35 PP.

WORKING AGREEMENT

NEW ORLEANS, LOUISIANA

PLUMBERS & STEAMFITTERS

3515 I-10 Service Road

LOCAL UNION NO. 60 (AFL-CIO)

Metairie, Louisiana

AND

MECHANICAL CONTRACTORS

ASSOCIATION OF LOUISIANA, INC.

BUILDING TRADES CONTRACT

Effective: June 1, 2003

Expiration date: May 31, 2006

WORKING AGREEMENT

THIS AGREEMENT, amended June 1, 2003 by and between the MECHANICAL CONTRACTORS ASSOCIATION OF LOUISIANA, INC., on behalf of its members and other Contractors who have authorized said Association to act on their behalf and other Employers individually who are hereinafter called the "Employer" and Local Union No. 60 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada affiliated with the American Federation of Labor-Congress of Industrial Organizations and the New Orleans Building and Construction Trades Council hereinafter called the "Union".

PREAMBLE

WHEREAS, the Employer is engaged in the plumbing and/or heating, piping or refrigeration industry in New Orleans and/or Southeast Louisiana and is known as a local Contractor and in the performance of such work requires the services of competent, skilled and qualified journeymen, plumbers, steamfitters, and/or pipefitters, pipe welders, refrigeration mechanics, their apprentices and subjourneymen; and

WHEREAS, the Union is affiliated with the American Federation of Labor Congress of Industrial Organizations and represents competent, skilled and qualified journeymen and apprentices to perform all work coming within the trade and craft jurisdiction; and

WHEREAS, the Union and the Employer desire to mutually establish and stabilize wages, hours and working conditions for journeymen and apprentices on a local and statewide basis with said Employer and further to encourage closer cooperation and better understanding between the Employer and his Employees to the end that a satisfactory continuous and harmonious labor relationship will exist between the parties of this Agreement;

NOW, THEREFORE, the undersigned Employer and the Union in consideration of the mutual promises and covenants contained herein mutually agree as follows:

ARTICLE I. PARTIES TO THE AGREEMENT

- 1.1 The Mechanical Contractors Association of Louisiana, Inc. a non-profit trade association incorporated under the laws of the State of Louisiana, under authority from its members and other Contractors who have authorized said Association to act on its behalf and pursuant to its charter and by-laws has negotiated and executed this Agreement for and on behalf of its Employer members it represents, as well as the other Contractors, who authorize the Association to act on their behalf, each of whom is the Employer party to this Agreement.
- 1.2 It is further understood and agreed that any Employer bound by the terms of this Agreement by the virtue of the authority contained herein above agrees that if the Employer withdraws his membership to act on his behalf, the Employer shall be bound by all terms and conditions of this Agreement for the balance of the term of this Agreement. The Association agrees to immediately notify the Union when any Employer member withdraws from the Association to act on his behalf and to further notify the Union of any new member joining the Association. Any Employer hereafter joining the Mechanical Contractors Association of Louisiana, Inc. must have first negotiated a Working Agreement with the Union and shall then be bound by this Agreement. The Union reserves the right to cancel in accordance with the terms of this Agreement, the Agreement between an individual Employer whether he is a member of or has authorized the Association to represent him or not.
- 1.3 Each present Employer on whose behalf this Agreement has been negotiated and executed and each future Employer who becomes a party by signing the Agreement shall alone be liable and responsible for his own individual acts and conduct and for any breach or alleged breach of this Agreement by an Employer or any dispute between the Union and the Employer respecting compliance with the terms of this Agreement, shall not affect rights, liabilities, obligations and duties between the Union or other Employers party to this Agreement.
- 1.4 All Employers party to this Agreement or who become a party to the Agreement agree and bind themselves in bidding or submitting bids, to bid for, seek and contract for any and all work normally coming under the jurisdiction of Local 60 as recognized herein. Failure to do so is considered a breach of this Agreement and may subject the Employer to all lawful or legal action on ten (10) days notice from the Union.

The Employer may, however, bid for a subcontract of a portion of the work coming under the jurisdiction of Local 60 from another contractor signatory to this Agreement. The provisions of this Article may be modified by mutual agreement between the particular Employer and the Union prior to bidding on a job.

ARTICLE II. RECOGNITION

2.1 The term Employer as herein used, means any and all Employers who have signed this Agreement with the Union, including but not limited to those who are members of or have authorized the Mechanical Contractors Association of Louisiana, Inc., to act on their behalf. The Employer recognizes the Union as the bargaining representative for all of its Employees coming within the unit of jurisdiction of the United Association and this entire group of Employees of all Employers signatory to this Agreement constitutes the collective bargaining unit.

NOTE: On July 23, 1948, in Case No. 15-UA-188, the Union was certified as bargaining agents as a result of an area industry-wide secret ballot election conducted by the National Labor Relations Board.

ARTICLE III. TRADE OR WORK JURISDICTION

3.1 This Agreement covers the rates of pay, hours and working conditions of Building Trades Journeymen, Apprentices and Subjourneymen of the Plumbing and Pipe Fitting Industry engaged in the installation of all Plumbing, Air Conditioning, Refrigeration and Pipefitting systems and component parts thereof including fabrication, assembly, erection, installation, dismantling, repairing, reconditioning, adjusting, altering, servicing, handling, unloading, distributing and the reloading of all piping materials, appurtenances and equipment including all hangers and pipe supports of every description and all other work included in the trade jurisdiction or claims of the United Association.

ARTICLE IV. SCOPE OF AGREEMENT

- 4.1 All wages and working conditions hereunder shall be effective on all plumbing, heating, air conditioning, refrigeration and pipefitting work performed by the Employer in all places within the territorial jurisdiction of Local Union No. 60 in Southeast Louisiana, comprising the Parishes of Orleans, St. Bernard, Jefferson, Plaquemines, St. Tammany, Washington, Tangipahoa, St. Charles, St. John, Lafourche, Terrebonne and Lower St. James, where plumbing and pipefitting work is being performed by the Employer.
- 4.2 Where the scope of work covered may be limited due to the special nature of any Employer's special type of business, the scope of work to be covered or limitations thereon shall be outlined by an exchange of letters or an addenda to this Agreement.

ARTICLE V. UNION SECURITY

- 5.1 All Employees who are members of the Union on the effective date of this Agreement or on the date of hire shall be required to remain members in good standing as a condition of employment.
- 5.2 Non-member Employees who are employed after the effective date of this Agreement shall be required to become members of the Union after seven (7) days following date of their employment and to remain members in good standing within the meaning of the law as a condition of employment.
- 5.3 Request by the Union for the discharge of an Employee under the terms of this Agreement must be made in writing and signed by a duly authorized agent of the Union. This written request must state in specific terms the reason for requesting the discharge of any Employee.
- 5.4 The provisions of this Article are suspended and shall become effective only if and when validated under any applicable Federal or State law on the date that the law takes effect on future projects but excluding projects in progress.

ARTICLE VI. HIRING OF MEN

- 6.1 Contractor shall emptoy only qualified journeymen, plumbers, pipefitters, steamfitters, pipe welders, and refrigeration mechanics, their apprentices, helpers, and subjourneymen. A Journeyman is one who (A) has successfully served an apprenticeship at the trade under the apprenticeship program approved by the United States Bureau of Apprenticeship Training or the State Division of Apprenticeship Standards and has passed the examination given by the Local Apprenticeship Committee established in cooperation with the Apprenticeship Division of the United States Department of Labor; or (B) has successfully passed a competency examination that adequately tested the degree of skill and training necessary to be administered under the direction and supervision of the Joint Hiring and Apprenticeship Committee herein established.
- 6.1.1 Contractors shall hire journeymen, apprentices, helpers, and subjourneymen by referral from the Union or registered with the Union. The Union will refer only qualified journeymen, and apprentices satisfactorily engaged in the apprenticeship program, and subjourneymen and helpers as defined in Article XIX. Whenever an Employer requires a journeyman, apprentice, helper, or subjourneyman on any job, he shall notify the Local Union either in writing or by telephone stating the location, starting time, approximate duration of the job, the type of work to be performed, and the number of men required. If the Union cannot furnish the required and qualified Employees within forty-eight (48) hours, two (2) working days, the Contractor shall seek such qualified Employee as needed from any source available.
- 6.1.2 Selection of applicant for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by race, religion, national origin, age or sex, by Union membership or non-Union membership or by Union by-laws, rules, regulations or constitutional provisions or any other aspect or obligation of Union membership, policies or requirements.
- 6.1.3 The Employer retains the right to reject any job applicant referred by the Union who is unqualified. The Employer shall be the judge of the qualification of the Employees in their assignment to the various types of work. All Employees covered by this Agreement may file an appeal to the Joint Hiring and Apprenticeship Committee, and subject to the Joint Hiring and Apprenticeship Committee, which, on appeal, will determine this question of qualification.

- 6.1.4 Separate registration lists may be maintained for qualified applicants available for employment as journeymen, plumbers, pipefitters, steamfitters, pipe welders, refrigeration mechanics, apprentices, or subjourneymen, as the case may be.
- 6.1.5 Contractors may request in writing to the Union, and by name, men as follows and such requests shall be honored without regard to the requested man's position on the out-of-work list: (a) supervisors, general foremen or foremen; (b) particular journeymen previously employed by the Contractor who was laid off or terminated by him within a certain fixed period to be determined and promulgated by the Joint Hiring and Apprenticeship Committee; and (c) bona fide requests for special skills and abilities.
- 6.2 There shall be a Joint Hiring and Apprenticeship Committee composed of an equal number of Contractors and Union representatives to supervise and control the operation of the job referral system herein. The Union representatives shall consist of the President, Business Manager/Financial Secretary, and a third person shall be appointed by the Union Business Manager. The Joint Hiring and Apprenticeship Committee may:
 - A. Adopt such rules and regulations as it deems advisable for the operation of the job referral system.
 - B. Hear and determine any and all disputes or grievances arising out of the operation of the job referral system, including but not limited to grievances arising out of work registration, work referrals and the preparation of referral lists. Any applicant or registrant shall have the right of appeal to the Joint Hiring and Apprenticeship Committee in any dispute or grievance arising out of or related to the operation or function of the job referral system.
 - C. Direct and supervise examinations for qualification of journeymen in accordance with this Agreement. All examinations given by the Joint Hiring and Apprenticeship Committee shall be fair, impartial, and in keeping with the then current standards of competency and skill possessed by journeymen in the industry.
 - D. The Joint Hiring and Apprenticeship Committee shall be empowered to impose fines not to exceed \$5,000.00 for each violation of the hiring hall procedures.

- 6.2.1 Whenever the Joint Hiring and Apprenticeship Committee is deadlocked over a dispute referred to it or over any matter concerned with the operation of the referral system, the dispute or matter shall be referred by the Committee to an impartial umpire selected by it. If the Committee is unable to agree on an impartial umpire, the naming of such an umpire shall be referred to the United States District Court for the Eastern District of Louisiana.
- 6.2.2 Decision of the Joint Hiring and Apprenticeship Committee shall be final and binding on all the parties, including the applicant for referral.
- 6.3 Where an employee has been repeatedly found by the Union or an Employer to have been laid off or discharged for any of the causes mentioned in Paragraph 7.1 below or has repeatedly failed to report for work, the Joint Hiring and Apprenticeship Committee may disqualify him from further referrals. When such action is taken, the Employee may request a hearing. The decision of the Joint Hiring and Apprenticeship Committee shall be final.

ARTICLE VII. DISCHARGE

- 7.1 The Employer shall have the right to discharge, without prior notification, any person for insubordination, drunkenness, incompetency, theft, absenteeism for two (2) or more days, usage, possession and/or distribution of drugs (drugs defined as any mind or performance altering drugs), project work rule violation. (provided reasonable notice and access to the rules has been given to Employer, Union and Employee), or failure to keep in good standing with the Union in accordance with the Labor Management Relations Act of 1947, as provided by Article V of this Agreement. When an Employee is being discharged or laid-off for any reason, the Employer shall furnish the Employee with a written discharge slip stating the reason for the discharge. Lay-offs due to slackness of work or reduction in force shall not be considered as a discharge, providing the Employer does not refuse to accept him for re-employment when work picks up and he is again referred to the Employer by the Union. Any discharge of an Employee requested by the Union shall be put in writing by the Union.
- 7.2 The Employer may lay off or discharge or refuse to hire an Employee in accordance with the provisions of Paragraph 6.3 and applicable law.

ARTICLE VIII.

WAGES AND FRINGE BENEFITS WILL BE AS DETAILED ON ATTACHMENT "A"

Effective June 1, 2005, all journeymen to qualify for said June 1, 2005 increase shall possess a current safety card issued by Southeast Louisiana Building Trades Safety Council equal to OSHA (10) Ten Hour Safety Card, and, have completed (8) eight hours of continuing education, and, hold a current certification in one of the following: Louisiana Plumbing License, Louisiana State Medical Gas License, U.A. Welder Certification, CFC Recovery or U.A. Brazing Certificate.

The Vacation Fund deductions shall be withheld from the wages as detailed in Attachment "A" and sent to the Welfare Fund office no later than seven (7) days from the close of the weekly payroll.

There will be no deductions from apprentice wages for Vacation Fund.

UNION DUES CHECK-OFF AS DETERMINED BY VOLUNTARY CHECK-OFF AUTHORIZATION SHALL BE IN ACCORDANCE WITH ATTACHMENT "A".

Vacation Fund contributions shall be paid double for overtime hours.

Union Dues Check-Off shall be paid at the straight time rate for overtime hours.

Fringe Benefits shall be sent to the Welfare Fund office no later than seven (7) days from the close of the weekly payroll:

Future non-negotiated fringe benefit plan increases shall be made by reducing total wages.

The Plan Trustees shall determine the hourly contribution to said fringe benefit plans as needed to maintain benefits, as per recommendation of the Consulting Actuary. The goal of the Trustees will be to attain a status that benefits will produce a zero withdrawal liability, consistent with IRS requirements.

ALL DEDUCTIONS AND FRINGE BENEFITS LISTED ON ATTACHMENT "A" SHALL BE PAID ON ACTUAL HOURS WORKED AND PAID FOR WORK COVERED UNDER THIS WORKING AGREEMENT.

NOTE: Additional "money items" in this Agreement, see Articles IX, X, XII, XIII, XIV, XV, XVI, XVIII, XIX, XXI, XXVII.

- 8.1.1 Apprentice wage rates to be percentage of prevailing journeyman scale as outlined in Article XVIII and Attachment "A". All fringe benefit contributions and deductions for apprentices shall be the same as for Journeymen, except for Vacation Fund deductions and 1st and 2nd year Pension Fund fringe benefit contributions for apprentices.
- 8.1.2 Subjourneymen See Article XIX.
- 8.2 In accordance with the terms and conditions of that certain Agreement and Declaration of Trust dated May 1, 1963, creating the Plumbers and Steamfitters Local 60 Vacation Fund, the Employers shall deduct the amount listed in Attachment "A", these sums to be paid by the Employer for each Employee's account except subjourneymen to the Trustees of the said Vacation Fund. Said deductions may for convenience, be included by the Employer in the sum forwarded to the Trustees of the Welfare Fund otherwise provided for herein, provided the Vacation Fund deductions are separately accounted for as to each Employee, and provided the Trustees of the Welfare Fund agree to receive said Vacation Fund monies and pay them over to the Trustees of the Vacation Fund.
- 8.3 The Employer shall honor voluntary check-off authorizations signed by Employees for the payment of union dues, initiation fees or assessments or any other lawful fund or any portion thereof regardless of the date on which such authorization is signed and whether it designates the specific Employer or not.
- 8.4 The Employer agrees to comply with the terms and conditions of and agrees to the Plumbers and Steamfitters Health and Welfare Trust Agreement and shall contribute the amount listed in Attachment "A" for each hour worked or paid for, for each person including subjourneymen in their employ working under the trade and territorial jurisdiction of this Agreement to the Joint Board of Trustees of Plumbers and Steamfitters Health and Welfare Fund. Payments are to be made to the Trustees of the fund weekly accompanied by two (2) certified copies of the weekly payroll sheet or on two (2) forms that are furnished by the Board of Trustees. The two (2) weekly reports shall show the names, social security numbers and total hours of each person worked the previous week, or reporting period. Weekly reports and checks covering same are to be sent to the Welfare Office no later than seven (7) days from the close of the weekly payroll.

- 8.5 The Employer agrees to comply with the terms and conditions of and agrees to the Plumbers and Steamfitters Pension Fund Trust Agreement and shall contribute the amount listed in Attachment "A" for each hour worked or paid for, for each person except subjourneymen and 1st and 2nd year apprentices in their employ working under the trade and territorial jurisdiction of this Agreement to the Joint Board of Trustees of the Plumbers and Steamfitters Pension Fund. Payments are to be made to the Trustees of the fund weekly accompanied by two (2) certified copies of the weekly payroll sheet or on two (2) forms that are furnished by the Board of Trustees. The two (2) weekly reports shall show the names, social security numbers and total hours of each person worked the previous week or reporting period. Weekly reports and checks covering same are to be sent to the Pension Fund office not later than seven (7) days from the close of the weekly payroll.
- 8.6 The Employers agree to continue to comply with the terms and conditions of the Piping Industry Promotion and Education Trust Agreement and shall contribute the amount listed in Attachment "A" for each hour worked or paid for, for each person including subjourneymen in their employ working under the trade and territorial jurisdiction of this Agreement to the Board of Trustees of the Fund for Piping Industry Promotion and Education (P.I.P.E.). Payments are to be made to the Trustees of the Fund weekly accompanied by two (2) certified copies of the weekly payroll sheet or on two (2) forms that are furnished by the Board of Trustees. The two weekly reports shall show the names, social security numbers and total hours of each person including subjourneymen worked the previous week or reporting period. Weekly reports and checks covering same to be sent to the office of the Fund no later than seven (7) days from the close of the weekly payroll.
- 8.7 The Employers agree to continue to comply with terms and conditions of the Plumbers and Steamfitters Local 60 Apprenticeship Trust Agreement and shall contribute the amount listed in Attachment "A" for each hour worked or paid for, for each person including subjourneymen in their employ working under the trade and territorial jurisdiction of the Agreement to the Board of Trustees of the Apprenticeship Fund. Payments are to be made to the Trustees of the Fund weekly accompanied by two (2) certified copies of the weekly payroll sheet or on two (2) forms that are furnished by the Board of Trustees. The two (2) weekly reports shall show the names, social security numbers and total hours of each person worked the previous week or reporting period. Weekly reports and checks covering same to be sent to the office of the Fund no later than seven (7) days from the close of the weekly payroll.

- 8.8 Security Requirement; Cost of Collection Whenever an Employer has been DELINQUENT in the payment of contributions to the various funds established herein to an unreasonable extent, the Union shall recommend to the Board of Trustees of the particular fund or funds that such Employer be REQUIRED to post appropriate security with the said Trustees. Upon receipt of such a recommendation from the Union, the Board of Trustees of any or all of the above funds may, by written notice, require the offending Employer to thence forward post with the Board of Trustees a CASH DEPOSIT to secure past and future payments of the required contributions. The amount of this deposit shall be the sum of SIX (6) WEEKS contributions to the particular fund by this Employer paid or due for the largest consecutive SIX (6) WEEK payroll maintained by the Employer within the preceding eighteen (18) months, or such lesser period of time that the Employer has been a party to the Trust Agreement. The Employer SHALL immediately post the required security upon receiving this notice from the Board of Trustees and shall leave same on deposit for as long thereafter as the Board of Trustees deems necessary. The Board of Trustees is authorized hereby to apply this security to the payment of any past due contributions, the Employer being required to constantly keep the security deposit at the fixed amount. Nothing herein affects in any way the Union's right to terminate the contract as to any Delinquent Employer as provided elsewhere herein.
- 8.8.1 In the case of Contractors hereinafter NEWLY SIGNATORY to or bound by this Agreement, or hereinafter commencing operations in this area under this contract, the Union may at its discretion REQUIRE that they post a SURETY BOND with good security (or cash, at the option of the Contractor) with the Board of Trustees of the Health and Welfare Trust, the Pension Trust, the Education Trust, the Vacation Trust and P.I.P.E., to GUARANTEE PAYMENT of the contributions due to these various funds under this Agreement. The amount of the bond required must be reasonable under all the existing circumstances and calculated to protect the Trust Funds from loss. Delinquencies may be collected by the Trustees from the bond or cash so deposited and/or from the Contractor.
- 8.8.2 Whenever DELINQUENT EMPLOYER accounts are turned over by the Trustees of the particular fund in question for collection, whether by suit or otherwise, the Employer shall be liable to the fund for reasonable attorney's fees in the amount of 25% of the amount due and owing; but no less than \$250.00 when suit is filed for collection; plus all costs and in addition, a penalty of 5% of the amount due payable to the particular fund; all in addition to the actual contribution due.

- 8.9 Representation The Business Manager/Financial Secretary, and President of Local Union No. 60 shall automatically be Trustees and/or members of any and/or all Fringe Benefit Programs, including Hiring Committees and Observers on P.I.P.E. Program that are part of or covered by THIS WORKING AGREEMENT, by virtue of their election to the above named offices in the Union and shall remain as such Trustees, members, or observers, only during their tenure and term of such elected Union office. The third Union Trustee will be appointed by the Business Manager. The selection and terms of office of Employer Trustees and/or members to serve on any and all such above programs shall be determined by the Employer parties to this Local Union Working Agreement, or as covered by applicable law. The maximum number of representatives in behalf of the Union and the Employers on any boards, committees or panels shall be three (3) for each side.
- 8.9.1 The Trustees of the Local Union 60 Pension and Welfare Funds are authorized to enter into reciprocal agreements with Trustees of other pension and welfare funds providing for the transfer of contributions between funds so that employees temporarily working outside their home funds' jurisdiction will not lose credit or eligibility for benefits in their home funds. The Trustees shall determine the terms of such reciprocal agreements.

ARTICLE IX.

HOURS

The following shall not pertain to the Residential and Service agreements which are incorporated into this agreement as applicable, but the details of the respective agreements are outlined in the individual agreement.

- 9.1 The maximum of eight (8) hours shall constitute a day's work beginning at no earlier than 6:00 a.m. and ending no later than 5:30 p.m. inclusive. If an Employee misses time during the work week, the employee at the request of the Employer, may voluntarily work on Saturday at straight time rate of pay. If an Employer is working hours different than a regular work week (i.e., 3/13 hour days or 4/10 hour days), and an employee misses time, then the employee may voluntarily work on a non-excluded day (not Sunday) at straight time rate of pay up to 40 hours. Employees shall be at Employer's job site at the appropriate starting time for that job. If check out procedure, such as brass, is used, separate facilities shall be provided for Employees covered by this Agreement and such procedure shall be cleared by the quitting time for that job. It will be considered a violation of this Agreement for employees to leave jobs before the prevailing quitting time without permission of the foreman with the approval of the Employer.
- 9.2 The starting time of the regular daily shift on a job can be made earlier or later by special agreement between the Business Manager of the Union and the Employer but in no case can starting time be earlier than 6:00 a.m. or later than 9:00 a.m.

9.3 Any Employer and the Union may mutually agree to change the above article at any time.

ARTICLE X. REPORTING TIME

The following shall not pertain to the Residential and Service agreements which are incorporated into this agreement as applicable, but the details of the respective agreements are outlined in the individual agreement.

10.1 Any Employee after being hired and reporting for work at the regular starting time and for whom no work is provided, shall receive two (2) hours pay at prevailing rate of wage, unless he has been notified before the end of his last preceding shift not to report or has been absent the previous day, and any Employee who reports to work and for whom work is provided, shall receive not less than four (4) hours pay, and if more than four (4) hours are worked in any one day, shall receive not less than a full eight (8) hours pay at the prevailing hourly wage scale, however, the Contractor will not be held responsible for any lost time if said lost time was caused by any action beyond his control, including but not limited to, when strike or weather conditions make it impossible to put such an Employee to work or stoppage of work is occasioned thereby or when an Employee leaves work of his own accord.

10.2 Men to receive a minimum of at least two (2) hours pay at the straight time rate of wages and any travel or transportation expense being paid when they show up for work on a rainy or cold day, assuming that the job conditions or weather would justify their reporting, unless they had been notified not to report, and the Employer does not permit them to work due to weather conditions, or job conditions caused by the weather. However, the Employer may require the persons claiming reporting time to stay on the job premises subject to orders from the time that reporting is claimed.

10.3 Employees are to call in the shop and report to Employer they are not able to work on days not working, in order that his Employer will know of his absence.

ARTICLE XI. MEAL TIMES

- 11.1 Employees shall be allowed one-half (1/2) hour lunch period between twelve (12) o'clock (Noon) and 12:30 p.m. Employees shall not be required, without approval of Business Manager, to work more than six (6) hours at any time without stopping for a half (1/2) hour lunch period, except in an emergency where the saving of life or property require work to be done.
- 11.2 Where a lunch period is provided after an Employee has been working 12 hours on the job and no lunch is conveniently available at or near the job site, the Employer shall make lunch available to the Employees to be purchased at the Employees' own expense.

ARTICLE XII. OVERTIME

The following shall not pertain to the Residential and Service agreements which are incorporated into this agreement as applicable, but the details of the respective agreements are outlined in the individual agreement.

12.1 All work performed before 6:00 a.m. (or other agreed to starting time) and after 5:30 p.m. (or other agreed to quitting time) and all work performed on Saturday, Sunday and the following holidays: New Year's Day, Mardi Gras Day, Good Friday, Fourth of July, Labor Day, Thanksgiving Day, the day following Thanksgiving, Christmas Day, shall be considered overtime and shall be paid as follows: All hours performed in excess of the standard work day, Monday through Friday, shall be paid at the rate of time and a half. All hours on Saturday shall be paid at time and a half. All work performed on Sundays and the above holidays shall be paid at the rate of double time. In the event any of the above holidays fall on Sunday, the following day, Monday, shall be observed as such holiday. When Employees are called out (not their regular shift and/or not for make-up work) all such call outs shall be for a minimum of four (4) hours at the prevailing rate. This does not include refrigeration mechanics.

12.2 When a holiday falls on a Tuesday, the previous day (Monday) may be a non-working day, at the option of the Employer. When a holiday falls on a Thursday, the following day (Friday) may be a non-working day, at the option of the Employer. When the Employer decides to work such days, it shall be at the straight time rate of pay.

12.3 Effective January 1, 1986, and in conjunction with amendments to the Federal Walsh-Healey Act relative to the overtime rates of pay, only those hours worked on federal jobs in excess of forty (40) hours in a standard work week shall be paid at the rate of time and a half.

ARTICLE XIII. SHIFT WORK

13.1 When it may be necessary to work night crews in order to install work that cannot be installed during the regular work day, and the job shall require or shall provide work for AT LEAST FIVE (5) CONSECUTIVE WORK NIGHTS, the hourly rate for the night crews shall be at the rate stated in Article 13.2, and all additional hours worked shall be at the rate provided in Article 12.1. If the shift fails to work five (5) consecutive work nights, all hours worked by the shift shall be paid at the time and a half and/or double time rate as provided in Articles 12.1. The rates of pay shall be as set forth in Article 8.1. The PRESIENT MUST BE NOTIFIED by the Employer PRIOR to starting any night crew work.

13.2 The formula for second and third shift work, when used by Employer shall be:

Second Shift: Eight (8) hours pay for seven and one half (7 1/2) hours worked plus one-half (1/2) hour unpaid lunch period, or eight (8) hours worked for eight hours pay plus a fifteen (15%) percent premium on the hourly wage.

Where three (3) shifts are established, the second shift shall be compensated as set forth above. The third shift shall receive eight (8) hours pay for seven (7) hours worked including one-half (1/2) hour paid lunch period, or eight (8) hours pay for eight (8) hours worked and a premium of twenty (20%) percent on the hourly wage.

There shall be no pyramiding of overtime pay.

If only two shifts are to be worked, the Employer may regulate starting times of the two shift operations to permit the maximum utilization of daylight hours.

13.3 For clarification, the official work week shall be the five (5) day period from the starting time of the first day shift on Monday through the end of the third shift on Saturday morning. On hours outside of this, the time shall be at the rates provided in Article 12.1. Overtime days shall count as part of the shift period. Any 5 of 7 days shall constitute the necessary 5 days required for shift work.

ARTICLE XIV.

TRAVELING AND TRANSPORTATION EXPENSE

- 14.1 The details of reimbursement for the Employer's use of an individual's vehicle, where applicable, will be agreed upon by the Employee and the Employer. If the Employee and Employer cannot reach an agreement on the reimbursement, it shall be referred to the Joint Hiring and Apprenticeship Committee for arbitration. The Joint Committee's decision shall be binding on the Employee and the Employer.
- 14.2 When an employee in not provided parking, or parking is not available, and the job site is located in the New Orleans Central Business District, the French Quarter, or if the jobsite is bounded by the Mississippi River, Esplanade Avenue, Claiborne Avenue and the New Orleans Expressway, then the employee shall receive \$3.00 per diem per day for parking expense.

ARTICLE XV. PAY DAY

15.1 Employees shall receive their pay in U.S. Currency no later than 5:30 p.m. each Friday. Waiting time to be charged at the overtime rate of pay. Employees sent home without their pay shall be paid at the overtime rate or \$75 per 24-hour period (or portion thereof), whichever is less, while waiting for their pay checks. Employees waiting for pay checks may be required to work. Where Employer desires to pay off in checks, checks are to be OFFICIAL PAYROLL CHECKS on banks in the CITY OF NEW ORLEANS or the LOCALITY OR PARISH where the job is located.

When Friday is a holiday, the pay shall be available prior to the close of the working day on the preceding Thursday.

When Thursday is a holiday and no work is performed on Friday, then pay shall be available prior to the close of the working day on Wednesday.

15.2 The Employer shall not hold back more than three (3) days pay.

15.3 When the Employer or his representative lays off any men, he must pay them at the time of layoff all wages due them up to the time of layoff. When an Employee is laid off on or from a night shift or during a weekend or holiday, the Employer shall have until 5:30 p.m. of the next succeeding business day to pay said Employee unless some other pay time is approved by the Business Manager. Pay shall be forwarded to the Union Hall or employee may, if mutually agreed, may pick up at the Employer's office by the above stated time and the Employee shall be paid two (2) hours additional straight time pay.

15.4 When an Employee quits or is fired, the Employer shall have seventy-two (72) hours from the time of quit or fired to pay said Employee. Failure to comply with the said seventy-two (72) hours clause shall result in the following penalty: Employee shall be paid at the overtime rate or \$75.00 per twenty-four (24) hour period (or portion thereof) whichever is less, while waiting for his pay. When any Employee quits, is fired, or is laid off, said Employee shall be given a termination slip reflecting the action taken by the Employer. The said slip shall be given to the Employee at the time of the action by the Employer.

15.5 The Employer must give ITEMIZED RECEIPT WEEKLY for all DEDUCTIONS from wages, and no deductions shall be permitted except those that have been previously authorized by the Employee, or by law. When an Employee gives the Employer written authorization to make deductions that are payable to the Union for initiation fees or dues and the Employer agrees, the Employer shall make such deductions and forward same to the Union within seven (7) days from date that deduction has been made.

15.6 In order to provide security to meet the requirements of Paragraphs 8.8, 8.8.1, 8.8.2, Paragraphs 15.1, 15.3, and 15.4 and Paragraphs 20.1, and 20.2, the Union may require any Employer signatory hereto or bound by this Agreement to deposit in a special account with a federally insured bank a sum not less than 125% of the estimated payroll for all Employees covered by this Agreement for the succeeding two (2) weeks which fund shall be used only for the payments of amounts due as wages or under the benefit funds provided for herein, vacation, union dues or workmen's compensation and shall further provide for the countersigning of all withdrawal checks by representatives of the Employer and a representative designated by the Association.

ARTICLE XVI. SUPERVISION

16.1 The appointment and assignment of duties of all supervisory Employees is the responsibility of the Employer. However, the Employer may consult with the Business Representative of the Union in the selection of properly qualified persons. It is understood and agreed to for the purpose of this Agreement that all foremen, area foremen, general foremen and other supervisory Employees in the employ of the Employer having the right to hire, promote, discipline or discharge Employees, are agents of the Employer, regardless as to whether they are members, or not members, of the Union.

16.2 No journeyman shall be permitted to lay out work for and/or act as a foreman or a job pusher for more than three (3) other Employees covered by this Agreement unless he receives foreman pay. No journeyman acting as a foreman and receiving foreman's pay shall assume the responsibility of supervising over twelve (12) Employees. An area foreman shall be appointed when three (3) foremen of a particular craft are employed on one job. A second area foreman shall be appointed when six (6) foremen are employed and an additional area foreman shall be appointed for each three (3) foremen employed thereafter. At the same time that the second area foreman is appointed, a general foreman shall also be appointed. The general foreman shall supervise the then existing two (2) area foremen and all future area foremen that are appointed. On jobs that will employ 3-5 crews, the area foreman shall be the first permanent supervisor employed. On jobs that will employ six (6) or more crews, the general foreman shall be the first permanent supervisor employed. The area foreman or general foreman may act as foreman until the first foreman is appointed but he must be paid area or general foreman pay.

In the event there are two or more supervisors consisting of at least one in each craft (plumbers and steamfitters), one may be designated as "OVERALL COORDINATOR" by the Employer, regardless of craft.

16.3 WELDER. It shall be a violation of this Agreement for any contractor or contractor representative to refuse to promote a welder to a supervisory position because he is certified.

ARTICLE XVII. STEWARDS

- 17.1 A Steward shall be a working journeyman appointed by the Business Manager or President of the Local Union, who shall in addition to his work as a journeyman be permitted to perform during working hours, within reason, such of his Union duties that cannot be performed at other times.
- 17.2 It is understood and agreed that the Steward's duties shall not include any matters relating to referral, hiring, termination or disciplining of Employees.
- 17.3 In each shop and on each job the Union shall be allowed to appoint one person as Shop or Job Steward whose duties it will be to see that the terms of this Agreement are lived up to except as limited above. The Steward and his Employer shall meet when occasion demands to interpret and apply the terms of the Agreement. In case of a dispute developing, which cannot be settled first between them on the job or in the shop, the matter then shall be referred to the President of the Union, and if he is unable to make adjustment, the matter shall be referred to the Joint Industry Board or Joint Arbitration Board. The Steward or Employees shall not stop any work or leave any job over a dispute during working hours.
- 17.4 This section means that Stewards or Employees shall first call any violation of the Agreement to the Employer's attention and attempt to settle same before reporting the violation to the President. The Employer, if he discovers a violation of the Agreement, shall first call the violation to the Steward's attention and attempt to settle same at that level before reporting the violation to the President.

ARTICLE XVIII. APPRENTICES

- 18.1 All new Apprentices employed hereafter shall be at least 18 years of age and shall only be allowed to work with journeymen under the terms and conditions as outlined in their respective Plumbing or Pipefitting Programs as approved by the Federal and State Apprenticeship Training Departments, or as otherwise may be mutually agreed upon; the minimum starting wage for beginners to be not less than 50% of the current prevailing journeymen's hourly wage scale; incremental percentages of advancement beyond the initial 50% will be set by the Joint Hiring and Apprenticeship Committee. Each apprentice, in order to receive the proper wage rate, shall have in his possession an official identification card from the Joint Hiring and Apprenticeship Committee signed by the Secretary. Apprentice wage increases in percentage and advancement shall occur only once a year, in accordance with his schedule of advancement. Advancement anniversary dates shall occur on either March 1 or September 1 of each calendar year. In addition, all contract raises falling between advancement anniversary dates shall apply to the Apprentice in his respective percentage classification. Apprentices must attend Trade School training classes they have been assigned to by the Joint Hiring and Apprenticeship Committee. Apprentices shall be eligible to classification or re-classification according to their work experience and school training and attendance and shall be paid hourly wages on a percentage basis of the current journeymen's hourly wage scale.
- 18.3 Each shop or employer shall be allowed one (1) apprentice to each journeyman or subjourneyman or any combination of these classifications on the job.
- 18.4 The Employers signatory hereto and the Union Business Manager may, by mutual agreement from time to time, amend or vary the provisions hereof relative to apprentice employment.
- 18.5 The approved and registered Apprenticeship Standards hereby become a part of this Agreement and any violation of these Standards automatically becomes a violation of this Agreement.

ARTICLE XIX. SUBJOURNEYMEN

The parties hereto agree to establish a classification that shall be entitled "Subjourneymen." Referral of subjourneymen shall be based on objective criteria and shall be in accordance with the amended rules for referral of out of work journeymen, effective July 1, 1974.

- 19.1 Subjourneymen shall not be employed or referred in any capacity other than as a subjourneyman, until the completion of a minimum of 1200 hours per year of work in that category for a period of five (5) years. Any subjourneyman possessing particular training, educational background and/or qualification who desires to be upgraded before completion of the above requirements, may apply to the Joint Hiring and Apprenticeship Committee who shall evaluate his qualifications and make appropriate adjustments or upgrading as is deemed necessary.
- 19.2 Each subjourneyman seeking work in that category shall execute an agreement agreeing not to use the referral procedure of Local 60, in any capacity other than as a subjourneyman until the completion of the specified requirements.
- 19.3 All subjourneymen will be referred to work in accordance with U.A. Local 60 Joint Hiring and Apprenticeship Committee, amended rules for the referral of out-of-work journeymen, effective July 1, 1976.
- 19.4 Subjourneymen will not replace journeymen and/or apprentices on a job.
- 19.5 The ratio of subjourneymen to journeymen will be the same as the ratio of apprentices to journeymen as set forth in Article XVIII of the Working Agreement.
- 19.6 All subjourneymen must be sufficiently experienced and/or properly licensed to be referred to work. Any questions concerning experience and qualification may be referred to the Joint Hiring and Apprenticeship Committee.

ALL DEDUCTIONS AND FRINGE BENEFITS LISTED ON ATTACHMENT "A" SHALL BE PAID ON ACTUAL HOURS WORKED AND PAID.

UNION DUES CHECK-OFF AS DETERMINED BY VOLUNTARY CHECK-OFF AUTHORIZATION AND ARE DETAILED ON ATTACHMENT "A".

Union Dues Check-Off shall be paid at the straight time rate for overtime hours.

No travel or other expenses will be paid subjourneymen, and no other contributions as set forth in this Agreement, will be made. However, all of the other provisions of the Agreement shall be applicable to subjourneymen except as otherwise provided herein.

ARTICLE XX. WORKMEN'S COMPENSATION UNEMPLOYMENT COMPENSATION

- 20.1 The Employers hereby agree to carry adequate workmen's compensation insurance to protect their Employees.
- 20.2 The Union may require any Employer to furnish a letter from an insurance company showing coverage under the Workmen's Compensation Law. All Employers not required to be covered under the Louisiana Unemployment Compensation Law shall, pursuant to that law, file the necessary election to become and remain covered under that Act; effective as of the date of this Agreement.

ARTICLE XXI. WORKING RULES

- 21.1 There shall be no limitations by the Union as to the amount of work an Employee shall perform during his working day, except that no Employee shall be allowed to engage in piece work, bonus work, task work or to contract work from his Employer.
- 21.2 There shall be no restriction on the use of safe machinery, tools or appliances used in connection with the installation of work coming under the jurisdiction of the United Association provided that all such machinery, tools, pipe cutting machines, etc., shall be operated and handled at the job site by Employees under the terms and provisions of this Agreement.

- 21.3 The erection and installation of all work contracted for by Employer shall be performed by the Employees of the Plumbing and Pipe Fitting Industry, under the following conditions.
- 21.3.1 Pipe work of every description except for non-metallic site storm drainage shall be installed by Employees covered by this Agreement.
- 21.3.2 All pipe or tubing with a nominal diameter of two (2) inches or less must be cut, threaded, welded, bent, sweated or fabricated on the job site, or in the Employer's shop located within the territorial jurisdiction of Local 60.
- 21.3.3 The trimming of all standard type plumbing fixtures must be done on the job or in the signatory Employer's shop located within the territorial jurisdiction of Local 60 by Employees of the Plumbing and Pipe Fitting Industry.
- 21.3.4 Employees shall not be required to furnish any tools except boots, gloves, burning goggles, welder's hoods/shields, protective clothing for welding, and a six (6) foot rule. The Employer shall furnish welding gloves and top grade lenses for welder's hoods/shields and all necessary tools required to make a plumbing or pipe fitting installation. Where the Employer provides a lock-up or place of safekeeping for his tools, the Employees shall do everything possible to prevent their loss, and shall be responsible for the loss of hand tools, welder's hoods, gloves, or goggles that occur while these items are in the Employees' possession during working hours and if they fail to properly store them at the end of the work day or shift.
- 21.3.4.1 The Employer shall replace worn welding gloves. Welders may keep welding gloves at the time of lay-off.
- 21.4 The Business Manager or President of the Union shall have free access at all time without any delay to the shops and jobs where Employees covered by this Agreement are employed to consult with supervision, stewards, or individual employees, but shall not in any way interfere with the progress of the work by holding group meetings with Employees or members of the Union during working hours.
- 21.5 The Employer agrees that he will not require his Employees who are members of the Union to work with Non-Union employees who have failed to comply with the provisions of Article V of this Agreement and their refusal shall not be a violation of this Agreement.

- 21.6 Employees covered by this Agreement shall not be required to submit to a medical examination for the purpose of proving ability or qualification. Physical examination shall not be required for hiring, except as may be required by law, but should an Employee consent to such physical examination, he shall be paid for the time consumed by such examination, and shall be furnished with a copy of the doctor's findings. Employees shall disclose to Employer all pre-existing medical conditions so that the Employer can have access to the Workers Compensation second injury fund if applicable.
- 21.7 When an Employee is referred for work and reports on the same day that he is referred, his starting time shall commence one hour prior to the time he reports to work. When an Employee is laid off regardless of the time of lay off, he shall be paid a full day of eight (8) hours at the rate applicable for that day during the regular work week.
- 21.8 All persons shall be paid for the time required to take the welder's test. If said test is taken in Employer's shop, or job site, and results in failure, the Employee will be paid for the balance of the work day if work is performed. If the said test is taken in a testing lab and results in failure, pay shall be limited only to the time required to take the test, and if the test is successfully completed, pay shall be for the full day. Employment can be terminated for failure of a welder to pass a qualifying test. Any welder that quits a job after starting a welding test and prior to completion of that test will not be paid for those hours. Any person on a hiring hall list other than the welders list who applies for and fails to pass the welding test shall go to the bottom of the list they originally appeared on. In order to be paid for time elapsed during the welding test, a person who passed the test must work the next work day with the Employer.
- 21.9 Where practical, sanitary toilets and proper drinking water facilities must be available to Employees covered by this Agreement in compliance with City and State Health Codes under arrangements agreed to by the Employer and the Business Manager of the Union.
- 21.10 All work of the Employer shall be performed under approved safety conditions, which must conform to City, State and Federal regulations. The Employer shall also have the right to require that the workmen wear hard hats and furnish safety shoes and comply with job safety rules and regulations. No Employee shall be required to work under unsafe conditions.

- 21.11 Where no smoking rules prevail, there shall be a smoking corral as near as possible to the work where men shall be allowed to smoke. Periods, lengths of time and number of Employees at a time, shall be agreed upon by the Employer and President of the Local Union.
- 21.12 When Employees are required to work on pipe or any work of the pipe fitting industry containing or exposed to acid or chemicals, they shall be furnished protective clothing, including shoes or acid resistant or chemical resistant boots when necessary.
- 21.12.1 The loss of work clothes or other wearing apparel suffered by Employees on the job during working hours due to acids or other unnatural hazards will be refunded by the Employer, provided the loss was not caused by negligence on the part of the Employee.
- 21.12.2 All Employees working on industrial jobs shall be furnished a suitable place to change clothes, with clothing hangers or lockers installed for each person in accordance with arrangements between the Employer and the Business Manager of the Union.
- 21.13. Loading and unloading of pipe, valves, fittings and assembled pumps, plumbing fixtures or anything pertaining to the trade, shall be the work of Employees of the Plumbing and Pipe Fitting Industry covered by this Agreement. Also, all rigging up to install pipe or any work of the pipe fitting industry shall be done by Employees of the Plumbing and Pipe Fitting Industry.
- 21.14 Any Employee injured on a job shall be given transportation immediately to a hospital or doctor's office, if necessary, and said Employee shall be paid a full day's pay provided, however, that the doctor verifies the fact that the Employee is unable to return to work on that day.
- 21.15 Non-supervisory Employees will be required to take orders only from foremen, general foremen or supervisors who are members of the signatory Union and Employees will not be disciplined for refusing to take orders directly from others.

ARTICLE XXII. JOINT INDUSTRY BOARD

- 22.1 The parties hereto agree that their mutual interests require joint cooperation for the protection, promotion and advancement of the Plumbing and Pipe Fitting Industry and that they will cooperate in good faith and in harmony in all matters concerning their mutual protection and interest. A Joint Industry Board is constituted which shall consist of three (3) Employers, selected by the signatory Employer Association and their names furnished to the Union, and the Business Manager/Financial Secretary, and the President of the Union. The third Union Joint Industry Board person will be appointed by the Union Business Manager. The Board shall select a Chairman and a Secretary from its members and shall meet whenever called into session by the duly authorized representative of the Employer's Association or the Business Manager of the Union. Except as specifically provided herein, the Joint Industry Board shall operate as the joint representatives of the industry in all matters affecting the mutual interest of the parties herein. Not withstanding any other provision of this Article XXII, any grievance or dispute involving an Employee's rate of pay must be presented by the Employee to a representative of the Employer within five (5) working days of notice to the Employee of the pay dispute. Failure to present such an individual grievance within this period of time shall cause the grievance to be forfeited. If an Employee does not timely file a grievance involving any portion of this agreement, such will bar any claims by the Union based on such allegations.
- 22.2 Any grievance or dispute arising between the parties of this agreement shall be promptly adjusted through the following steps of procedure.
 - (1) Settlement shall first be attempted through union representative and a management representative.
 - (2) Failing to settle the dispute, the grievance shall be heard by a joint meeting of the Joint Industry Board, as established under Article XXII of this Agreement, at a mutually agreeable date not more than five (5) working days following the meeting provided in Step 1 of this procedure. A majority vote of the said Board shall cause a settlement of the dispute which shall be binding upon all parties involved.

- 22.3 In the event the dispute is not settled by the Joint Industry Board, either the Employer or the Union may submit the matter to arbitration by serving written notice upon the other party of such intention within thirty (30) days following the meeting of the Joint Industry Board.
- 22.4 The parties shall submit all matters of grievance and/or dispute to the Industrial Relations Council for the Plumbing and Pipefitting Industry (IRC).
- 22.5 There shall be no strikes, work stoppages, picketing or slowdown by the Union or Employees against the Contractor or any other contractor performing work on the project site that would affect the terms of this Agreement. There shall be no lockouts by the Contractor. If local facilities to resolve one or more items in contract negotiation over wages, hours or working conditions have failed of settlement, both parties, agree to submit the unresolved issues to the Industrial Relations Council for the Plumbing and Pipefitting Industry for further negotiation as their representatives, and further agree that all terms and conditions of this agreement shall continue in full force and effect, pending final decision by the Industrial Relations Council. Parties agree to begin negotiations 90 days prior to expiration of the agreement. If a ratified settlement is not reached 30 days prior to the expiration date of the agreement, the parties shall be required to submit to the Industrial Relations Council.

ARTICLE XXIII. RESPONSIBILITY

- 23.1 This Agreement supersedes and voids all previous Agreements between the individual Employer herein signatory and Local Union No. 60, and in any dispute arising, the terms of this Agreement shall prevail unless it has been mutually agreed otherwise later in writing.
- 23.2 The general terms of this Agreement have been negotiated with the Union by a representative committee of Employers acting for the Mechanical Contractors Association of Louisiana, Inc. and other Employers. In addition to being individually negotiated between other parties, any violation of the Agreement by an individual Employer shall not render the other Employers liable, nor shall the other Employers jointly take any action against the Union in a dispute between the Union and an individual Employer.

ARTICLE XXIV. WORKING FOR OTHERS / SUBCONTRACTING

- 24.1 The Union agrees that during the life of this Agreement, no Building Trades member of the Local Union or other Employees covered by this Agreement, shall be permitted to install Plumbing or Pipe Fitting Work for any person, firm, Federal, State or Municipal body or corporation on Building and Construction trades work in jurisdiction of Local 60 for any wages, conditions or terms less than those stated in this Agreement, or for any other such Employer under any more favorable terms or conditions than are implied in this Agreement. However, the persons signing this Agreement are expected to make every legitimate effort to secure all work coming under the trade jurisdiction of the United Association. Failure on the part of the Employer to bid or legitimately attempt to procure the work, Local Union No. 60 reserves the right to secure the work in question for Employees represented by the United Association, or its Local Union.
- 24.2 The Contractor further agrees that it will not contract or subcontract work or accept contracts in violation of this Article that could be done at the site of the construction, alteration, painting or repair of a building structure, or other work except to a person, firm or corporation party to an appropriate current labor agreement with this Union including work normally or traditionally performed on the job site, or in the shop of the Employer by members of this craft or a technological extension of such work or work allied thereto.
- 24.3 The Contractor further agrees that when it is within his control, he shall notify any General Contractor, builder or owner with whom he may enter into any agreement calling for the work, labor or services of Employees covered by this principal agreement as to the provisions set forth in same. Such agreement shall incorporate by reference the provisions of this contract which shall be binding and operative and have the same force and effect upon such General Contractor, builder or owner.

ARTICLE XXV. RIGHT TO CANCEL AGREEMENT

25.1 If the Signatory Employer violates or breaches any provisions of this Agreement by failing to pay promptly the proper wages, failing to make proper and prompt returns to Welfare Fund, the Pension Fund, or other Employee Fringe Benefit Funds covered by this Agreement, or the Piping Industry Promotional Education Fund (P.I.P.E.); failing to promptly pay any monetary penalty imposed by the Joint Industry Board; will be cause for cancellation of this Agreement by the Union and removal of its Employees without arbitration after the facts have been determined by the Business Manager and Executive Board of the Union, and provided that the Union has previously given the Employer forty-eight (48) hours notice of cancellation for said violation. (NOTE: It is mutually understood by both parties that the provisions of Article 25.1 shall be inoperative so long as a good faith dispute exists over the amount due and owing, and provided the offending Employer immediately posts a cash deposit or other security in the amount in dispute as security pending a resolution on the amount in dispute which shall be decided in a reasonable period of time.)

ARTICLE XXVI. SAVINGS CLAUSE

- 26.1 It is agreed to by the parties of this Agreement that if any section or provision in this Agreement is in contravention of any National, State or Local Law, or should it be declared illegal by any judicial or legislative act, the remaining sections and provisions shall continue to be operative and binding on the parties thereto.
- 26.2 It is further agreed that no Local Union 60 by-law or rule now in effect, or to be later adopted, or no Employer Association law or rule now in effect or to be later adopted, shall nullify or cause to become inoperative any section of this Agreement, nor shall any part of this Agreement be enforced if it is later found that the enforcement of same by either party would be a violation of the Labor-Management Relations Act of 1947, as amended or other Federal Law.
- 26.3 All parties signatory to and abiding by this Working Agreement are cognizant of and agree to comply with the Consent Decree and any modifications issued thereto against the Pipe Trades in Civil Action No. 71-1779, Section "H" pending in the United States District Court, Eastern District of Louisiana.

ARTICLE XXVII. MAINTENANCE OF STANDARDS

- 27.1 It is recognized by the parties that on May 1, 1983, collective bargaining agreements, including, but not limited to:
 - (1) National Industrial Construction Agreement;
 - (2) General Presidents' Project Maintenance Agreement by Contract;
 - (3) United Association Manufacturing Union Label Agreement;
 - (4) National Minimum Standard Agreement for a Commercial Pipe Manufacturing Shop;
 - (5) National Industrial Maintenance Agreement for the United States of America, as well as working conditions existing on open shop jobs (no collective bargaining agreements) have resulted in more favorable wages, hours and working conditions than those contained in this Agreement at a particular job site or project.

If a contractor signatory to this Agreement has or intends to bid work where the conditions cited above exist, the parties agree to investigate the job circumstances in a pre-bid conference, and if warranted and mutually consented to by the parties, any and/or all of the more favorable terms and conditions contained in any of such agreements effective May 1, 1983, shall be applicable for the duration of the particular job or project. It is further understood that the special standards or agreements agreed to for a particular project shall not be applicable to any other projects unless mutually agreed upon by the parties.

- 27.2 FUTURE INCREASES. Employees working under any of the above mentioned Agreements shall not be denied future increases in wages and/or fringe benefits granted by the parties.
- 27.3 LOCAL AGREEMENTS. The parties have agreed in principle not to be bound by local agreements which impose unreasonable costs or economic hardships on industry. Where such conditions exist the parties mutually agree to negotiate wages and benefits to alleviate said conditions.
- 27.4 SHIFT WORK AND SUPERVISION. Any work performed on second or third shift, regardless of the application of any collateral agreement referred to in 27.1 herein above, will be at rates of pay as specified in Article XIII herein above. All supervision performed under this Article XXVII shall be compensated for as provided in Article 8.1.

27.5 FRINGES. All hours worked under this Article, regardless of the application of any collateral agreement referred to in 27.1 herein above, shall be subject to payment of Education and P.I.P.E. fringes as required by Article 8.1.

27.6 In the event the Union executes a subsequent collective bargaining agreement with any other organized Employer who is not signatory to this Agreement on its effective date on more favorable terms and conditions, i.e. lesser pay; different length of contract duration; or contractual obligations such as subcontracting or overtime; then such more favorable terms or conditions shall be incorporated into this Agreement effective the date of such other agreement. This provision shall neither apply to nor preclude or hinder the Union from negotiating special collective bargaining agreements or project labor agreement resulting from Union organizing efforts during the term of this Agreement. The determination of what are "more favorable terms or conditions" under this provision shall be conducted on a case-by-case basis and viewed in the aggregate.

ARTICLE XXVIII. TERMS OF AGREEMENT

28.1 THIS AGREEMENT is effective as of June 1, 2003 and for new and additional signers on the date of their signing and shall be operative and remain in full force and effect and binding upon the parties hereto, their successors and assigns, as per Attachment "A", and shall automatically continue from year to year thereafter, subject, however, to either party desiring to amend or cancel same; notice to the other party must be given in writing not less than ninety (90) days prior to the expiration date of the Agreement of the intention to modify or terminate the Agreement. However, it is agreed that the Agreement can be changed any time the parties mutually agree to do so.

28.2 Whenever either party gives notice to open the Agreement to negotiate changes in accordance with the preceding sentence, meetings must be held between the parties within ten (10) days of receipt of said notice by either party. Meetings must be held at least one each week thereafter until a final agreement on the changes are agreed upon, unless it is otherwise mutually agreed to cancel or postpone meetings.

28.3 IT IS FURTHER AGREED, that any changes mutually agreed upon by the Union and the Employer after due notice to all other local Employers signatory to a similar agreement, that such changes will be accordingly made in this Agreement.

Attachment A WAGE AND FRINGE BENEFITS JUNE 1, 2003 THROUGH MAY 31, 2006

The following shall not pertain to the Residential and Service agreements which are incorporated into this agreement as applicable, but the details of the respective agreements are outlined in the individual agreement.

The building and construction journeymen and foremen hourly scale of wage and fringe benefits shall be as stated below. Fringe Benefits shall be sent to the Welfare Fund office no later than seven (7) days from the close of the weekly payroll.

•	6/1/2003	7/1/2003	12/1/2003	6/1/2004	6/1/2005
JOURNEYMEN					
WAGE	\$20.85	\$20.85	\$20.85	\$21.55	\$22.25
(combined Welfare and Pension I	Rate)				
WELFARE & PENSION*	\$4.46	\$4.46	\$4.71	\$5.01	\$5.31
D.C./401K	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
EDUCATION	\$0.30	\$0.35	\$0.35	\$0.39	\$0.42
I.T.F.	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
P.I.P.E.	\$0.20	<u>\$0.20</u>	<u>\$0.22</u>	\$0.22	<u>\$0.23</u>
TOTAL	\$26.11	\$26.16	\$26.43	\$27.47	\$28.51

EFFECTIVE	JUNE 1	2003	THROUGH	MAY 31	2004
	JUINE 1.	. 2000		WIT 1 1 1 .	

FOREMAN	\$1.35 PER HOUR - ABOVE JOURNEYMAN WAGE
AREA FOREMAN	\$2.10 PER HOUR - ABOVE JOURNEYMAN WAGE
GEN. FOREMAN	\$3.10 PER HOUR - ABOVE JOURNEYMAN WAGE
FOREMAN	\$1.45 PER HOUR - ABOVE JOURNEYMAN WAGE
AREA FOREMAN	\$2.20 PER HOUR - ABOVE JOURNEYMAN WAGE
GEN. FOREMAN	\$3.20 PER HOUR - ABOVE JOURNEYMAN WAGE
FOREMAN	\$1.55 PER HOUR - ABOVE JOURNEYMAN WAGE
AREA FOREMAN	\$2.30 PER HOUR - ABOVE JOURNEYMAN WAGE
GEN. FOREMAN	\$3.30 PER HOUR - ABOVE JOURNEYMAN WAGE

^{* (}NOT APPLICABLE TO SUBJOURNEYMEN)

The parties hereto agree that severe economic conditions exist in the industry warranting the Employer at his sole discretion to bid and perform work at a rate not less than \$15.00 per hour effective April 1, 1994 for Journeymen, with Foreman premiums based on said wage rate, but with no reduction applicable to fringe benefit contributions. Wages paid during these severe economic conditions will be paid at the following schedule during the term of this agreement:

Current and future negotiated fringe benefit increases shall not reduce the wages of employees receiving the wage rate of the above stated scheduled rates per hour under the current Working Agreement.

Employees now receiving in excess of the above minimum rates of pay shall not have their wages reduced by the reason of the adoption of the above scheduled rates.

The following shall be withheld from the above wages and sent to the Welfare Office no later than seven (7) days from the close of the weekly payroll.

Vacation Fund - \$1.00 per hour. Vacation Fund contribution shall be double for overtime hours.

Effective 11/1/81 There will be no deduction from apprentice wages for Vacation Fund.

UNION DUES CHECK-OFF AS DETERMINED BY VOLUNTARY CHECK-OFF
AUTHORIZATION. UNION DUES CHECK-OFF SHALL BE 2 ½ % OF JOURNEYMAN
TAXABLE RATE FOR ALL EMPLOYEES COVERED BY THIS AGREEMENT.

Future non-negotiated fringe benefit plan increases shall be made by reducing total wages.

The Plan Trustees shall determine the hourly contribution to said fringe benefit plans as needed to maintain benefits, as per recommendation of the Consulting Actuary. The goal of the Trustees will be to attain a status that benefits will produce a zero withdrawal liability, consistent with IRS requirements.

ALL DEDUCTIONS AND FRINGE BENEFITS LISTED ABOVE SHALL BE PAID ON ACTUAL HOURS WORKED OR PAID FOR WORK COVERED UNDER THIS WORKING AGREEMENT.

APPRENTICE WAGE RATES BASED ON JOURNEYMAN RATE EFFECTIVE 6-1-2003

				Effective	Effective	Effective
				6/1/2003	6/1/2004	6/1/2005
				\$20.85	\$ 21.55	\$22.25
Class	%	Period	Months	Wage	Wage	Wage
			Exp.	Rate	Rate	Rate
Α	85	6 th	60	\$17.72	\$18.32	\$18.91
В	75	5 th	48	\$15.64	\$16.16	\$16.69
C	65	4 th	36	\$13.55 .	\$14.01	\$14.46
D	60	$3_{ m ld}$	24	\$12.51	\$12.93	\$13.35
Ε	55	2 nd	12	\$11.47	\$11.85	\$12.24
F	50	1 st	6	\$10.43	\$10.78	\$11.13