

CONTRACT ID# 5036^x

K# 824

3000 000

July 30, 1997

Term: June 1st 97 - May 31, 2001

THIS MEMORANDUM OF AGREEMENT made and entered into as of this 1st day of June, 1997 by and between NEW YORK COAT AND SUIT ASSOCIATION, INC., (hereinafter designated as "Association"), and NEW YORK COAT, SUIT, DRESS, RAINWEAR AND ALLIED WORKERS' UNION Local 89-22-1, hereinafter sometimes called "Joint Board", Local 10, and those Locals in New York-New Jersey Regional Joint Board, New England Region, Eastern Pennsylvania Region and South Jersey Joint Board which represent workers covered by this agreement, said locals being hereinafter collectively designated as "Union", and UNITE, AFL-CIO, hereinafter designated as "International".

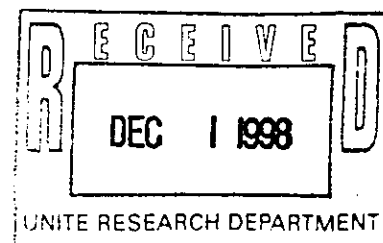
WITNESSETH:

WHEREAS, the collective agreement between the parties dated June 1, 1994 (the "Agreement") by its terms expires on May 31, 1997; and

WHEREAS, the parties have met in contract negotiations for the purpose of modifying and renewing said Agreement; and

WHEREAS, the parties hereto recognize the necessity for continuous industrial-labor harmony in the industry covered by the aforesaid collective bargaining agreement; and

WHEREAS, the respective parties hereto are desirous of renewing said Agreement for an additional four (4) year period with certain modifications and amendments as hereinafter set forth.



NOW, THEREFORE, the parties do hereby agree as follows:

1. Except as hereby modified, all of the provisions of the Agreement shall remain in full force and effect through May 31, 2001.

2. Wage Increase:

a. For Time Workers:

- (i) Effective June 2, 1997 - 3% Wage Increase.
- (ii) Effective June 1, 1998 - 3% Wage Increase.
- (iii) Effective June 7, 1999 - 3% Wage Increase.
- (iv) Effective June 5, 2000 - 3% Wage Increase.

b. For Piece Workers:

- (i) Effective June 2, 1997 the add-on of 340% shall be increased to 353%.
- (ii) Effective June 1, 1998, the add-on of 353% shall be increased to 366%.
- (iii) Effective June 7, 1999, the add-on of 366% shall be increased to 380%.
- (iv) Effective June 5, 2000, the add-on of 380% shall be increased to 393%

3. Minimums:

The minimums of all workers shall be increased as follows:

- (i) Effective June 2, 1997 - 1.5%
- (ii) Effective June 1, 1998 - 1.5%
- (iii) Effective June 7, 1999 - 1.5%
- (iv) Effective June 5, 2000 - 1.5%

4. Employer Contributions to Funds:

a. Health Services Plan

1. Effective July 1, 1997, contributions to the Health Services Plan shall be increased by one-half percent (1/2%).

2. Effective July 1, 1998, contributions to the Health Services Plan shall be increased by one-quarter percent (1/4%).

3. Effective July 1, 1999, contributions to the Health Services Plan shall be increased by one-quarter percent (1/4%).

b. Coat and Suit Industry Trust Fund

1. Effective July 1, 1998, contributions to the Coat and Suit Industry Trust Fund shall be increased by one-quarter percent (1/4%).

2. Effective July 1, 1999, contributions to the Coat and Suit Industry Trust Fund shall be increased by one-quarter percent (1/4%).

c. Health and Welfare Fund

In the event, at current eligibility standards and benefit levels, the Eastern States Health & Welfare Fund reserves (as reported in the Fund's annual report for 1999) are 225 million dollars, or less, the required contribution rate shall, effective July 1, 2000, be increased by one-half-of-one (.5%) percent. Should the report indicate reserves of 200 million dollars, or less, the contribution rate shall, instead, be increased by one (1%) percent.

d. All of the foregoing increases are based on payroll and shall be converted to contractors statement rates where appropriate.

5. Employment of Temporary Cutters, Markers and Graders:

a. Temporary cutters, markers and graders may be employed, but not for longer than 3 months in any 12 month period. Such temporary employment may be extended for an additional 3 months period, upon the consent of the union. The Union's consent shall not be unreasonably withheld. Upon the date of hire of a new Cutter, Marker or Grader, the employer shall give the union and the worker notice that the job is temporary.

b. Any temporary cutter, marker or grader employed beyond the foregoing periods shall thereupon become permanent.

6. Examination of Books

Any information derived from an examination of an Employer's books shall be kept in the strictest confidence and shall not be divulged or used in any manner inconsistent with the purpose for which it was given the union.

7. Withdrawal of Work and Damages

All references in Article Thirty Seventh Paragraph 1 of the Agreement to "non-designated" contractors shall be deleted.

8. Trial Period

The trial period shall be increased from "two weeks" to "thirty days."

9. Local 401(k) Contributions

Employers shall deduct 401(k) contributions from the wages of their employees who elect to participate in the 401(k) program and shall promptly transmit such contributions to the National Plus Plan for deposit and administration.

10. Semi-Annual Work Bonus Fund:

Article Fifty-First, paragraphs 1 & 3 of this agreement shall be replaced by and shall adopt the language of Article Twentieth , paragraphs 2 (a) & (b) of the Collective Bargaining Agreement of the Association of Rain Apparel Contractor's, Inc. However, paragraph 2(b) shall be modified to reflect the correct full bonuses to piece workers of the New York Coat and Suit Association as follows:

Tailor System Shops all workers*

Section System

<u>Bonus Payment Date</u>	<u>Pressers & Key Operators</u>	<u>Section System</u>
6/15/97	*\$381.00	\$361.00
9/15/97	*\$190.50	\$180.50
3/15/98 & Thereafter	*\$381.00	\$361.00

11. Changes in Cost of Living:

a. The cost of living provision of the Agreement shall be modified by substituting the cost of living reported for May 1997 in the Consumer Price Index for Urban Wage Earners and Clerical Workers in U.S. Cities as the base level to be compared with the level reported for November 1998 to determine whether one cost of living adjustment effective January 1, 1999 shall be granted.

b. If the cumulative rise in the cost of living in the calendar years 1997, 1998, 1999 shall exceed 9%, the Union reserves the right to reopen to seek an additional wage increase in the fourth year not to exceed one (1) percent. Should the parties be unable to agree upon such additional wage increase, that dispute shall be submitted to the Impartial Chairman for determination.

12. Minimum Wages and Standards

The provisions of paragraph 14 of Article Tenth shall be modified to permit the payment of wages by check.

13. Disability Benefits

a. Effective January 1, 1998 paragraphs 1 and 2 of Article Forty-Second shall be deleted and the following substituted therefor as paragraph 1:

1. Each Employer shall provide disability benefits required by law, to all workers employed in its inside shop and in the shops of its contractors. The Employer shall pay the full cost for such benefits which shall include its own costs, the costs of its contractors, and any contributions which may be required to be made by workers.

b. Effective January 1, 1998 paragraph 3 of Article Forty-Second shall be renumbered as paragraph 2.

14. Impartial Chairman


Article Forty-Fifth, Section 10(a) shall be modified to reflect Marshall Rosenberg as the Impartial Chairman for the term of this agreement.

13. Term


The Agreement as modified shall continue in full force and effect to and including May 31, 2001.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Agreement to be executed by their respective officers on the day and year first above written.

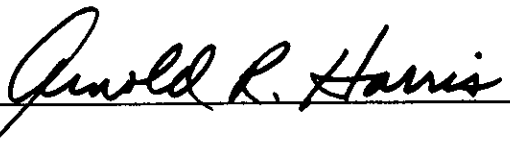
NEW YORK COAT, SUIT, DRESS, RAINWEAR,
AND ALLIED WORKERS' UNION

By: 
Manager-Secretary

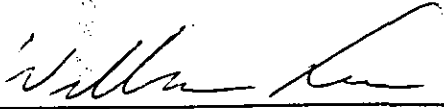
FOR AND ON BEHALF OF LOCALS IN NEW YORK-
NEW JERSEY REGIONAL JOINT BOARD, NEW
ENGLAND REGION, EASTERN PENNSYLVANIA
REGION AND SOUTH JERSEY JOINT BOARD

By: 
Director


NEW YORK COAT AND SUIT ASSOCIATION,
INC.

By: 

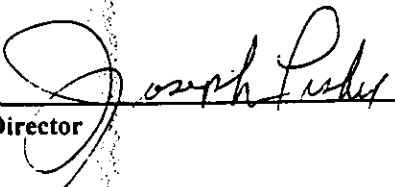
**FOR AND ON BEHALF OF LOCALS IN NEW YORK-
NEW JERSEY REGIONAL JOINT BOARD**

By: 
Director

**FOR AND ON BEHALF OF THE NEW ENGLAND
REGION**

By: 
Director

**FOR AND ON BEHALF OF EASTERN PENNSYLVANIA
REGION AND SOUTH JERSEY JOINT BOARD**

By: 
Director