifts) per day and six (6) days per week.

2. Employees assigned to each of the double shifts shall work eight (8) hours per day and six (6) days per week - total forty-eight (48) hours. They shall be paid for fifty-two (52) hours per week at single-time rates.

3. If because of a holiday when no work is performed, for any other reason, an employee assigned to shift work works less than forty-eight (48) hours he shall be paid for all hours worked at straight-time rate plus a four (4) hour bonus.

4. When only two (2) employees are assigned to double-shift work both employees will be Mechanics.

5. When more than two (2) employees are assigned the third and fourth may be Helper.

6. If more than four (4) employees are assigned under this provision, each additional odd employee must be a Mechanic.

(G) FIVE DAY CONTRACT SERVICE

1. Five Day Contract Service is defined as the service to be rendered on a single building or group of buildings where the Company's contracts require continuous service during sixteen (16) hours (two shifts) per day and five (5) days per week, Monday through Friday.
 2. Employees assigned to work 8:00 a.m. to 4:00 p.m. shall be paid at the straight time service rate. Employees assigned to work 4:00 p.m. to 12:00 a.m. shall be paid at the straight time service rate with an 8 hour bonus.
 3. If because of a holiday when no work is performed or for any other reason, an employee assigned to work 4:00 p.m. to 12:00 a.m. works less than 40 hours shall be paid for all hours worked at straight-time rate plus an eight (8) hour bonus.
 4. When only two (2) employees are assigned to day/night contract service both employees will be mechanics.
 5. When more than (2) employees are assigned the third and fourth may be helper.
 6. If more than four (4) employees are assigned under this provision, each additional odd employee must be a mechanic.
-

(H) CALLBACKS

1. When an employee is assigned to a callback at any hour of any day other than the single-time hours, he is to be paid at a rate of one and one-half (1 1/2) times the single-time rate for all hours worked and traveled. The company shall reimburse the employee for all reasonable and actual mileage and out-of-pocket expenses incurred. Such expenses must be documented by appropriate receipts.
2. It is agreed that, in the mutual interest of the Company, its employees, its customers, and the public, the employee has a special obligation to accept assignment to a callback during any hour of the day. It is understood that the obligation on the part of the servicemen to make overtime callbacks is not intended to impose a mandatory obligation, but simply a mutual recognition of responsibility. The Company reserves the right to establish a list of all Service Employees and assign each to callback coverage periods, using volunteers where possible but assigning employees as required to meet callback coverage needs.
3. The Employer shall have the right at its sole option to schedule service employees on the callback list to work past the end of the employee's scheduled work day. However, if an employee is scheduled to work, he shall be scheduled to work six (6) hours. The rate of pay for such hours shall be one and one-half (1 1/2) times the service rate. There shall be no reimbursement for expenses associated with commuting to and/or from work or pay for time spent traveling to/from home. Employees shall take a meal period of one-half (1/2) hour. When not answering callbacks, there shall be no restrictions on the character of the service work the Employee will perform and no geographic boundaries shall apply.

4. The company shall have the right at its sole option to schedule and assign service employee(s) to callback service from 11:00 PM to 8:00 AM with 1 hour for lunch Monday through Friday. These hours shall be the employees normal work hours. The rate of pay shall be time and one half the service rate for hours worked, and no travel time home shall be involved, nor mileage nor expenses. When not answering callbacks, there shall be no restrictions on the type of work that the service employee(s) is to perform. No geographic boundaries shall apply to assignments during this normal work schedule. Employee(s) will come from the normal callback list and shall work a maximum of thirty (30) day periods on a rotating basis; unless there are no interested employees in which case longer periods may be worked. In the event there are no interested employees on the normal callback list to fill openings, the Company shall assign employees from the service department.

5. In addition, the Employer shall have the right at its sole option to schedule service employees to work from 8:00 AM to 5:00 PM on Saturdays, Lincoln's Birthday, Washington's Birthday, Columbus Day, Election Day or Veteran's Day. However, if an employee is scheduled to work, he shall be scheduled to work eight (8) hours. The rate of pay for such hours shall be one and one-half (1 1/2) times the single-time rate. When not answering callbacks, the service mechanic scheduled to work will be expected to perform service work. No geographic boundaries shall apply.

6. In those areas where the Employer deems it is not practical to utilize the option set forth in (3) above, the Employer shall have the right, at its sole option, to schedule service employees on the callback list to work past the end of the Employee's scheduled work day.

However, if an employee is scheduled to work, he shall be scheduled to work three (3) hours. The rate of pay for such hours shall be one and one-half (1 1/2) times the Service Rate. Employees shall take a meal period of one-half (1/2) hour. When not answering callbacks, there shall be no restrictions on the type of work that the service employee(s) is to perform.

7. An employee scheduled to work callback coverage and requested to use his/her personal vehicle shall be reimbursed for reasonable and actual mileage and out-of-pocket expenses associated with round-trip traveling from home to work.

(I) TRAVEL EXPENSE

1. Service Mechanics covered by Section VI Service Work, when authorized by Otis to use their personal vehicles on company business shall receive an allowance of \$10.00 (\$5.00 for Helpers) for a 24 hour period. This allowance includes cartage and is the only travel related reimbursement other than per diem and cents per mile traveled, and it shall not be made to employees using company vehicles. An additional \$20.00 (\$20.00 for Helpers) shall be paid for a round trip delivery of landing blocks/rope kits, test weights, hoist motors, generator armatures, car/hoistway doors, five 5 gallon cans of oil or cleaning compound or 3 ton or more chain falls.

2. Employees assigned to work listed in Section (H) Callbacks Subsections (3), (5) and (6) and any other similar type assignments will receive a maximum of one-hour travel in lieu of the travel time specified in any agreement prior to 30 June 1993. Any Employee entitled to receive pay for time spent traveling shall receive no more than two hours' pay for round trip travel (barring unusual circumstances).

3. Employees who are provided with a Company vehicle and are regularly assigned to two person service jobs (as defined in Section VI(B)) shall not be entitled to Zone Pay as set forth in Appendix A. Employees will use Company vehicles when provided by the Employer.

Employees who utilize their personal vehicles will continue to receive Zone pay as they have in the past.

(J) REMOVAL OF OLD MATERIAL

In the total rip out of old equipment where the reinstallation of elevator or escalator equipment has not yet been contracted, the work may be done by a Service Mechanic and as many as four (4) Helpers at the respective Service rate of pay provided two (2) of the Helpers are experienced.

If the reinstallation has been contracted, or if the equipment is reused on a Construction or Modernization job, it shall be installed by Construction or Modernization Mechanics and Helpers, whichever is applicable.

(K) SERVICE HELPERS

1. The Company may use sufficient Helpers to perform Service Work as it deems necessary in the interests of efficiency and safety.
2. There shall be no restrictions on the character of work a Helper may perform when working with a Mechanic. Service Helpers may work alone and shall be assigned daily by supervision or by a Mechanic to one or more locations. If assigned by supervision, supervision shall notify the appropriate mechanic or Mechanic-In-Charge of the location and nature of such assignment.
3. ~~When working alone, the Helper shall be assigned on a day-to-day basis to one or more job locations.~~
When working alone the Helper may perform only that work which he can perform safely and only such tasks that are within the Helper's capabilities. Such tasks shall include the following list and other, well-defined tasks: cleaning, oiling, greasing, painting, changing brushes, fixture maintenance, observing the operations of equipment, relamping, replacing combplate teeth, replacing carbons, contacts and shunts (not to include soldered contacts or shunts), replacing door gib inserts and such similar work as required. The Company agrees that it shall furnish a Helper working alone with the tools and electronics necessary to complete his assigned tasks.
4. In the interests of safety and efficiency, Helpers on resident service jobs (either a single building or complex of buildings) or in a "super" route may utilize beeper, cell phone, or radio technology as directed by the Company for communications purposes. All such devices will be provided to its Employees by the Company.
5. Helpers who have completed all of the NEIEP modules shall be able to perform any work that a mechanic could be assigned, except such a Helper could not serve as a mechanic-in-charge. If such a Helper is working callback coverage outside of his/her normal working hours, he/she shall be paid at the mechanic rate.
6. Helpers paid at the 75% rate, after the mechanic accesses the car top and sets up the assignment and checks the Helper's work, shall be allowed to work on car tops and run the unit on top of car inspection, and perform well-defined tasks, such as hoistway door (minor) maintenance procedures.

(L) UNIFORMS

In order to enhance customer satisfaction and insure professional appearance, service employees shall be required to wear complete uniforms when working at customer premises when same are supplied by the Employer. (Employees are permitted to change into uniforms at the job site prior to starting work and out of the uniform after the completion of the work day). Uniforms issued by the Employer may not be altered in any way without the express approval of the Company.

(M) MECHANIC-IN-CHARGE (Foreman)

When five (5) or more employees including the Elevator Constructor Mechanic-In-Charge are employed on a Service job, one (1) shall be designated as the Mechanic-In-Charge of the job and shall have his hourly rate increased by twelve and one-half percent (12 1/2%) for all hours actually worked and only those hours worked as Mechanic-In-Charge.

In the event the Company creates a "super" route, it reserves the right to appoint a Mechanic-In-Charge and pay the appropriate rate whether the number of employees in the "super" route is less than, equal to, or more than five (5).

The Mechanic-In-Charge shall have the right to assign and schedule work, direct the work force, assure the quality and efficiency of the assignment, and to enforce the safety practices and procedures on the job to which he is assigned by the Company.

SECTION VII - EFFECTIVE DATE – WAGE RATES –TERMINATION

(A) This Agreement expires March 16, 2005.

(B) ~~When Otis Residential Elevators or L.U./L.A. Elevators are installed, Mechanics will receive 80% of the Construction Rate listed below.~~

(C) The straight time rates of pay and working hours during the term of this contract are as follows:

Effective 3/17/2000 through 3/16/2001

CONSTRUCTION:

(5% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | |
|------------------------|----------|---|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
| Wages | \$36.090 | \$14.775 | \$15.215 | \$19.790 | \$23.400 | \$27.010 |
| Annuity | \$ 4.650 | \$ 0.000 | \$ 1.590 | \$ 2.560 | \$ 3.020 | \$ 3.490 |
| Health | \$ 4.125 | \$ 0.000 | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 |
| Pension | \$ 2.410 | \$ 0.000 | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| Educational Fund | \$ 0.140 | \$ 0.000 | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|--|----------|----------|----------|----------|----------|----------|
| | \$16.420 | \$19.790 | \$21.590 | \$23.400 | \$25.200 | \$27.010 |
| | \$ 4.650 | \$ 4.650 | \$ 4.650 | \$ 4.650 | \$ 4.650 | \$ 4.650 |
| | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 |
| | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 |
| | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 |

SERVICE AND MODERNIZATION:

(4% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | |
|------------------------|----------|---|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
| Wages | \$29.575 | \$14.775 | \$15.210 | \$16.710 | \$19.160 | \$22.120 |
| Annuity | \$ 4.500 | \$ 0.000 | \$ 1.525 | \$ 1.975 | \$ 2.925 | \$ 3.375 |
| Health | \$ 4.125 | \$ 0.000 | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 |
| Pension | \$ 2.410 | \$ 0.000 | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| Educational Fund | \$ 0.140 | \$ 0.000 | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|--|----------|----------|----------|----------|----------|----------|
| | \$16.420 | \$16.210 | \$17.685 | \$19.160 | \$20.640 | \$22.120 |
| | \$ 4.500 | \$ 4.500 | \$ 4.500 | \$ 4.500 | \$ 4.500 | \$ 4.500 |
| | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 | \$ 4.125 |
| | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 | \$ 2.410 |
| | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 |

Effective 3/17/2001 through 3/16/2002

CONSTRUCTION:

(5% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | |
|------------------------|----------|---|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
| Wages | \$37.960 | \$15.450 | \$15.960 | \$20.890 | \$24.680 | \$28.480 |
| Annuity | \$ 4.900 | \$ 0.000 | \$ 1.705 | \$ 2.695 | \$ 3.185 | \$ 3.675 |
| Health | \$ 4.325 | \$ 0.000 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 |
| Pension | \$ 2.460 | \$ 0.000 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| Educational Fund | \$ 0.150 | \$ 0.000 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|----------|----------|----------|----------|----------|----------|----------|
| \$17.170 | \$20.890 | \$22.790 | \$24.680 | \$26.58 | \$28.480 | |
| \$ 4.900 | \$ 4.900 | \$ 4.900 | \$ 4.900 | \$ 4.900 | \$ 4.900 | \$ 4.900 |
| \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 |
| \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 |
| \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 |

SERVICE AND MODERNIZATION:

(4% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | |
|------------------------|----------|---|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
| Wages | \$30.720 | \$15.450 | \$15.960 | \$17.410 | \$19.980 | \$23.050 |
| Annuity | \$ 4.750 | \$ 0.000 | \$ 1.640 | \$ 2.110 | \$ 3.090 | \$ 3.560 |
| Health | \$ 4.325 | \$ 0.000 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 |
| Pension | \$ 2.460 | \$ 0.000 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| Educational Fund | \$ 0.150 | \$ 0.000 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|----------|----------|----------|----------|----------|----------|----------|
| \$17.170 | \$16.910 | \$18.440 | \$19.980 | \$21.510 | \$23.050 | |
| \$ 4.750 | \$ 4.750 | \$ 4.750 | \$ 4.750 | \$ 4.750 | \$ 4.750 | \$ 4.750 |
| \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 | \$ 4.325 |
| \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 | \$ 2.460 |
| \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 | \$ 0.150 |

Effective 3/17/2002 through 3/16/2003

CONSTRUCTION:

(4% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | | |
|------------------------|----------|---|----------|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% | |
| Wages | \$39.440 | \$16.050 | \$16.040 | \$21.680 | \$25.630 | \$29.570 | |
| Annuity | \$ 5.150 | \$ 0.000 | \$ 2.320 | \$ 2.830 | \$ 3.350 | \$ 3.860 | |
| Health | \$ 4.425 | \$ 0.000 | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 | |
| Pension | \$ 2.610 | \$ 0.000 | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 | |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | |
| Educational Fund | \$ 0.160 | \$ 0.000 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|--|----------|----------|----------|----------|----------|----------|
| | \$17.840 | \$21.680 | \$23.650 | \$25.630 | \$27.600 | \$29.570 |
| | \$ 5.150 | \$ 5.150 | \$ 5.150 | \$ 5.150 | \$ 5.150 | \$ 5.150 |
| | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 |
| | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 |
| | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 |

SERVICE AND MODERNIZATION:

(4% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | | |
|------------------------|----------|---|----------|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% | |
| Wages | \$31.910 | \$16.050 | \$16.540 | \$18.040 | \$21.230 | \$23.920 | |
| Annuity | \$ 5.000 | \$ 0.000 | \$ 1.750 | \$ 2.250 | \$ 2.750 | \$ 3.750 | |
| Health | \$ 4.425 | \$ 0.000 | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 | |
| Pension | \$ 2.610 | \$ 0.000 | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 | |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | |
| Educational Fund | \$ 0.160 | \$ 0.000 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|--|----------|----------|----------|----------|----------|----------|
| | \$17.840 | \$17.540 | \$19.130 | \$20.730 | \$22.320 | \$23.920 |
| | \$ 5.000 | \$ 5.000 | \$ 5.000 | \$ 5.000 | \$ 5.000 | \$ 5.000 |
| | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 | \$ 4.425 |
| | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 | \$ 2.610 |
| | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 |

Effective 3/172003 through 3/16/2004

CONSTRUCTION:

(4% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | |
|------------------------|----------|---|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
| Wages | \$41.020 | \$16.695 | \$16.705 | \$22.570 | \$26.670 | \$30.775 |
| Annuity | \$ 5.400 | \$ 0.000 | \$ 2.430 | \$ 2.970 | \$ 3.510 | \$ 4.050 |
| Health | \$ 4.525 | \$ 0.000 | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 |
| Pension | \$ 2.760 | \$ 0.000 | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| Educational Fund | \$ 0.170 | \$ 0.000 | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|--|----------|----------|----------|----------|----------|----------|
| | \$18.550 | \$22.570 | \$24.620 | \$26.670 | \$28.720 | \$30.775 |
| | \$ 5.400 | \$ 5.400 | \$ 5.400 | \$ 5.400 | \$ 5.400 | \$ 5.400 |
| | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 |
| | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 |
| | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 |

SERVICE AND MODERNIZATION:

(4% Increase to Total Package)

| | | Apprentices with Industry Hire Dates on or after 3/17/200 | | | | |
|------------------------|----------|---|----------|----------|----------|----------|
| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
| Wages | \$33.180 | \$16.695 | \$17.205 | \$18.760 | \$22.080 | \$24.895 |
| Annuity | \$ 5.250 | \$ 0.000 | \$ 1.860 | \$ 2.390 | \$ 2.910 | \$ 3.940 |
| Health | \$ 4.525 | \$ 0.000 | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 |
| Pension | \$ 2.760 | \$ 0.000 | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 |
| Work Preservation Fund | \$ 0.050 | \$ 0.000 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| Educational Fund | \$ 0.170 | \$ 0.000 | \$ 0.160 | \$ 0.160 | \$ 0.160 | \$ 0.160 |

Apprentices with Industry Hire Dates before 3/17/200

| | 50% | 55% | 60% | 65% | 70% | 75% |
|--|----------|----------|----------|----------|----------|----------|
| | \$18.550 | \$18.260 | \$19.920 | \$21.580 | \$23.240 | \$24.895 |
| | \$ 5.250 | \$ 5.250 | \$ 5.250 | \$ 5.250 | \$ 5.250 | \$ 5.250 |
| | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 | \$ 4.525 |
| | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 | \$ 2.760 |
| | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 | \$ 0.050 |
| | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 | \$ 0.170 |

Effective 3/17/2004 through 3/16/2005

CONSTRUCTION:

(4% Increase to Total Package)

Apprentices with Industry Hire Dates on or after 3/17/200

| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
|------------------------|--------|----------|--------|--------|--------|--------|
| Wages | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Annuity | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Health | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Pension | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Work Preservation Fund | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Educational Fund | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |

Apprentices with Industry Hire Dates before 3/17/200

| 50% | 55% | 60% | 65% | 70% | 75% |
|--------|--------|--------|--------|--------|--------|
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |

SERVICE AND MODERNIZATION:

(4% Increase to Total Package)

Apprentices with Industry Hire Dates on or after 3/17/200

| Journeyman: | | 45% prob | 45% | 55% | 65% | 75% |
|------------------------|--------|----------|--------|--------|--------|--------|
| Wages | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Annuity | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Health | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Pension | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Work Preservation Fund | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| Educational Fund | \$ TBD | \$ 0.000 | \$ TBD | \$ TBD | \$ TBD | \$ TBD |

Apprentices with Industry Hire Dates before 3/17/200

| 50% | 55% | 60% | 65% | 70% | 75% |
|--------|--------|--------|--------|--------|--------|
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |
| \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD | \$ TBD |

(C) Annuity Fund

1. The Company will continue making contributions to the Annuity Fund administered by a board of six (6) Trustees, three (3) appointed by the Elevator Manufacturers' Association of New York, Inc. and three (3) appointed by the International Union of Elevator Constructors, Local No. 1. The Annuity Fund known as the International Union of Elevator Constructors, Local No. 1 Annuity and Savings Plan provides annuity benefits for elevator constructor Mechanics and Helpers.

2. The Board of Trustees have adopted a declaration of Trust and Annuity Plan which is a part of this Agreement and binding on Otis.

The Annuity Plan is financed solely by contributions from members of the Elevator Manufacturers Association of New York and other companies with whom the Union has collective bargaining agreements. The Company agrees to make contributions on the basis of all full hours worked as herein set forth above.

3. Hours worked do not include hours paid for vacation, holiday and travel time outside of normal working hours except those overtime travel hours which occur between contiguous callbacks.

4. Not more than one (1) payment will be required for any full hour worked. No contributions shall be made during the six (6) months probationary period on behalf of probationary Helpers.

5. Payment of the Company contributions shall be made by the end of the month following the month for which they are due.

(D) Educational Fund

The Company and the Union shall be responsible for providing a program for educating and training Elevator Constructor Mechanics and Helpers in the local Union area in conjunction with the National Elevator Industry Educational Program. Such program shall be under the sole and exclusive direction of the Company and the Union.

The Company agrees to contribute the amount listed above for each hour worked by all Elevator Constructor Mechanics and Helpers in its employ for the period of this agreement to the Educational Trust Fund known as the National Elevator Industry Educational Program which Trust is hereby made part of this Agreement.

No contributions shall be made during the six (6) months probationary period on behalf of probationary Helpers unless otherwise provided by the NEIEP Trustees.

(E) 401(k) Plan

Employees covered by this Agreement shall be eligible to participate in the United Technologies Corporation Represented Employees Savings Plan. Employees may contribute from Otis earnings, in \$1.00 increments, a sum not less than \$2.00 and not more than \$50.00 per week on a pre-tax basis pursuant to Section 401(k) of the Internal Revenue Code. Such contributions shall not be matched by the Company.

SECTION VIII - GRIEVANCES & ARBITRATION

(A) **Step 1.** If an Employee has a complaint about the application of any portion of this Agreement, the Employee shall first discuss the issue with his/her supervisor and/or business agent within ten (10) days after the cause of the grievance is known or should reasonably have been known. The Employee's supervisor shall respond, either verbally or in writing, to the grievant no later than three (3) business days after this discussion.

(B) **Step 2.** If the grievance is not resolved by Step 1 of this process, or if the Union wishes to file a grievance involving more than one Employee, the Union shall submit the grievance, in writing, to the Company's Human Resources Department. The writing shall specify the nature of the grievance and the provision(s) of the Agreement alleged to have been violated and shall be submitted within ten (10) business days after the conclusion of Step 1 or within ten (10) days after the cause of the grievance is known or should reasonably have been known, whichever occurs later in time.

Similarly, if the Company alleges the Union has violated the Agreement, the Company shall submit a writing specifying the nature of the grievance and the provision(s) of the Agreement alleged to have been violated to the Business Manager of Local 1 within ten (10) business days after the cause of the grievance is known or should have reasonably been known.

Grievances concerning the discharge, for cause, of an Employee of the Company shall be initiated at this Step of the process. The grievance shall be submitted in writing by the Union to the Company's Human Resources Department within ten (10) business days after the Employee's discharge.

Representatives of the Company and the Union shall meet within ten (10) business days of the receipt of a written grievance as outlined in this Step to discuss the grievance(s) and any other outstanding issues which the parties agree to discuss. If the parties cannot agree on a resolution to the grievance, the matter shall be taken to Step 3.

3. **Step 3.** Any grievance not resolved at an earlier Step of this process shall be submitted to arbitration under the rules of the American Arbitration Association by the complaining party not later than ten (10) business days after the meeting described in Step 2. The results of such ensuing arbitration shall be final and binding on all parties.

4. In the interests of labor harmony, either the Company or the Union may request that a particular grievance be given special handling. If such handling is requested, the Step 2 meeting outlined above shall occur within three (3) business days after the receipt of the written grievance. If it cannot be resolved at this meeting, the complaining party may request arbitration as described in Step 3.

SECTION IX - STRIKES AND LOCKOUTS

(A) It is agreed by the Union and the Company that there shall be no lockouts or strikes, sit-downs, stay-ins, walk-outs, picketing, work stoppages, or any other form of concerted refusal to perform work, including concerted refusals to work overtime during the term of this Agreement.

(B) No strike will be called against the Company by Local No. 1 unless the strike is approved by Local No. 1 International Union of Elevator Constructors. Sufficient notice shall be given to the Company before a strike shall become effective. Except in the case of Service Work as specified in Section VI of this Agreement, work stoppages brought about by picketing or strikes by building trades local unions affiliated with Building Trades Councils shall not constitute a strike within the meaning of this Section.

(C) In the event of a strike, work stoppage or lockout affecting Mechanics and Helpers on New Construction or Repair Work, men working on Contract Service shall not be affected by such strike, work stoppage or lockout and the Union will supply competent men to the Company to do all work covered under Contract Service whether such men are continuously employed in this work or not prior to the strike, work stoppage or lockout.

SECTION X - COMPLETE AGREEMENT

This Agreement constitutes the complete agreement between the parties and there is no other agreement, written or oral, which exists between them.

In witness whereof the parties hereunto subscribe their names and affix their seals the day and year set forth below.

Signed, sealed and delivered in the presence of:

UNION:

John Green

Edward Smith

Charles Novak

Walter Burke

Brian Kelly

COMPANY:

Robert McGuinness

Raymond Moncini

Peter LaGow

Charles Kritz

Joseph Carfora

Paul Barrett

APPENDIX "A" - TRAVEL EXPENSE

1. Long Island Travel Expense

(a) Zone 1 - \$15.00 per worked day:

(1) In Queens:

Any new construction project having 15 or more units or any two (2) man service job that takes 80 hours (40 team hours) or more to perform in that area bordered on the West by a line running from the Whitestone Bridge South on the Whitestone Expressway to the Van Wyck Expressway to the Belt Parkway to Rockaway Boulevard, East on Rockaway Boulevard to the Nassau County line; and on the East by the Queens-Nassau County Line South to Rockaway Boulevard; and

(2) In Nassau County:

That area bordered on the East by the Nassau-Suffolk County line and on the West by the Queens-Nassau County Line and including all of John F. Kennedy International Airport and all of the Rockaways in Queens.

(b) Zone 2 - \$20.00 per worked day:

That area bordered on the West by Zone 1 and on the East by a line extending from Long Island Sound South to the intersection of Route 25A and Route 46 (William Floyd Parkway), South on Route 68 to the Atlantic Ocean.

2. Staten Island Travel Expense

(a) Zone 1 - \$15.00 per worked day: All of Staten Island.

3. Westchester County Expense

(a) Zone 1 - \$15.00 per worked day:

That area bordered on the south by the New York City - Westchester County Line and on the North by a line beginning at the Tappan Zee Bridge East on Route 287 to Route 95 and East on Route 95 to the Connecticut State line.

(b) Zone 2 - \$20.00 per worked day:

That area bordered on the South by Zone 1 and on the North by a line beginning on the East at the intersection of Route 35 at the Connecticut State line, West on Route 35 to Route 202/35, West on Route 202/35 to Route 202/6, West on Route 202/6 to the Bear Mountain Bridge.

4. Rockland County Travel Expense

(a) Zone 1 - \$15.00 per worked day:

That area bordered by a line beginning on the North by Route 287, beginning at the Tappan Zee Bridge, west on Route 287, to Route 304, South on Route 304 to the New York-New Jersey State line to the Hudson River.

(b) Zone 2 - \$20.00 per worked day:

That area bordered by a line beginning at the Bear Mountain Bridge, West on Route 6 to the Palisades Parkway to Route 287, East on Route 287 to the Tappan Zee Bridge.

5. New Jersey Expense

(a) Zone 1 - \$15.00 per worked day:

That area bordered on the east by a line beginning at the intersection of Route 503 at the New York-New Jersey State line, South on Route 503 to Route 80, West on Route 80 to the Garden State Parkway, South on the Garden State Parkway to Route 82 (Morris Avenue), East on Route 82 to Route 439, East on Route 439 to the Goethel's Bridge; and on the West by a line beginning at the New York-New Jersey State line at 287 South on Route 287 (or the Route 287 Right of Way) and East on Route 287 to Route 440, East on Route 440 to the Garden State Parkway, South on the Garden State Parkway to the Raritan Bridge, East on the Raritan River to Raritan Bay.

(b) Zone 2 - \$20.00 per worked day:

(1) In North Jersey:

That area bordered on the East by Zone 1; and the West by a line beginning at the New York-New Jersey State line at Route 94 to the intersection of Route 206, South on Route 206 to Route 287; and

(2) In South Jersey:

That area bordered on the North by Zone 1 and by a line beginning at the intersection of Route 287 and Route 527, East on Route 527 to the intersection of Route 18, East on Route 18 to the Middlesex-Monmouth County line, North along the Middlesex-Monmouth County line to Raritan Bay.

APPENDIX "B" - DECISIONS OF THE JOINT INDUSTRY COMMITTEE

The following decisions of the Joint Industry Committee were included as Appendix A to the Standard Agreement between NEI and the IUEC which expired on July 8, 1987, Otis and the Union recognize these decisions as binding during the term of the present Agreement, except to the extent any of these decisions are in conflict with changes made to Article IV or Article IV(A) during negotiations for the present Agreement.

1. Wiring of Car Stations

After due consideration of all the information that the Executive Board could gather, back as far as 1948, it was the decision of the Board that the Manufacturers be permitted to do the internal wiring in the car stations to a terminal block within the car station.

2. Pre-Drilled Overhead Beams

Decision arrived at was that Otis would refrain from drilling holes on the bottom flange of the eye beam used to support the deflector sheave as soon as it was possible to stop the production line.

3. Pre-Wiring of Controllers

On the protest registered over the pre-wiring of controllers, the Employers agreed that the pre-wiring of cross connections on controllers would be discontinued and in the future, auxiliary panels would go out without any leads for any wiring on them.

The Employers further agreed that there would be no objection to a local removing the wiring, and replacing it, until the situation is corrected.

4. Multi-Wire Cable

The ruling of the Board was that the use of multi-wire cable has become prevalent throughout the industry and they can find no objection to its use.

5. Key Hole Slots

A review of past decisions and precedent established the fact that it had been previously agreed that key hole slots provided in card and/or landing doors are not a violation of Article IV of the Standard Agreement.

Also, it is found that it had previously been agreed that holes provided in the factory for mounting of interlocks, safety edges, detectors and photocells, are not a violation of Article IV of the Standard Agreement.

When Door Closer arms, lazy arms, or relating arms are fastened to the doors by means of drilled and/or tapped holes on the door such drilling and tapping shall be done in the field by Elevator Constructors. In cases where doors are delivered to the job site, pre-drilled or tapped for such devices as referred to in this paragraph, doors will not be installed until a satisfactory settlement between the employee and the Union is made.

6. Escalators

It is agreed that the escalator truss or parts of truss may be used as a shipping container for escalator components, such as tracks, sprockets, etc. Such components shall be secured within the truss with only sufficient fastenings to provide safe transit and shall not be permanently aligned.

It shall not be a requirement that tracks be removed from the truss prior to final alignment.

Connections between the straight inclined track system and the upper and lower end curved track systems shall be made in the field by Elevator Constructors.

Upper and lower sprockets or carriages are to be installed in the field by Elevator Constructors. See Article IV, Par. 2, Item C for additional information.

7. Extended Wiring on Controllers

Controllers are not to be shipped from the factory with extended wiring attached thereto.

In the case of escalator controllers, because of limited space available, extended wiring in the form of cables or separate wires may be connected at one end to the controller in the factory, provided, however, that the other end of such extended wiring is not prepared for connections.

8. Plug-In Connections Door Protection

Prepared plug-in connections for door protection devices such as furnished on the photocell protection device is not a violation of Article IV of the Standard Agreement.

9. DMR Plug-In Connection

The plug connection presently being used on the DMR Regulating Unit shall be discontinued. Factory installed wires leading out of the regulator shall have the loose ends unprepared for field connection by the Elevator Constructor.

It is agreed that the Employer will use up present stock of regulators equipped with plugs. However, any regulators installed on new jobs after July 1, 1964, will be prepared as described in the above paragraph.

10. Car Door Operators

Haughton Type T and TH and Westinghouse Type E and other similar car door operators shall have the external wiring in the motor and the door or gate contact installed in the field by Elevator Constructors.

11. Wood Flooring

When wood flooring on elevator platforms, including stagelifts, organ consoles and orchestra elevators, is to be installed in the field, the work shall be done by Elevator Constructors.

12. Door Operators

(1) The pattern for the industry for shipping door operators would be based on the practice in existence at the time of the Joint Industry Committee's decision of December 13, 1963.

(2) As a guide for present and future Joint Industry Committees, it was determined that the following Exhibits would be used to settle any future dispute relating to the shipping of door operators and would be construed as examples of the practice in existence in December 9-12, 1963.

Exhibit A (Haughton T Operator as per photo dated 12-13-67).

Operators may be shipped as per this Exhibit except all external wiring, all greenfield, all greenfield connectors and the gate switch shall be removed.

Exhibit B (Haughton TH Two-Speed Operator as per photo dated 12-13-67).

Operators may be shipped per this Exhibit except all external wiring, all greenfield, all greenfield connectors and the gate switch shall be removed.

Exhibit C (Haughton TH Center-opening Operator as per photo dated 12-13-67).

Operators may be shipped as per this Exhibit except all external wiring, all greenfield, all greenfield connectors and the gate switch shall be removed.

Exhibit D (Westinghouse E Line Operator as per photo 500-581A, dated 12-13-67).

Operators may be shipped per this Exhibit except all external wiring, all greenfield, all greenfield connectors and the magnetic locks shall be removed.

Exhibit E (Dover Operator per photo dated 12-13-67).

Operators may be shipped per this Exhibit except all external wiring, all greenfield, all greenfield connectors, the gate switch and the cams to actuate the safety edges shall be removed.

13. Pre-Assembling of Machine to Machine Beams (Armor Elevator Company).

It was agreed by the Joint Industry Committee that the Armor Elevator Company is in violation of Article IV, Paragraph 2, sub-item "q" of the Standard Agreement by the method of pre-assembling the machine to the machine beams and the pre-drilling of the governor mounting plate.

14. Holes Drilled in the Factory for the Mounting of Sight Guards

Shall not be considered a violation of Article IV of the Standard Agreement. The installation (and tapping if required), shall be done in the field by Elevator Constructors.

15. Type M Hoistway Door Track Assembly (Haughton Elevator Company)

It was mutually agreed that the spirator would be removed and that the pre-drilling and tapping was covered by Decision #1 of the Joint Industry Committee dated December 12, 1963.

16. Pre-Fastening Booster or Blocking Beams to Machine Beams (General Elevator Company of Baltimore)

The Joint Industry Committee finds that General Elevator of Baltimore method of pre-fastening boosters or blocking beams, as established and shown on Exhibit A entitled "Standard Machine Beam Detail with Booster Beam" dated May 7, 1968 is not a violation of Article IV.

17. Dover Leveling Switches

Dover Leveling Switches, as they are now constructed, are not a violation of the Standard Agreement.

18. Westinghouse and Otis Basement Machines

Westinghouse Basement Type #28 Geared Machine with deflector sheave attached as per DB Sheet 274D and Otis Basement Type 16BT machine with attached deflector sheave as per sheet 6588C are not in violation of Article IV of the Standard Agreement.

19. Top Emergency Exit Switches (Otis)

It was agreed that the switch could be removed in the field and remounted.

20. Otis Integral Hanger

That the primary function and responsibility of both the Union and the Industry is to assure a safe, reliable and workmanlike installation as regard door equipment. The Employers agree that they cannot object to the dismantling of components if such becomes necessary to accomplish this.

(It continues:)—There has been some question on interpretation of this clause, therefore, it has been agreed that the application of this decision requires that the mechanic-in-charge use his discretion with regard to removal of the hanger bar to accomplish the stated objective. Management supervisors should not be critical or attempt to penalize the mechanic for using such discretion but if he questions the decision, it should be adjusted between the Construction Manager and the Local Business Representative.

At the 1954 meeting of the International Executive Board and the Manufacturers Labor Committee, it was mutually agreed that:

The Executive Board believe that when Article IV, Paragraph 8, that states "No restriction shall be imposed as to methods, tools, or equipment used" was written in the Standard Agreement, neither party, at the time, had in mind lethal tools, therefore: we believe the members of the International Union have a perfect right to refuse to use explosive powered tools.

21. Cargo Masters 500 lbs. up to 1000 lbs.

All door assembly units must be removed before installation of a car.

Pre-wiring of Cargo Master to be limited to door and ejector operation.

Ejector unit must be shipped separately.

The above conditions apply specifically to the Cargo Master with a capacity of 500 lbs to 1000 lbs. as manufactured by Guilbert, Inc. and are not to be applied to the N/W provision of Article IV, Paragraph 3, item 3, of the Standard Agreement.

APPENDIX C - ARTICLE IV - WORK JURISDICTION

Par. 1. It is agreed by the parties to this agreement that all work specified in Article IV shall be performed exclusively by Elevator Constructor Mechanics and Elevator Constructor Helpers in the employ of the Company.

Par. 2

(a) The erecting and assembling of all elevator equipment to wit: electric, hydraulic, steam, belt, dumbwaiters, residence elevators, parking garage elevators (such as Bowser, Pigeon Hole, or similar types of elevators), compressed air and handpower.

(b) It is understood and agreed that the preassembly of all escalators, moving stairways, link belt carriers that may be done in the factory shall include the following:

1. Truss or truss sections with tracks, drive units, machines, handrail drive sheaves, drive chains, skirts on the inclined sections [not to exceed 2 inches above the cord line] but not skirt switches or curved sections, step chains and steps installed and permanently aligned.
2. Balustrade brackets may be shipped attached, but not aligned.
3. Setting of all controllers and wiring and conduit from the controller.

All other work on escalators, moving stairways and link belt carriers shall be performed in the field by Elevator Constructor Mechanics and Helpers either before or after the truss or truss sections are joined and/or hoisted and placed in permanent position. This includes any and all work not done in the factory.

The erecting and assembly of all theater stage and curtain elevator equipment and guides and rigging thereto, organ consoles and orchestra elevators shall be performed by Elevator Constructor Mechanics and Helpers

(c) All wiring, conduit, and raceways from main line feeder terminals on the controller to other elevator apparatus and operating circuits. Controllers are not to be shipped from the factory with extended wiring attached thereto.

(d) The erecting of all guide rails.

(e) The installation of all grating and counterweight screens, overhead work, either wood or iron, and all material used for mounting of elevator apparatus in machine room, overhead or below.

(f) The drilling of overhead beams for attaching machines, sheaves, kick angles, and all other elevator equipment.

(g) The setting of all templates.

(h) All foundations either of wood or metal, that should take the place of masonry.

(i) The assembly of all cabs complete.

(j) The installation of all indicators.

(k) The erecting of all electrical or mechanical automatic or semi-automatic gates complete.

(l) The handling of all automatic or semi-automatic elevator hoistway doors, together with the installation of hangers and tracks.

(m) The installation of all devices for opening and closing, and locking of elevator car and hoistway doors and gates.

(n) The drilling of doors for mounting of closing devices.

(o) The drilling of angle supports for mounting of closing devices except one template hole.

(p) The drilling of sills for sill trips.

(q) The operating of temporary cars.

(r) The setting of all elevator pressure open or pit tanks.

(s) The setting of hydraulic power units (power units include: motor, pump, drive valve system, internal piping, muffler, internal wiring, controller and tank). Where power units arrive in parts they shall be assembled at the job site. The wiring and piping to and between multiple hydraulic power units shall be performed at the job site.

(t) All air cushions with the exception of those built of brick or those put together with hot rivets.

Par. 3

(a) Nothing contained in Article IV shall preclude an Employer from pre-assembling and prefabricating the following:

(1) Temporary elevators

A temporary elevator is defined as a non-permanent elevator installed prior to or during construction work inside or outside buildings. The assembly, disassembly and moving of temporary elevators from job to job or area to area may be accomplished in the most economical fashion provided, however, whatever work is required to be performed at the jobsite in connection therewith shall be performed exclusively by the Elevator Constructor Mechanics and Helpers.

(2) Residence elevators

(3) Dumbwaiters

(4) Dock elevators

(5) Parking garage elevators (such as Bowser, Pigeon Hole or similar types of elevators)

(6) LU/LA Elevators as defined in A.S.M.E. A17.1

(7) Apartment House

Apartment house elevators shall mean elevators installed in a multi-unit, multi-family structure, but not to exceed three (3) stories in height (i.e. 35 ft.) and the elevator shall not make more than three (3) stops nor exceed a capacity of 2500 lbs.

(8) Residence Elevators shall mean elevators installed solely for use in a single family residence and not for general public use. Single family residences may be part of a multi-family structure.

(9) Limited Use/Limited Access Elevators shall mean elevators described under the scope of Limited Use/Limited Access Elevators as defined in A.S.M.E. A17.1.

Incline stairway chair lifts and incline and vertical wheelchair lifts shall mean lifts described under the scope of A.S.M.E. A17.1.

Limited Use/Limited Access Elevators, incline stairway chair lifts, inclined and vertical wheelchair lifts, and residence elevators may be installed in the most economical fashion, provided there is no factor of safety involved. Whatever work is required to be performed at the jobsite in connection therewith shall be performed exclusively by Elevator Constructor Mechanics and Helpers.

- (10) Preassembled plug connectors may be used to interconnect (the solid state to solid state only) components of the elevator system, for instance - motion controller, direct drive, primary position transducer; and in the elevator car - secondary position transducer, load weighing transducer and to connect any component in and on the car (excluding traveling cable)

When the use of fiber optics is applied to the elevator system, preassembled plugs/coupling devices may be used to maintain the integrity of the connection(s).

It is understood and agreed that the connecting and/or coupling of devices will be done by the elevator constructor-whether accomplished by external wiring or by preassembled plug connectors as provided in this paragraph.

- (11) Pre-wired canopies with lights and fans installed.

- (12) Shuttles and related equipment.

- (13) Elevator Information Systems (e.g., E*Displays)

(b) It is understood and agreed that the preassembly and/or prefabrication of electric sidewalks, travelators, speed ramps or similar type of moving walks, (limited to 15 degree incline per ANSI Code), shall include the following:

(1) Truss sections with drive units, machines, handrail drive sheaves and drive chains installed and aligned.

- (2) Truss sections with tracks installed and aligned.

- (3) Balustrade brackets may be shipped attached but not aligned.

- (4) Setting controllers, all wiring and conduit from the controller.

Work to be done in the field shall include setting and aligning of truss sections and supports, installation of pallets (platform and belting), handrails, handrail idler sheaves, centering guides, combplates, balustrades and trim.

Par. 9.

No restrictions shall be imposed as to methods, tools, or equipment used.

30 June 1996

Mr. John Green
President & Business Manager
Local #1, IUEC
150-42 12th Avenue
Whitestone, NY 11357

Dear John:

This letter will serve to clarify the intention of the parties with respect to the length of a Construction Work Day and the Construction Hours of Work as referenced in Section IV(C).

Although the "normal" construction work day is 7.5 hours (with a half-hour unpaid lunch), the parties agree that in the interests of job efficiency, or when required by a customer through a project agreement or otherwise, the work day may be 8.5 hours in length, paid at straight time rates, with an unpaid half-hour lunch period.

Similarly, while the "normal" construction start time is 8:00 AM, the parties agree that in the interests of job efficiency, or when required by a customer through a project agreement or otherwise, the starting time for construction may be between 7:00 AM and 8:00 AM. Overtime would be paid at the normal double time rate after the completion of the regular construction work day regardless of the starting time.

Very truly yours,

For the Union:

Robert McGuinness
Director, Industrial Relations

John Green
President & Business Manager

30 June 1996

Mr. John Green
President and Business Manager
I.U.E.C., Local #1
150-42 12th Avenue
Whitestone, New York 11357

Dear John,

During the negotiations for the agreement between IUEC Local #1 and Otis Elevator Company, and to be effective July 1, 1996, it was understood and agreed that the preassembled plug connectors which may be used to connect solid state components shall only apply to the motion controller, direct drive, primary velocity transducer, primary position transducer, hall lanterns, hall buttons, position indicators and, in the elevator car, the secondary position transducer and the load weighting transducer.

The Company reserves the right to review with the Union technological changes to product designs which may necessitate additional plug connector applications during the term of this contract.

Very truly yours,

Robert McGuinness
Director, Industrial Relations

For the Union:

John Green
President & Business Manager

30 June 1996

Mr. John Green
President and Business Manager
I.U.E.C., Local #1
150-42 12th Avenue
Whitestone, New York 11357

Dear John:

This letter will confirm the understanding and agreement concerning the Employer's used of the outside personnel hoist (rack & pinion hoist) and inside car.

It is agreed that, where job conditions warrant, the Union recognizes that the Employer may utilize the outside personnel hoist and/or the inside car to move equipment such as air and gas tanks, tools, chain falls, safety equipment, and limited parts and equipment in small quantities, and motor room wiring, provided the hoist or car is operated under IUEC Local No. 1's trade jurisdiction.

The Employer(s) agrees that it will not abuse this general exception to hoisting.

Very truly yours,

Robert McGuinness
Director, Industrial Relations

For the Union:

John Green
President & Business manager

30 June 1996

Mr. John Green
President and Business Manager
I.U.E.C., Local #1
150-42 12th Avenue
Whitestone, New York 11357

Dear John:

The purpose of this letter is to confirm the understanding reached during negotiations with respect to Shop Stewards.

When a jobsite that has had a Shop Steward has less than seven (7) employees, the union may request that the Employer transfer that employee that has served as Shop Steward to another jobsite that has more than seven (7) employees. The Employer shall give due consideration to the Union's request, however it shall not be obligated to transfer such employee.

Very truly yours,

Robert McGuinness
Director, Industrial Relations

For the Union:

John Green
President & Business Manager

30 June 1996

Mr. John Green
President and Business Manager
I.U.E.C., Local #1
150-42 12th Avenue
Whitestone, New York 11357

Dear John:

The purpose of this letter is to address misunderstandings that arose during the term of the past contract as a result of work assignments made under Section VI, Service Work and to set forth the intentions of the Parties with respect to such work assignments.

The Employer recognized the Union's claim that two separate classes of work exist under the definition of Service Work.

The Union, on the other hand, recognizes that the Employers are paying a wage premium in order to afford greater flexibility in assignment of such work.

It is the intention of the Parties to develop a more highly skilled work force through exposure to a broader variety of work assignments.

Both Parties recognize that misunderstandings may arise as a result of such assignments. However, the Parties agree that generally team assignments will be made for scheduled work as outlined in (a) through (o) of Par. B. Emergency or unscheduled assignments of such work may occur from time to time and in those instances the Employer may be required to assign such work to employees other than those who would normally or routinely be assigned such work.

Both Parties further agree that such assignments were never intended to be punitive in nature or for any other purpose other than those stated herein.

Very truly yours,

Robert McGuinness
Director, Industrial Relations

For the Union:

John G. Green
President & Business Manager

30 June 1996

Mr. John Green
President & Business Manager
I.U.E.C., Local #1
150-42 12th Avenue
Whitestone, NY 11357

Dear John:

It is understood and agreed that under normal circumstances "future hatches" will be considered New Construction work. However, whenever the Company is bidding for such work when such work is a part of a Modernization project or whenever, because of competition from other than Local #1 employers it is necessary for the Company to lower the bid that would otherwise be made, the Company may bid for and perform such work under the wages and working conditions set forth for New Construction and Modernization Work in Existing Buildings.

Very truly yours,

Robert McGuinness
Director, Industrial Relations

For the Union:

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum is the Agreement between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors. By reference, this letter incorporates all of the provisions of the labor Agreement between the parties dated 17 March 2000 through 16 March 2005. Where the contents of this letter conflict with the contents of said labor Agreement, this memorandum shall govern. Actions taken under the terms of this letter Agreement are expressly subject to the grievance and arbitration provisions of the referenced labor Agreement as well as the no-strike and lock-out provisions in that Agreement.

~~This letter shall expire on 16 March 2005. It is intended to provide the Company with the tools to secure additional work as well as retain existing work against the competition. The parties intend, through this letter, to improve job security for all of the Company's employees. By its nature, this memorandum provides the Company with more latitude than described in the earlier referenced labor Agreement.~~

1. Work Hours - Where required to retain or obtain customers, the Company may agree to provide customers with flexible maintenance, repair and modernization scheduling. That is, if the customer desires that maintenance and/or repair and/or modernization be accomplished at other than "normal" working hours, the Company may agree to provide these services at competitive rates, in whatever method meets the customer's needs. The Company will not use its discretion under this provision in any punitive fashion and agrees that all non-traditional work schedules shall be made for at least a full work-week (40 hours) or more.
2. To address competitive issues, the Company may use sufficient Helpers in maintenance, repair and/or modernization as it may choose, without regard to Helper/Mechanic ratios or teams. The guiding principles which will govern the Company's use of Helpers are as follows:
 - a. Safety
 - b. Efficiency and Knowledge.
 - c. Helpers must work under the direction of a Mechanic (although the Helper need not be physically located anywhere near the Mechanic) or may receive assignments from supervision. If assigned by supervision, supervision will notify the appropriate mechanic or Mechanic-In-Charge of the location and nature of the assignment.
3. Assignment - The Company has the right to transfer individual employees from office to office or from department to department or supervisor to supervisor to most effectively utilize its human resources. However, the Company shall not transfer any individual solely for the purpose of layoff. Recognizing the Union concerns, the Company agrees not to utilize its discretion under this provision in any punitive manner.
4. Wages and/or Fringes - The Company may pay wages and/or fringes less than those outlined in the contract to attract or retain new or existing business. The Company will utilize its best efforts to schedule employees affected by this provision for overtime.

4a. The Company may assign up to five (5) of its service employees in each location office to a Tuesday through Saturday work week. When working on Saturday, such employees shall be paid at 115% of the regular hourly wage rate. When performing work on Saturday, such employees shall be permitted to perform scheduled service work, callbacks within the location where such employees are scheduled to work, and entrapments at any location.

5. Administration - to ensure the flexibility afforded through this letter can be administered in an efficient manner, the following guidelines shall apply:

a. Contracts with a total dollar value of up to \$100,000: The Company can execute any of the provisions of this letter without prior notification to the Local. The Company will provide a weekly summary of contracts executed under this provision where practical.

b. Contracts with a total dollar value greater than \$100,000: The Company will fax its proposed use of the provisions of this letter to the Union. If the Company receives no objection within 48 business hours (two business days), the Company is free to act in accordance with its notification. Should the Local object to any proposals so made by the Company, the Company shall consult with the Local within 24 hours of such objection. If the parties cannot agree to a resolution, the Company is free to act in accordance with its stated intentions.

6. Should the Local #3 IBEW settlement result in changes that adversely affect Otis' and Local #1's competitive abilities, the Company may request negotiations to consider appropriate changes to this Memorandum of Understanding.

7. The Union may require the Company to provide evidence (such as bid documents) of its need to utilize the provisions contained in this letter. Such evidence may be requested before or after a bid has been submitted. However, if the Union believes such evidence to be insufficient, the Union will honor all commitments made to customers under this letter. Both parties agree to utilize the provisions of this letter fairly and with the clear intention of improving the Company's ability to compete against non-union and Local #3 firms.

Very truly yours,

For the Union:

Robert McGuinness
Director, Industrial Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors documents the interest of both parties that the Company pursue business opportunities that fall within its business strategies and that may assist Local #1 in the retention and training of its members. It is agreed on at least an annual basis, the Company and Union leadership will meet to formally review the business strategies, market conditions, performance, and anticipated opportunities. This meeting will allow both parties to better understand performance and the need to jointly participate in this highly competitive environment,

In addition to financial and market related issues, the Company will share with the Union leadership product and process changes that may occur in the coming year. These changes will encompass technology upgrades, process improvements, and changes to manufacturing and product installation methods.

It is understood with technology advancing rapidly in this industry, the Company reserves the right to add a classification of work that will address these advances. It is understood this classification will be paid at least the rate of a "mechanic" under our collective bargaining agreement. Notice of this additional classification will be given to the Union prior to its use. Anyone occupying this classification of work will be required to obtain and maintain membership in Local #1 in accordance with the Union's Constitution and By-laws.

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green

President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to confer jurisdiction to Local #1 of the IUEC for the installation and service of all Shuttles and Shuttle-related products.

Shuttles and shuttle-related products may be delivered and installed completely pre-assembled as documented in Appendix "C" of our working agreement. It is mutually agreed and understood that the employees involved in the installation and/or service will be instructed and assisted in their efforts by members of the Company's Otis/POMA entity. It is equally understood that, due to the competitive nature of this business and its unique service requirements, each shuttle contract will be individually agreed between the Company and the Union with respect to the hours of operation, work schedule, staffing, subcontracting of "janitorial" services, and duties.

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to outline the understanding of the parties as to mutual participation in safety committee efforts.

Otis Elevator Company will nominate two of its management associates to actively participate in the Joint Industry Safety Committee. Otis will notify the Union, in writing, within 90 days of the date of this letter the identity of these two individuals. The Company will also notify the Union, in writing, should it be necessary to change one or both of these Committee members.

Local #1 will, in turn, encourage its members to actively participate as volunteers on the various Safety Committees the Company has at each of its location offices. The Union will support Otis' efforts to solicit volunteers to ensure the Company gains the unique insight on safety-related matters from its field associates.

The Company will provide feedback from its Safety Committees to the Industry Safety Committee through its representatives on that Committee.

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to outline the understanding of the parties reached during the most recent negotiations concerning the study and decision of team service work as detailed in Section VI(B)(1) of the labor agreement.

The parties agree that, within 90 days of the date of this letter, they will have reviewed and agreed upon the tasks listed below from Section VI(B)(1) of the labor agreement that will remain as two-person tasks:

- (b). Renewal of brake linings (except small machines)
- (j). All work of installing sound isolation
- (k). Realignment guide rails
- (o). Complete hoistway cleardown

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to outline the understanding of the parties reached during the most recent negotiations concerning the study and decision of the application of "Zone Pay"

The parties agree that on the first anniversary of this labor agreement (March 17, 2001), they will begin discussions about the use and/or change of Zone Pay, Per Diem, and cartage.

Any disagreement of the parties is subject to mandatory and binding arbitration but cannot result in any form of job action or strike.

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to outline the understanding of the parties reached during the most recent negotiations concerning the desire of both the Union and the Company to seek new markets for its products and services.

During the term of this agreement, the Company may decide to pursue non-traditional markets (such as class "B" or "C" office buildings and complexes and residential buildings and complexes). In pursuing these new markets, the Company may deviate from the terms of the labor agreement to effectively compete in these types of markets. These deviations from the labor agreement will include all of the provisions of the memorandum referred to as "Page 106" plus any other changes necessary to obtain and/or retain such work including, but not limited to, subcontracting and pre-assembly.

As with the "Page 106" memorandum, the Company will notify the Union whenever utilizing the flexibility allowed herein.

By this reference, this letter incorporates the provisions of the letter referred to as "Succession".

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to outline the understanding of the parties reached during the most recent negotiations concerning any changes in leadership of the Local that may occur during the life of this agreement.

Any of the terms and conditions utilized to retain or capture new work since the creation of the memorandum referred to as "Page 106" will be honored by all successors or assigns for the life of this labor agreement.

In addition, the Local's leadership, successors or assigns shall take no actions which could interfere with any contracts awarded utilizing the provisions of "Page 106" even if said contracts span more than one labor agreement term.

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

During the negotiations for the collective bargaining agreement effective March 15, 2000, the parties agreed to adopt a Pilot Project to examine the effectiveness and acceptability of a four day, nine hour per day work week in Construction.

The trial period shall commence May 1, 2000 and continue until the expiration of this collective bargaining agreement. Each job shall be identified by the employer. Teams performing the work shall be interviewed by persons designated by the parties following completion of the work; management personnel having oversight responsibility for such jobs shall be interviewed quarterly.

Either party shall have the right to terminate this Pilot Project by giving the other party thirty (30) days written notice.

Should the parties desire to continue this arrangement following the period allotted for this Pilot Project, the parties shall confirm such agreement in writing.

Please indicate your agreement with the foregoing by signing above the word "AGREED" below.

Sincerely,

Joseph Byrka
Director, Labor Relations

AGREED
John Green, President

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This letter will serve to confirm the intention of the parties with respect to the length of a Construction Work Day and the Construction Hours of Work as referenced in Section IV(D) of the collective bargaining agreement.

The collective bargaining agreement states that the "...regular work day shall not exceed seven (7) hours in any one day..." and "...is to be performed between the hours of eight A.M. (8:00 A.M.) in the forenoon and three-thirty P.M. (3:30 P.M.) in the afternoon with one-half hour allotted as lunch period...".

The parties agree that when an eight (8) hour workday is required through a project labor agreement or by a similar customer requirement, the workday shall be eight (8) straight time hours with an additional unpaid period of one-half hour for lunch beginning at the starting time established by the owner or general contractor. The parties further agree that an eight (8) hour workday may be required for reasons other than those presently considered. In this event, the employer, with notice in writing to the union, may elect to work a regular work day of eight (8) straight time hours beginning between the hours of seven A.M. (7:00 A.M.) and eight A.M. (8:00 A.M.) with an additional unpaid period of one-half hour for lunch.

The parties also agree that in the interests of job efficiency, or when required by a customer through a project labor agreement or otherwise, the workday may begin between seven A.M. (7:00 A.M.) and eight A.M. (8:00 A.M.). Eligibility for overtime pay begins after the completion of the regular workday, irrespective of the starting time.

Please indicate your agreement with the foregoing by signing above the word "AGREED" below.

Very truly yours,

Joseph Byrka
Director, Labor Relations

AGREED
John Green, President

17 March 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

During the negotiations for the collective bargaining agreement affective March 15, 2000, the parties agreed to adopt a Pilot Project to examine the effectiveness and acceptability of a four (4) day work week in New Construction and Modernization in Existing Buildings where the work day shall be ten (10) straight time hours per day with an additional unpaid period of one-half hour for lunch.

The regular work week on any job where this four (4) day work week is utilized shall be either Monday to Thursday or Tuesday to Friday. The regularly scheduled hours of work for employees working such a four (4) day work week shall be from 7:00 A.M. to 5:30 P.M. Eligibility for overtime pay begins after completion of the regular ten (10) hour workday or when such employees are scheduled to work on days not considered regular work days as defined herein.

Employees who are working this four day work week schedule when a paid holiday occurs shall be entitled to holiday pay as follows:

If the holiday is observed on a regularly scheduled work day, the employee shall be entitled to ten (10) hours pay for the holiday if the employee otherwise meets the requirements for holiday pay as specified in Section II(G) of this agreement;

If the holiday is observed on a day other than a regularly scheduled workday, the employee shall be entitled to eight (8) hours pay for the holiday if the employee otherwise meets the requirements for holiday pay as specified in Section II(G) of this agreement.

When assigning employees to work under the terms of this Letter agreement, the employer shall first seek to assign such work to employees who voluntarily agree to accept such work assignments.

The trial period shall commence May 1, 2000 and continue until the expiration of this collective bargaining agreement. Each job shall be identified by the employer. Teams performing the work shall be interviewed by persons designated by the parties following completion of the work; management personnel having oversight responsibility for such jobs shall be interviewed quarterly.

Either party shall have the right to terminate this Pilot Project by giving the other party thirty (30) days written notice.

Should the parties desire to continue this arrangement following the period allotted for this Pilot Project, the parties shall confirm such agreement in writing.

Please indicate your agreement with the foregoing by signing above the word "AGREED" below.

Sincerely,

Jospeh Byrka
Director, Labor Relations

AGREED
John Green, President

26 October 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to detail the understanding of the parties reached during the most recent contract negotiations concerning a Tuesday through Saturday work week in service.

The company may establish a Tuesday through Saturday work week in service with the following conditions:

- (1) No more than 5 individuals in any one location or branch may be assigned to this schedule.
- (2) No more than one repair team (two persons) in any one location or branch may be assigned to this schedule.
- (3) No more than two such repair teams can be combined to perform a single task.
- (4) Normal working hours for service shall apply.
- (5) Employees working this special shift shall receive a 15% premium rate of pay (1.15 times the straight time rate of pay) for all regular hours worked on Saturday.
- (6) When performing work on Saturday, such employees shall be permitted to perform scheduled service work, callbacks within the location where such employees are scheduled to work, and entrapments at any location.
- (7) If a holiday should fall on a Saturday, those employees who would normally have been scheduled to work that Saturday shall receive holiday pay at the 15% premium rate of pay (1.15 times the straight time rate). Any of these employees that actually work on a Saturday holiday shall receive the holiday pay referenced above and shall receive time and one-half (1.5 times the straight time rate of pay) for all hours actually worked.
- (8) The company shall use its best efforts to obtain volunteers to staff the Tuesday through Saturday work week. However, should sufficient volunteers not be available, the company reserves the right to assign personnel as necessary.

For the Otis Elevator Company:

For Local #1 of the IUEC:

Robert McGuinness
Director, Labor Relations

John Green
President & Business Manager

26 October 2000

Mr. John Green
President & Business Manager
Local #1, IUEC
150 -42 12th Avenue
Whitestone, NY 11357

Dear John:

This memorandum between the Otis Elevator Company and Local #1 of the International Union of Elevator Constructors is intended to detail the understanding of the parties reached in accordance with the memorandum of understanding pertaining to four specific two-person service tasks. This memorandum supercedes that letter and modifies Section VI(B)(1) of the labor agreement as follows:

SECTION VI(B)(1)(b) Renewal of brake linings. As agreed herein, the renewal of brake linings on 339, 269, 99 or equivalent machines will continue to be two-person work. For all other, smaller machines, one person may perform the work. However, if test weights are used to reset brake operation, two persons will be necessary.

SECTION VI(B)(1)(j) All work of installing sound isolation. As agreed herein, no changes are to be made to this work assignment. It remains as two-person work.

SECTION VI(B)(1)(k) Realigning guide rails. As agreed herein, this is one person work when accomplished using today's available electronic tooling that identifies irregularities in the rails. One person can set up the machine, take the readings, and do whatever straightening of rails is required.

SECTION VI(B)(1)(o) Complete hoistway cleardown. As agreed herein, a complete hoistway cleardown performed as a routine procedure is one-person work. This work includes a service employee riding the car top, cleaning the top of car, doors, tracks, sills, pit, etc. We further agree that if such work is extended to include rails and hoistway walls, two-persons would be required.

Very truly yours,

For the Union:

Joseph Byrka
Director, Labor Relations

John Green
President & Business Manager

ADDENDUM 1

The parties agree to modify the collective bargaining agreement (the Agreement) between the Otis Elevator Company and Local #1 of the IUEC dated March 17, 2000 as follows:

SECTION VII – EFFECTIVE DATE – WAGE RATES - TERMINATION

(B) The straight time rates of pay during the term of this agreement are as follows:

CONSTRUCTION & NEW CONSTRUCTION IN EXISTING BUILDINGS

Effective Date
1 November 2000

| | |
|-----------------------------|----------|
| Journeyman | \$36.090 |
| 85% Apprentice | \$30.620 |
| 75% Apprentice | \$27.010 |
| 65% Apprentice | \$23.400 |
| 55% Apprentice | \$19.790 |
| 45% Apprentice | \$15.215 |
| 45% Probationary Apprentice | \$14.775 |

SERVICE AND MODERNIZATION

Effective Date
1 November 2000

| | |
|-----------------------------|----------|
| Journeyman | \$29.575 |
| 85% Apprentice | \$25.080 |
| 75% Apprentice | \$22.120 |
| 65% Apprentice | \$19.160 |
| 55% Apprentice | \$16.710 |
| 45% Apprentice | \$15.210 |
| 45% Probationary Apprentice | \$14.775 |

For the Otis Elevator Company:

For Local #1:

Robert McGuinness
Director, Labor Relations

John Green
President & Business Manager

ADDENDUM 2

The parties agree to modify the terms of the collective bargaining agreement between the Otis Elevator Company and Local #1 of the IUEC dated March 17, 2000 as follows:

SECTION II – GENERAL CONDITIONS APPLICABLE TO ALL TYPES OF WORK AND ALL EMPLOYEES

(D) PROBATIONARY EMPLOYEES

(3) Following completion of the initial 6-month probationary period, Apprentices actively participating in the National Elevator Industry Education Program (or any successor program resulting from the adoption of a formal Apprentice program) who have an industry hire date of March 17, 2000 or later shall be paid in accordance with Section VII of the agreement. Said Apprentices will be classified as follows:

- **First year apprentice:** 45% apprentice. From the end of the initial 6-month probationary period to the successful completion of one year of the apprentice program. Contributions will begin for all benefit plans upon completion of the initial 6-month probationary period. Said apprentice will be paid the appropriate rate for the department to which he/she is assigned.
- **Second year apprentice:** 55% apprentice. From the completion of the first year of the apprentice program until the completion of the second year of the apprentice program. Said apprentice will be paid the appropriate rate for the department to which he/she is assigned.
- **Third year apprentice:** 65% apprentice. From the completion of the second year of the apprentice program until the completion of the third year of the apprentice program. Said apprentice will be paid the appropriate rate for the department to which he/she is assigned.
- **Fourth year apprentice:** 75% apprentice. From the completion of the third year of the apprentice program until the completion of the fourth year of the apprentice program. Said apprentice will be paid the appropriate rate for the department to which he/she is assigned.
- **Fifth year apprentice:** 75% apprentice. From the completion of the fourth year of the apprentice program until the completion of the fifth and final year of the apprentice program. Said apprentice will be paid the appropriate rate for the department to which he/she is assigned.

(4) Apprentices may be assigned work as journeymen under the following provisions:

- From 3/17/2000 until the results of a special mechanics' examination scheduled to be held in December of 2000 are known by the company, the company may select helpers or apprentices to work as temporary mechanics. When employed as temporary mechanics during this period, employees shall be paid the regular rate for mechanics in the department assigned.
- After the results of the special mechanics' examination are communicated to the employer, the company may select apprentices to perform the work of journeymen (except no apprentice may serve as mechanic-in-charge) by first seeking such apprentices from those employees who are fifth year apprentices. If suitable individuals cannot be identified from the ranks of the fifth year apprentices, the company may then consider fourth year apprentices. If suitable candidates cannot be identified from the ranks of fourth year apprentices, and, in turn, third year apprentices.

- Fifth year apprentices who choose not to take the mechanic's examination when eligible to do so and fifth year apprentices who do not pass the mechanic's examination will be ineligible to be assigned the work of journeymen for a period of one-year following the date of such mechanic's examination. This prohibition may be waived by the Joint Examining Committee after written request from the union and the company identifying the reasons why such a waiver should be granted.
- When assigned to perform journeyman work under these provisions, the apprentice shall be paid at 85% of the rate for journeymen in the department to which he/she is assigned except that: When working callback coverage outside of regularly scheduled working hours, such apprentice shall receive 100% of the service journeyman rate of pay.

- If qualified journeymen are on the bench, apprentices performing journey-level work and paid at the 85%-rate will be reduced to the 75% rate and cease performing journey-level work as follows:

If Otis has more than twelve (12) such apprentices performing work as temporary journeymen and a qualified journeyman is on the bench, Otis will have to reduce all temporary journeyman above the 6th to the 75% rate .

If Otis has laid off a qualified journeyman and that journeyman is on the bench, Otis will have the option of re-hiring that journeyman or reducing one 85%-rate apprentice performing work as a temporary journeyman to the 75% rate.

.....

(V) Jury Duty Pay

- (1) Effective 1 October 2000, the company agrees to pay an additional two (2) cents per hour worked by its employees for the purpose of establishing a jury duty pay fund for employees of the company required to serve as jurors. One (1) cent of these contributions shall be deducted from the wages of the employees. The company will make these contributions in alternate contract years (10/1/2000 - 3/16/01; 3/17/02 - 3/16/03). Funds will be paid to the New York Elevator Industry Fund Jury Duty Pay Plan. Employees will be paid for lost wages incurred as the result of juror service in accordance with the rules and limitations adopted by the trustees of the Jury Duty Pay Plan fund. Otis will comply with the rules and limitations adopted by the trustees.
-

SECTION VII - EFFECTIVE DATE - WAGE RATES - TERMINATION

(C) Annuity Fund

- (1) The company will continue its contributions to the Annuity and 401(k) Plan (hereafter referred to as the Annuity) administered by a board of six (6) Trustees: three (3) appointed by the Elevator Manufacturers Association of New York (EMANY) and three (3) appointed by Local #1 of the International Union of Elevator Constructors (IUEC). This fund provides annuity benefits for elevator journeymen and apprentices.

- (2) The Board of Trustees of the Annuity have adopted a Restated Agreement and Declaration of Trust and Annuity Plan which is a part of this agreement and binding on Otis. The Annuity is financed by contributions from Otis, the members of EMANY and other companies which have agreements with local #1 and by elective contributions of the employees of these employers. The company agrees to make contributions on the basis of full hours worked as set forth below for employees with an industry hire date prior to 3/17/00:

| Effective Date | Construction Mechanics | Modernization Mechanics | Service Mechanics |
|----------------|------------------------|-------------------------|-------------------|
| 3/17/00 | \$4.650 | \$4.500 | \$4.500 |
| 3/17/01 | \$4.900 | \$4.750 | \$4.750 |
| 3/17/02 | \$5.150 | \$5.000 | \$5.000 |
| 3/17/03 | \$5.400 | \$5.250 | \$5.250 |
| 3/17/04 | \$TBD | \$TBD | \$TBD |

Contributions for Apprentices with an industry hire date of March 17, 2000 or later who have completed at least 6 months of active industry shall be as follows:

Construction:

| | 3/17/00 | 3/17/01 | 3/17/02 | 3/17/03 | 3/17/04 |
|------------------|---------|---------|---------|---------|---------|
| • 45% Apprentice | \$1.590 | \$1.705 | \$2.320 | \$2.430 | TBD |
| • 55% Apprentice | \$2.560 | \$2.695 | \$2.830 | \$2.970 | TBD |
| • 65% Apprentice | \$3.020 | \$3.185 | \$3.350 | \$3.510 | TBD |
| • 75% Apprentice | \$3.490 | \$3.675 | \$3.860 | \$4.050 | TBD |

Service & Modernization

| | 3/17/00 | 3/17/01 | 3/17/02 | 3/17/03 | 3/17/04 |
|------------------|---------|---------|---------|---------|---------|
| • 45% Apprentice | \$1.525 | \$1.640 | \$1.750 | \$1.860 | TBD |
| • 55% Apprentice | \$1.975 | \$2.110 | \$2.250 | \$2.390 | TBD |
| • 65% Apprentice | \$2.925 | \$3.090 | \$2.750 | \$2.910 | TBD |
| • 75% Apprentice | \$3.375 | \$3.560 | \$3.750 | \$3.940 | TBD |

Wage rates and Annuity contributions may be adjusted periodically on the anniversary date of this collective bargaining agreement to ensure compliance with IRS regulations governing such plans.

- (3) Hours worked do not include hours paid for vacation, holiday, and travel time outside of normal working hours except for those overtime hours which occur between contiguous callbacks.
- (4) Payment of the company contributions shall be made by the end of the month following the month for which they are due.
- (5) The company contributions provided for in the agreement shall be designated profit-sharing contributions. Said contributions shall be the company's sole obligation to the Annuity. The company shall not make contributions to the 401(k) accounts of employees other than forwarding to the Annuity the wages by which employees have elected to reduce their wages.

- (6) The company agrees to withhold from the wages of employees, pursuant to a Wage Reduction Agreement approved by the Trustees, wages in any whole percentage of wages payable in each payroll period but not less than one percent (1%) nor more than four percent (4%) for journeymen and not less than one percent (1%) nor more than one percent (1%) for apprentices. The amount by which an employee's wages are so reduced shall be referred to as an elective contribution. The company will make such elective contributions to the Annuity in an amount equal to the total amount by which the employee's wages from the company are reduced pursuant to the Wage Reduction Agreement. The company shall make said payments monthly together with the Annuity contributions and with such forms as the Trustees may require.
- (7) It is expressly understood and agreed by the parties that all expenses incurred in the establishment and ongoing administration of the Annuity shall be the expenses of the Annuity and not the obligation of the company. In the event that the company incurs added expenses because of the inclusion of a 401(k) feature and the amendment of the Annuity to be a profit-sharing plan, then, in that event, the union agrees to a reduction in wages, benefit contributions or other economic terms of the Agreement equal to the amount of expenses incurred by the company. The type of reduction is subject to agreement between the parties. If the parties are unable to agree on where the reduction shall be made, the matter will be submitted to arbitration in accordance with the Agreement.

(F) Local #1 Education and Training Fund

- (1) The Local #1 Education and Training Fund (the Fund) shall provide a program for the education and training of apprentices and shall be funded by a company contribution of ten cents (\$0.10) per hour worked. This contribution shall be the result of a reallocation of five cents (\$0.05) from the first year gross increase and an equal five cent (\$0.05) contribution by the company.
- (2) The Fund shall be governed by written Agreement and Declaration of Trust and administered by a Board of Trustees - three (3) of whom shall be appointed by the union and two (2) appointed by EMANY and one (1) appointed by the Otis Elevator Company in accordance with, and so provided in, the governing documents of the Fund and subsequent amendments thereto. The Agreement and Declaration of Trust shall become a part of this Agreement and binding on the parties.

For the Otis Elevator Company:

For Local #1:

Robert McGuinness
Director, Labor Relations

John Green
President & Business Manager