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CONTRACT ID# 5043

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AGREEMENT made and entered into as of the 1st day of July, 2003, by and between PLEATERS, STITCHERS AND EMBROIDERERS ASSOCIATION, INC., on behalf of its present and future members, collectively designated as the "Association", and INTIMATE APPAREL EMBROIDERY, BELT AND ALLIED WORKERS' UNION, LOCAL 62-32, affiliated with UNITE!, designated as the "Union".

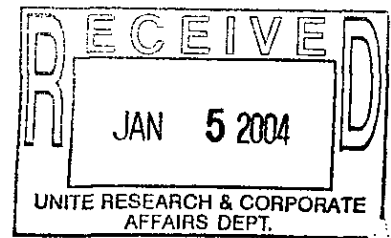
W I T N E S S E T H:

WHEREAS, the Association represents that it is composed of employers engaged in the business of embroidery and/or pleating, stitching and kindred work, and the said Association represents that it is authorized by its members to enter into a collective agreement with the Union; and

WHEREAS, the parties hereto desire to cooperate in establishing conditions in the industry which will secure to the workers a living wage and improve the standards of labor and to provide methods for a fair and peaceful adjustment of all disputes that may arise between the parties;

NOW, THEREFORE, in consideration of the mutual promises and obligations herein contained, the parties hereto hereby agree as follows:

cc: Research Dept. UNITE  
E. Chaikin  
J. Warbet  
N. Dhanraj  
Business Agent



55 pages

1. UNION RECOGNITION--COVERAGE OF AGREEMENT--UNION SECURITY

(a) The Association, on behalf of itself and its members, acknowledges that the Union represents a majority of the workers employed in the Association-wide unit consisting of the workers employed by the said respective members of the Association and covered by this agreement, and that the Union has been designated by said workers as their sole and exclusive collective bargaining representative. The Association, on behalf of itself and its present and future members, agrees to recognize the Union during the entire period of this agreement as the sole and exclusive bargaining representative of the workers covered by this agreement. It is further agreed that neither the Association nor any of its members nor any of their agents shall, directly or indirectly, discourage membership in the Union.

(b) All workers employed by the respective members of the Association on any and all of the work performed by or for the members of the Association, including shipping clerks, porters and errand persons, shall be deemed covered by this agreement.

(c) It shall be a condition of employment that all workers covered by this agreement who are members of the Union in good standing on the date of execution of this agreement shall remain members in good standing and those who are not members on the date of execution of this agreement shall, on the thirtieth day following the date of execution of this agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all workers covered by this agreement

and hired on or after the date of execution thereof shall, on the thirtieth day following the beginning of such employment become and remain members in good standing of the Union.

2. NO STRIKE-NO LOCK-OUT

(a) (i) There shall be no general strike, individual shop strike or shop stoppage for any reason or cause, but work shall proceed in operation subject to the determination of any dispute or grievance as hereinafter provided except where wages or benefit fund contributions are not paid when due as provided herein, or where a joint decision of the managers of the Union and the Association or their deputies or a decision of the Impartial Chairman has not been complied with within twenty-four (24) hours after it has been made or rendered or where the Employer fails to submit to arbitration as provided herein, or where the Employer is in non-compliance with this agreement.

Should a prohibited strike or stoppage occur, written notice thereof shall be given by the Association to the Union, and the Union's sole obligation shall be within twenty-four (24) hours after receipt of said notice to post on the Employer's front door, or on another place designated by the Employer, a declaration that such action is unauthorized and that its striking members are to terminate such action and return to work immediately notwithstanding the existence of any picket line.

Upon written notification by the Employer to the Union that the action referred to in the preceding paragraph has not brought about a termination of the strike or stoppage, the Union shall send

by first class mail to each Union member reported by the Employer to the Union to be engaged or participating in such strike or work stoppage, addressed to him or her at his or her last-known address (which address shall be furnished by the Employer), the following notice signed by the Union, which may also be posted by the Employer within the plant affected thereby:

Date

"To all members of Local 62-32 UNITE

You are advised that a work stoppage is in progress at \_\_\_\_\_ . This action is unauthorized by the Union.

You are directed to immediately return to your respective jobs and to cease any action which may affect production. The matter in dispute will be processed as provided in your Union contract."

Compliance by the Union with the foregoing provisions shall be deemed full compliance with the Union's obligation hereunder and the Union shall have no further obligation to the Employer under this Article Two or any other provision of this agreement.

No employee shall be deemed to have abandoned his or her employment until after the expiration of the twenty four (24) hour period following written notification by the Association to the Union of said strike or stoppage. Upon failure of any employees to return to work after said twenty-four (24) hour period, the Employer may, at his option, consider that such employees have abandoned their employment; but should the Employer re-employ such employees, it shall treat all such employees alike and shall not

discriminate against or among them.

(ii) The foregoing no-strike, no-stoppage obligation shall be wholly suspended and of no force and effect, and the Union may call, authorize or ratify a strike or stoppage at the shops of any Employer or its contractors during the continuance of any strike or stoppage (not in violation of contract), declared by UNITE or any affiliate thereof at any plant or any firm which is directly or indirectly affiliated with the Employer. In determining whether such affiliation exists, the Impartial Chairman shall be guided by proof of facts tending to establish any mutuality or reciprocity of interests including whether the Employer or any principal of the Employer has a substantial financial interest in such other firm.

(b) (i) There shall be no general lockout or individual shop lockout for any reason.

(ii) If a shop lockout occurs, the Union shall notify the Association in writing. The Association's sole obligation shall be to endeavor in good faith to bring about the end of the lockout and the re-employment of the locked-out workers by the Employer within twenty-four (24) hours after it receives such notice. If the Employer does not do so within such twenty-four (24) hour period, the Union may, at its option, treat the matter as a dispute under this agreement. It may, in addition, consider that the Employer has forfeited its rights under this agreement. Compliance by the Association in good faith with this provision shall be deemed full compliance by the Association with its

obligation hereunder.

3. HOURS OF WORK

(a) A week's work for all workers shall consist of thirty-five (35 hours divided equally into the first five (5) days (Monday through Friday, inclusive) of the week. The regular work day shall commence between the hours of 8:00 a.m. and 9:00 a.m. The Employers shall advise the Union, in writing, of the precise hours of work in each shop. There shall be a one-hour lunch interval. Should an Employer obtain permission from the Commissioner of Labor for a shorter lunch period, such Employer may implement such shorter lunch period, with the consent of the Union.

(b) There shall be no more than one shift of workers in any day, except by agreement with the Union.

4. OVERTIME

(a) All work outside of the regular scheduled daily hours above provided and all work performed on Saturday shall be deemed overtime, except as provided in paragraph (B) hereof. No overtime work shall be performed without prior written permission of the Union, except that errand persons may work overtime as required by their respective employers. Whenever overtime is permitted as aforesaid, the employer shall guarantee a full day's pay for the following day to the craft employed in overtime.

All overtime work shall be paid at the rate of time and one-half.

(B) In regards to STRAIGHT TIME, the members of the Association may request their covered employees and "warehouse

workers" to work one (1) hour per day additional at straight time subject to the following conditions:

- (A) Voluntary, not mandatory participation in the operation;
- (B) There shall be no layoffs in the operation at the time the Employer requests that additional time be worked at straight time;
- (C) The Employer must get written permission for overtime, provided upon telephone confirmation, straight time may be commenced; and
- (D) The Union shall encourage workers to comply with an Employer's request to work an extra hour at straight time.

Regarding warehouse workers only, (e.g., shippers, packers, dock loaders, unloaders; hi-lo fork lift operators), when overtime is necessary, a member of the Association shall initially request volunteers in the departments affected. Should insufficient warehouse employees volunteer, then the member of the Association may require warehouse unit workers, (the least senior workers first, on a rotating basis), in the departments affected to work the needed overtime of which the first hour per day shall be at straight time. After one hour of mandatory overtime per day any other overtime for warehouse workers shall be worked on a voluntary basis as heretofore.

Should Federal or State legislation be enacted providing for weekly hours less than agreed upon under this agreement, then such hours shall become part of this agreement with the same force and effect as if they were made a part of this agreement.

5. WAGE INCREASES FOR ALL WORKERS

All workers covered by this agreement, including the non-classified workers, shall receive over their then existing pay rate the following wage increases:

- (a) Effective July 7, 2003 -- Two (2%) percent
- (b) Effective July 5, 2004 -- Two (2%) percent
- (c) Effective July 4, 2005 -- Two (2%) percent

For purposes of this agreement, it is understood that an unclassified worker is one engaged in an operation (other than errand person) which is not specifically enumerated in Schedule "A" hereof.

6. PIECE WORK--MINIMUM SCALES

(a) All workers covered by this agreement except those under the classification of "Hand Workers" in Schedule "A" hereof, shall be employed only on a week work basis. Workers shall receive as a minimum those wages set forth in Schedule "A", which is annexed hereto and hereby made a part hereof. In no event shall compensation for any employee receiving above the minimum wage rates provided for in this agreement be reduced during the term of this agreement.

(b) Should either the Federal or relevant State Statutory minimum wage rate be increased, then the craft minimum wage rates



set forth in this Agreement shall be reset such that they are at least twenty-five (25¢) cents per hour above the relevant, applicable, statutory minimum wage rate.

(c) There shall be no reduction in wages, prices, piece rates or standards during the term of this agreement.

#### 7. PAY DAY

Wages shall be paid in full in cash weekly on a fixed day, in no event later than Wednesday following for all the work performed up to Saturday preceding such Wednesday. Each worker's entire weekly pay shall be in one envelope.

#### 8. PAID HOLIDAYS

The following legal holidays shall be observed in the industry and all the workers shall be paid for same: New Year's Day, Martin Luther King's Holiday, President's Day, Good Friday, Decoration Day, Independence Day, Labor Day, Thanksgiving Day, Day After Thanksgiving Day, Day before Christmas, Christmas Day and a personal day. To be eligible for this personal day, the worker must have worked for the Employer for one year.

If any of said holidays shall fall on a week day (and holidays falling on Sunday shall be deemed to occur and shall be observed on the following Monday), and a worker is employed during the week in which such holiday occurs, the pay of the worker for such holiday shall be in the same proportion as the number of hours actually worked bears to the number of working hours (28) in that week. If any such holiday shall fall on a Saturday, and a worker is employed during the week in which such holiday occurs,

such worker shall be paid for the actual number of hours worked, pro rata to 28. If the shop of the employer is closed during all or any part of a week in which any such holiday occurs, the pay of a worker for such holiday shall be in the same proportion as the number of hours actually worked in the week preceding or the week succeeding the holiday week bears to the number 28, whichever is greater. In no event shall holiday pay for a worker exceed a full day's pay.

Whenever a new worker is engaged during a week in which a legal holiday occurs, such worker shall be paid for the actual number of hours worked pro rata to the number of working hours in that week. If the worker is sent away by the employer or if the worker and the employer cannot agree on the price during a holiday week, the employer must compensate the worker by paying him for the hours of work pro rata to the number of working hours in that week. If the new worker engaged during said week leaves the employer before the expiration of the week in which such legal holiday occurs, the worker is not to be paid at that pro rata basis but at the rate of a non-holiday working week.

9. BEREAVEMENT PAY

Workers shall be entitled to three (3) days bereavement pay for work lost due to the death of a covered worker's parent, spouse, sibling, child, grandparent or grandchild). The member of the Association may request proof of death which shall be produced in a reasonable time.

10. BENEFIT FUNDS

(a) Each member of the Association shall pay to the Union monthly sums equal to twenty-nine and three-tenths (29.3%) percent of its gross payrolls of all its employees covered by this agreement from the first day of their employment.

Said payments shall be allocated by the Union as follows:

EFFECTIVE

<u>FUND</u>	<u>7/1/03</u>
Health & Welfare Fund	24.3% (Includes medical, pharmaceutical, Eyeglass, Union Health Center; and Welfare Benefit)
ILGWU National Retirement Fund	4.5%
Promotional Fund	<u>.50%</u>
TOTAL	29.3%

Contributions to the ILGWU National Retirement Fund for new employees shall not commence until the employee has reached his first year anniversary employed. New employees are ones that were not previously employed by the employer and/or persons not previous participants in the ILGWU National Retirement Fund.

(b) Regarding the contributions to the ILGWU Eastern States Health and Welfare Fund, there shall be no increase in said contributions during the term of this Agreement.

(c) Payments made towards said Funds shall be used only for such purposes as are authorized by the law applicable to such funds.

(i) The ILGWU Eastern States Health and Welfare Fund, the successor in interest to the Health and Welfare Fund of Local 66-

40, having been established prior to January 1, 1946, is to be maintained by the Union for the purpose of providing workers eligible therefore with health, welfare and other benefits and are to be administered in accordance with the by-laws and rules and regulations adopted by the Union for such purpose as same may be from time to time amended.

(ii) The parties hereto agree that the ILGWU National Retirement Fund, heretofore established for the purpose of providing retirement and other benefits to employees eligible therefore, shall continue to be administered by its respective Board of Trustees in accordance with the rules and regulations adopted for that Fund, as same may be from time to time amended. The parties hereto hereby acknowledge the due, proper and lawful appointment of the Trustees presently constituting the respective Boards of Trustees of the said Funds and do hereby ratify and approve the respective rules and regulations heretofore adopted by said Boards of Trustees, and their acts pursuant thereto, and do agree to be bound by said rules and regulations as same may be amended, to administer said Funds in accordance with said rules and regulations and any and all amendments thereto hereafter adopted pursuant to said rules and regulations.

(iii) Neither the Association nor any of its members shall have any right, title, claim or interest in or to any of the Funds referred to above or any portion thereof. No individual worker shall have any right, title, claim or interest, legal or equitable, in or to any employer's payments towards said Funds, or

in or to the Funds themselves or any portion thereof, except as shall be provided by the respective rules and regulations governing said Funds.

(iv) Payments due to any of the aforementioned Funds by the members of the Association may be enforced by the Union as a party to this agreement, on behalf of said Funds, or by the Funds. Either the Funds or the Union shall have the right to enforce claims for payments due to said Funds by arbitration before the Impartial Chairman, hereinafter designated, in the same manner as any other claim under this agreement.

(v) The Board of Trustees or other body administering any of the benefit funds, except the ILGWU National Retirement Fund, is hereby authorized and empowered, in its sole discretion and upon such basis as it deems desirable, to transfer or mingle the assets now existing or hereafter established and provided for in a collective agreement with UNITE! or an affiliate thereof. In the event of such mingling, transfer, or merger, the amounts herein-above provided to be allocated towards the respective funds shall thereafter be paid over to the fund or funds with which there has been such mingling, transfer or merger.

Except as provided in Paragraph E of this ARTICLE 9, the monies of each benefit fund shall be kept separate and apart from all other monies.

(vi) Gross payroll for purposes of computing employee benefit fund contributions, as described in this ARTICLE 9, shall not include earnings of workers in excess of \$21,000.00 in any

calendar year, except that all earnings of a worker, without limitation, shall be subject to the 6.4% percent contribution to the Health and Welfare Fund which represents the welfare benefit.

Example: If a worker earns \$30,000.00 and the rate of contribution is 29.3%, then \$21,000.00 of earnings is subject to contribution at the rate of 29.3%, and an additional \$9,000.00 is subject to contribution at the rate of 6.4%.

(vii) Interest shall be payable by Employers on delinquent benefit contributions at a rate of nine (9%) percent per annum.

(viii) (a) Workers who previously elected to defer wage increases in an amount in excess of \$23.00, (to wit, \$46.00 or more), shall continue to have their employer contribute the sum of \$23.00 Dollars per month, in advance, on a quarterly basis, to the ILGWU Eastern States Health and Welfare Fund to be used in the first instance to pay or offset any co-pay requirement of the Fund for family medical insurance coverage for the worker and/or the worker's family.

Payments due under this paragraph are owed for each month of a current worker's employment. Each payment must be accompanied by a listing giving the names and social security numbers of each worker for whom a payment is being made. Workers who chose not to be covered by the Fund's medical insurance (or who choose a medical insurance program in which all or part of the payment is not applied to a required co-payment for medical insurance coverage)

will receive from the Fund, by February of the next year, a gross sum, less necessary deductions, equal to the unused amounts paid to the Fund for said worker by all members of the Associations.

(ix) The Health Care provision of this Agreement may be reopened for negotiation in the event federal legislation is enacted by an Act of Congress and becomes law which provides employees with the benefits currently provided by the I.L.G.W.U. Eastern States Health and Welfare Fund. In no event shall the reopening result in the reduction of benefits then currently enjoyed by the employees under this Agreement.

(x) A Supplementary Disability Benefit shall be paid to eligible workers as follows:

(a) A worker who is sick or disabled and qualifies for state disability benefit payments shall be reimbursed for the first week of such sickness or disability to the extent of one-half week's pay, not exceeding the statutory limit, which is currently \$170.00 per week.

To qualify for such payment, the workers must have been in the Employer's employ for one year or more and must prove that he or she has qualified for the state disability benefit (which begin on the 8<sup>th</sup> day of disability). A worker is entitled to one such reimbursement per contract year.

(b) No contributions to employee benefit funds shall be due or payable on or in relation to monies paid to eligible workers under this paragraph.

11. JURY DUTY

Once during the term of this Agreement a worker who has been employed one year or more, who is scheduled for work who is called for jury duty shall be paid the difference between that amount of money the worker receives as pay for a holiday and the jury stipend the worker receives from the governmental body for up to ten scheduled working days.

12. PROMOTIONS AND TRANSFERS

A worker in a shop shall be given a reasonable opportunity to qualify for work on other machines in his respective craft.

Should one craft become busy requiring additional workers who are at the time unavailable to the employer, the employer shall utilize workers from other operating crafts within his shop. A graduated wage scale shall be arranged in each instance between the Union and the Association for the purpose of bringing such workers up to the minimums for their respective new crafts.

13. TRIAL PERIOD

During the first five (5) days of their employment, workers (except learners) shall be deemed employed for a trial period. In the case of learners, the trial period shall be the first thirty (30) days of their employment. Workers employed after the expiration of their respective trial periods shall be deemed permanent workers.

If an employer dispenses with the services of a newly engaged worker within the trial period in accordance with the terms of this agreement, the said employer shall pay to the



worker the wages that said worker is entitled to at the time of his discharge.

14. DISCHARGES FOR CAUSE

No worker shall be discharged after the expiration of his trial period except for just cause and unless a notice in writing be given to the Union and the Association containing the reason for such discharge, and the Union and the Association, upon investigation, find the alleged cause or reason for such discharge to be just.

No worker is to be stopped from work by any member of the Association until the matter has been taken up and finally disposed of by the Union and the Association. If the Union and the Association are unable to agree with respect to such matter, then it shall be finally determined by the Impartial Chairman as hereinafter provided.

15. SHOP CHAIRPERSON

There shall be at all times in the shop of the employer a Shop Chairperson selected by the workers in the shop or designated on their behalf by the Union. As hereinafter more fully set forth, the Shop Chairperson shall take up, in the first instance, any complaints or grievances that may arise in the shop with the respective employer.

16. PRICE COMMITTEE AND PIECE WORK RATES

There shall be established in the shop of each employer a Price Committee selected by the workers or designated by the Union, and in case of dispute all piece work prices shall in the first

instance be adjusted between such Committee and the employer. Should they fail in adjusting same, the matter shall be taken up for adjustment by representatives of the Union and the Association. Should the representatives of the Union and the Association fail to adjust the dispute, the same shall be submitted to the Impartial Chairman for final and binding determination, and the prices shall be retroactive.

It is understood and agreed that piece work rates shall be calculated so as to yield to the workers not less than the minimum provided under this agreement for their respective crafts, and not less than their respective standard of earnings in the shop (inclusive of the additional payments per working hour referred to in subdivision "(b)" of Paragraph "6" hereof).

17. LIMITATION ON AUTHORITY OF  
SHOP CHAIRPERSON AND WORKERS

Neither the Shop Chairperson, nor any shop committee or group of workers is authorized to cause or engage in any unauthorized strike, slowdown or stoppage, or order a discharge of any worker, nor shall they, for any purpose whatever be deemed the agent of or authorized to act for the Union.

18. EQUAL DIVISION OF WORK

At all times work shall be divided equally amongst all the workers in the shops of the employers. Division of work shall be supervised jointly by the Shop Chairperson and the representative of the employer. A list showing the division of work shall be posted in the factory. Whenever it shall be necessary to divide work as herein provided, same shall be apportioned in accordance

with the abilities of the workers and the character of the work to be performed.

It is understood that it shall not be necessary for the workers to report for work every day and to remain in attendance with the shops at such time during the dull season when there is no work for them. Workers not reporting at least once a week to the Shop Chairperson and employer shall be considered out of the staff unless such workers can give sufficient reason for their absence to the employer and the Union.

During the slack period, an employee may absent himself from the shop of his employer after giving notice to the Union and the employer, and through the Union to the Association. Should the absence of a worker referred to in this Paragraph create a condition wherein the employer is in need of another worker, the Union agrees to endeavor to provide the employer with another competent worker during the absence of said worker. Said new employee shall not be deemed a regular employee of the shop during such employment as a substitute. Upon the absent worker's return, he shall be entitled to the job.

At all times during business hours, the employees shall have access to the factory for the purpose of seeing whether the provisions governing equal division of work herein are complied with.

19. RECALL AFTER LAYOFF

If an employer suspends work at any time during the period of this agreement, upon resumption of work, the Shop Chairperson shall

be called back to work first, and employment shall be given first to the available workers previously laid off.

20. ACCESS TO SHOP

During regular working hours, Union representatives shall be entitled to free access to the shops of the employers for the purpose of ascertaining whether the terms of the agreement are being complied with. During any other time, so long as the premises of the employers are not unoccupied, there shall be at least one door accessible to the factory so as to enable the representatives of the Union to enter same for the purpose of investigating whether the provisions of this agreement are being complied with. The Union representatives shall be accompanied by a representative of the Association, provided the latter will furnish such representative.

21. BOOKS AND RECORDS--PAYMENTS AND REPORTS

(a) Each member of the Association shall keep and maintain a uniform set of books in the form agreed upon between the Union and the Association, or in the form which may from time to time be agreed upon between the Union and the Association. This form shall also include Social Security records. Each member shall maintain a time clock and time cards. All said cards are to be preserved for the duration of this agreement.

In addition to the foregoing, each member of the Association shall retain in its possession during the term of this agreement and for a reasonable time thereafter all cancelled checks issued by it during said period and a complete record of the lot numbers of

all merchandise charged out by it during said period. The provisions of Paragraph "21" hereof shall be deemed to include the foregoing cancelled checks and records.

(b) On or before the 20th day of each month, each member of the Association shall remit to the Union the amounts due for the previous month to the Funds referred to in Paragraph "9" of this agreement and shall, at the same time, furnish the Union with a correct and complete copy of each weekly payroll of workers covered by this agreement for the preceding month. Each payroll shall include the Social Security number of each such worker employed by the firm, as well as the firm's Social Security number, and shall be certified as correct and complete by a competent person on behalf of the firm. The Union agrees at the request of the Association to permit an authorized representative of the Association to inspect the weekly payroll furnished by the members of the Association.

Failure on the part of the member of the Association to furnish the Union monthly with a copy of the weekly payroll for the preceding month, and/or failure to remit the amount due to the various Funds as shown in such report shall be deemed a violation of the agreement and shall be sufficient grounds for the Union to direct a cessation of work in such shop until the member has fully complied with the provisions of the agreement.

(c) Upon request from the Union to the Association, the employer shall submit for examination all books, data and records necessary to ascertain whether the employer is complying with the

terms of this agreement.

(d) Each Employer covered by the Agreement shall submit to the Union a copy of their quarterly state NYS-45 forms (or its equivalent if employer is located outside New York) within 30 days after the end of each calendar quarter.

22. FAILURE TO KEEP BOOKS AND RECORDS

Failure to keep the books required herein or to immediately produce same for investigation upon request shall constitute a presumption of guilt of the employer on the charges preferred against him, and the Impartial Chairman shall determine the amount of damages to be paid by said employer to the Union on the charges preferred.

23. DUAL SYSTEM OF WORK PROHIBITED

No dual system, week and piece work, shall exist in the same branch of hand work in the shop except that it is agreed that where the provision of this clause may cause hardship, the parties will adjust the system so as to prevent unnecessary hardship to the employer or the workers.

24. STAMPERS, PLEATERS AND PINNERS--  
RATES OF PAY FOR TRANSFEREES

At any one pleating table there shall be at least one pleater and there shall be no more than one helper.

Pinner shall not pin pleating nor lay it out in the pattern.

The workers engaged in a lower classification may not perform work in which the wages or compensation are greater, unless they are paid the higher compensation.

In an emergency, but only with the consent of the employee and

the Union, an employee may be transferred to a lower paying job, provided that he is paid not less than his average earnings on his regular job.

On termination of the need for such transfer, such transferred worker may be returned to his regular job.

25. FURNISHING OF TOOLS

Employers agree to furnish all tools necessary for work without charge to the workers.

26. EMPLOYMENT OF MINORS

No employer shall employ any person who is under the age of eighteen (18) years.

27. HEALTH AND SAFETY

(a) Employers shall comply with all standards of health, sanitation and safety, including all regulations of the local fire department, as may be required by law.

(b) Employers retain exclusive responsibility to provide a safe and healthful work place and working conditions. The intent of this paragraph is not to diminish the Employer's exclusive responsibility or to make the Union, its agent or representatives, liable for any worker's job-related injury, illness or death.

28. RECORD OF EMPLOYMENT SLIPS

Upon any layoff for lack of work or otherwise, the employer shall simultaneously furnish the worker with a Record of Employment Slip and such other forms as may be required by the Division of Placement and Unemployment Insurance by the relevant State Department of Labor, so as to enable the worker to qualify

for unemployment insurance benefits.

29. WORK BY EMPLOYERS AND FOREPERSON LIMITED

No employer or foreperson shall do work in any of the crafts enumerated in this agreement except as follows:

(a) One employer in a firm shall be permitted to do productive work provided the specific name of such individual employer is registered by the Association with the Union, and provided that such employer shall not do any productive work before or after the regular working hours provided herein; further provided that in the craft in which such employer shall work there shall be at least one or more workers with whom such employer shall equitably share the work in the craft as provided in the equal division of work clause herein; further provided that in such instances no worker (so-called "steady worker") shall receive a greater share of work than any other worker in the particular craft.

(b) Anything in subdivision "(a)" of this paragraph to the contrary notwithstanding, no partner of the firm shall be permitted to do any work in any of the crafts covered by this agreement, unless he has executed a Certificate of Authorization and Ratification of this agreement. This provision shall also apply to a person who, subsequent to the making of this agreement, becomes a partner of the firm.

(c) Should a member of the Association subsequent to the making of this agreement enter into a partnership agreement with another person, which new person is intended to become the



productive working member of said firm, then said firm, before its new partner is allowed to do productive work, shall give notice to the Union and the Association within twenty-four (24) hours after the making of the agreement with said person, and the Association and the Union shall be afforded an opportunity to investigate the facts and circumstances surrounding said agreement, except that such investigation shall be completed within one week after receiving notice as herein provided. During said investigation and pending the determination of same, no productive work shall be performed by the new partner.

Should there be a disagreement between the Association and the Union regarding the bona fides of said partnership, same shall constitute a dispute and shall be determined within three (3) days by the Impartial Chairman in accordance with the conditions enumerated.

(d) All bona fide productive forepersons acknowledged as such by the Union shall be subject to the Union membership requirements of this agreement as any other employee. Such foreperson may remain in the factory before or after the regular working hours, provided that such productive foreperson shall not engage in any productive work outside of the regular working hours and provided further that the power in the factory outside of the regular working hours is completely shut off, except for the purpose of testing machines. Refusal by the Union to acknowledge such a foreperson shall constitute a dispute and pending a decision, he shall work regular hours only.

30. MODIFICATION AND WAIVER OF AGREEMENT  
PROHIBITED--INDIVIDUAL CONTRACTS PROHIBITED

No employer and no worker or group of workers shall have the right to modify or waive any of the provisions of this agreement.

The employers agree not to enter into any individual contract with any worker nor accept security from any worker.

31. INSIDE CONTRACTING PROHIBITED

The parties agree that no contracting or sub-contracting work within the shop shall be permitted. No employer shall lease or sublet any of the machines, tables or space in its factory for any of the operations covered by this agreement, except that it may do so by written consent of the Union and provided that the employer's responsibility for all the labor conditions provided for in this agreement is not diminished thereby.

32. CONTRACTING OUT

In order to safeguard the working standards and employment opportunities of the workers covered by this agreement and other collective bargaining agreements in the ladies' apparel industry, it is agreed as follows:

(a) All garments of any nature and parts and/or components thereof, whether finished or partly finished, handled or obtained from any source, directly or indirectly, by members of the Association during the term of this agreement, shall be manufactured exclusively either in their own respective shops or, subject to the terms of this agreement, as part of an integrated process of production under the jobber-contractor system of production.

(b) It is agreed that no member of the Association shall have any work performed or any of its products or parts thereof (including binding and piping) manufactured outside of its own shop except with the consent of the Union, and then only in shops which are under written collective agreement with the Union and comply with the terms thereof. In applying for such consent, the respective members of the Association must submit to the Union in writing, the name and address of the outside shop and the type and quantity of the work to be made in such outside shop. In addition, before any work may be performed or products or parts thereof manufactured in an outside shop, there must be at least one full week's work plus overtime work on hand for the inside workers; this principle shall also apply to resumption of work after slack seasons.

(c) Should it be established that an employer charged more work than the amount of work performed by its employees in its shop, it shall be incumbent upon such employer to prove to the satisfaction of the Impartial Chairman how the excess work was performed. In the absence of satisfactory proof by the employer, it shall be deemed that such excess work was performed either outside of the employer's shop in shops not under written collective agreement with the Union or by the employer, contrary to the terms of this agreement.

### 33. UNITY OF INTEREST

(a) The parties agree that the Union has a bona fide interest in the labor conditions existing in all shops

manufacturing products made by the employers and that a unity of interest exists among the members of UNITE regardless of the respective shops in which they are employed.

(b) The parties acknowledge that under the practice of the industry, the manufacturer or jobber obtains garments or parts and/or components thereof, finished or partly finished, from other concerns commonly referred to as contractors. It is agreed that in the event of any labor disputes between UNITE or any of its locals on the one hand, and the manufacturer or jobber and/or a contractor on the other, both the manufacturer or jobber and said contractor are primarily, and not secondarily, involved in such dispute, and are united in interest in the outcome thereof. It is distinctly understood and agreed that neither the Association nor any of its members shall have any claim against the Union for any alleged secondary strike, stoppage or boycott, or for breach of contract based upon any alleged secondary strike, stoppage or boycott, occurring in connection with such dispute.

34. STRUCK SHOPS

The respective members of the Association shall not, directly or indirectly, in the integrated process of production handle or obtain any garments or parts and/or components thereof, whether finished or partly finished, from, or perform any work for, any contractor, jobber or manufacturer against which a strike has been declared by UNITE or any of its affiliates, or at which there exists a labor dispute, a stoppage of work or lockout is in progress, and they shall in no event request any of their

respective employees to perform work destined directly or indirectly for any such concern. Such work shall not be deemed in the workers' regular course of employment and the workers need not perform such work.

The employees shall not be required to cross a picket line, and it shall not be considered a breach of this agreement on the part of the Union or any individual employee or employees if any employee or employees refuse to cross a picket line, whether of their own volition or by direction of the Union.

35. LIQUIDATED DAMAGES

Should the Employer violate any provision of this agreement where it is difficult or impossible to ascertain the specific amount of damages suffered by the workers or the Union, then the Employer may be liable to the Union for liquidated damages. In fixing these damages, there shall be taken into account any advantages gained by the Employer through its violation, and deprivation of earnings suffered by workers, any institutional harm suffered by the Union and such other factors as are fair under the circumstances. If the Union and the Association are unable to agree upon the amount of liquidation damages for such violation, then the matter shall be treated as a dispute under ARTICLE Forty-Six (46). The proceeds of any such liquidated damages shall be paid to the Union.

In any case where a member of the Association, in violation of this agreement, has work performed or any of its products or parts thereof manufactured outside of its own shop in shops not under

written collective agreement with the Union, since the exact amount of damage is unascertainable, it is agreed that the employer shall pay to the Union as liquidated damages a sum equal to the amount the workers would have earned if said work had been made by them in the shop.

The parties agree that the following percentage of the total amount charged by the employer to the customers for each of the "lots" made in violation of this section shall be deemed the labor cost of that lot; where the lot consists of Bonnaz Embroiderers work, 40%; of tucking, 45%; of pleating, 22 1/2%; of stitching, 35%; of hand work, 35%, and of any other kind of work not so classified but done in the industry, 35%.

In case the employer is a productive working employer as provided under this agreement, due credit may be given to the employer in calculating the liquidated damages aforesaid for the share of the work he would have been entitled to perform in conjunction with his employees.

36. REGISTRATION OF JOBBERS, ETC.

It is hereby agreed that at the request of the Union, the Association will register with and furnish to the Union the names and addresses of all jobbers, manufacturers and contractors for whom the members of the Association work respectively, or with whom the respective members deal, and will also notify the Union in writing of any changes in such registration.

37. LIABILITY FOR WAGES OF WORKERS  
EMPLOYED IN BRANCHES AND SUBSIDIARIES

Each employer, member of the Association, shall be liable for the wages of the workers employed by his branches or subsidiaries.

38. HOMEWORK

Except as hereinafter provided, no homework in connection with any work or garment or any part thereof shall be allowed by any employer, member of the Association, and no such work shall be done or permitted by the employer to be performed in tenement houses, basements, or in any unsanitary or unsafe buildings. However, homework may be given to such home-workers who have obtained a homework certificate from the Federal Wage & Hour Division of the Labor Department, provided that such home-worker shall be paid a rate not less than that paid to the factory worker for a similar operation and the employer shall distribute all materials and articles directly to such home-worker and not through any agent or contractor. No work to be performed at home shall be given to any factory worker even if such worker holds a homework certificate.

The employer shall keep a record, as part of his payroll record, of the date on which work is given to a home-worker, the amount of work given, the operations to be performed, the rate of pay, the date of return of work, the amount of work returned and the total weekly payment made to such home-worker.

The Employer will furnish to the Union the names and addresses of all home-workers employed by him within ten days after their employment.

39. ADDITIONAL SHOPS

In order to protect the regularity of employment of the workers employed by the respective members of the Association, it is agreed that should a member of the Association, during the term of his agreement, desire to establish or maintain an additional shop or factory or add any other facilities for the manufacture of work in operations covered by this agreement, in place or places other than its regular shop or factory, it shall first notify the Union in writing of its intention and no such additional facilities shall be added unless it first secures the written consent of the Union. In the event that the Union shall fail to give such consent, the matter shall be deemed a dispute and shall be submitted to the Impartial Chairman for final determination in the same manner as any other dispute herein.

40. NOTICE OF CESSATION OF MEMBERSHIP  
IN ASSOCIATION

It is agreed that in the event that an employer ceases to be a member of the Association by reason of dissolution, retirement from business, sale of his business, resignation or otherwise, the Association shall give the Union at least ten days' notice thereof, so that the Union may present any claim or claims which it may have against such member to the Association before the Association is released from its obligations, if any, in respect to such member.



41. CONTINUING LIABILITY OF EMPLOYER AFTER  
CESSATION OF MEMBERSHIP IN ASSOCIATION

(a) All members of the Association at the time of the execution of this agreement and persons, firms and corporations becoming members thereof subsequent to the execution of this agreement and persons, firms and corporations becoming members thereof subsequent to the execution of this agreement, shall be and continue to remain personally and individually liable under this agreement during the entire term thereof irrespective of whether said member shall cease to be a member of the Association prior to the date set forth the expiration of this agreement. Their liability shall be deemed to have survived the termination of their membership. The provisions of this agreement shall remain operative against them and in full force during the full term thereof, with the same force and effect as if this agreement had been signed individually by each member of the Association.

(b) However, should a member of the Association resign, be suspended or expelled from the Association, or its membership be terminated for any reason whatsoever, then and in such event:

1. Any and all disputes, claims, controversies, complaints and grievances between such former Association member, and the Union, or any of the workers covered by this agreement, arising under, out of or in connection with or in any manner related to this agreement, shall be taken up for settlement and adjustment directly between representatives of the Union and such former Association member, and such former Association member shall have no right to representation by the Association in the

adjustment thereof. Should such former Association member and the Union fail to adjust any such matter, same shall be submitted directly to arbitration for final determination before the person acting as Impartial Chairman pursuant to the provisions of Paragraph "46" hereof. Such arbitration shall be governed by the provisions of said Paragraph "46" hereof. The fee of the Impartial Chairman shall be paid by such former Association member. The provisions of subdivision "(f)" of Paragraph "46" shall apply as well with respect to all complaints, disputes, controversies, claims and grievances between the Union or any of the workers and such former Association member.

2. In cases of disputes, the employees of such a former Association member shall not be obliged to continue with their work in the shop until the dispute has been fully settled and the decision of the Impartial Chairman has been fully complied with, anything in this agreement to the contrary notwithstanding.

3. In view of the fact that the Association is not responsible for payment of the wages of the workers of a member subsequent to his resignation, expulsion or suspension, it is agreed that a member of the Association shall, immediately upon his suspension, expulsion or resignation from the Association, deposit with the Union a sum equivalent to the total of his payrolls for the two weeks of maximum employment during the period of one year immediately preceding his suspension, resignation or expulsion. In the event of failure to make such deposit or in the event of disagreements to the amount thereof, the matter

shall be deemed a dispute and shall be finally determined by the Impartial Chairman. It is agreed that the Union shall have the right to forthwith deduct from the sum deposited hereunder, and apply such deduction to, any wages which such former member of the Association has failed to pay to his workers on the due date thereof.

42. CERTIFICATION OF ASSOCIATION'S AUTHORITY--  
SUBSIDIARIES AND AFFILIATES BOUND

(a) At the option of the Union, each member of the Association is to certify in writing that it authorized the Association to enter into this agreement and that it will be bound by said agreement with the same force and effect as if it, individually, had entered into it.

(b) Subsidiaries and affiliated firms or corporations of a member of the Association, and/or firms or corporations in which a member of the Association, or any partner, officer, director or stockholder of a member of the Association has any interest, direct or indirect, whether by way of ownership, control or otherwise, shall for the purpose of this agreement be deemed to be members of the Association and shall be deemed bound by all terms of this agreement.

In the event that a subsidiary or affiliate firm or corporation of a member of the Association, or a firm or corporation in which a member of the Association or any partner, officer, director or stockholder of a member of the Association has any interest, direct or indirect, whether by ownership, control or otherwise, shall fail to comply with the terms of this agreement,

then such Association member shall be liable to the Union and the workers for all damages sustained thereby as if the Association member itself had violated this agreement.

The Impartial Chairman shall have the right to determine whether any firm or corporation is a subsidiary, auxiliary or affiliate of an Employer, and shall be guided by proof of facts tending to establish any direct or indirect connection or interest between them or tending to establish a plan, scheme, or device by an Employer to avoid or evade provisions of this Agreement, by or through such subsidiary, auxiliary or affiliate, directly or indirectly.

#### 43. NEW MEMBERS OF ASSOCIATION

Before admitting a new member or before reinstating a suspended member, the Association shall inform the Union in writing of the writing of the application for membership or reinstatement. If a strike or dispute shall be pending between the Union and the applicant for membership or reinstatement, the Union shall so inform the Association within five days after receipt by it of the pending application for membership or reinstatement. The applicant is not to be admitted as a member or be reinstated until all disputes have been adjusted between the Union and said applicant employer.

#### 44. DISCONTINUANCE OF BUSINESS

(a) Should a member of the Association (in the event that the firm is individually owned) discontinue the business now being conducted by him, he shall continue to be bound by this agreement

and should he continue or resume business in a line of work intended to be covered by this agreement, he shall be bound by all of the terms and provisions of this agreement during the entire balance of the term thereof.

(b) In the event of the dissolution of a member of the Association (should the firm be a partnership), each partner shall continue to be bound by this agreement, and the arbitration provisions thereof, and should any individual of the former partnership continue or resume business in a line of work intended to be covered by this agreement, he shall be bound by all the terms and provisions of this agreement, including the arbitration provisions, for the full term thereof with the same force and effect as if he had individually entered into this agreement. A change in the firm's name shall in no wise affect the duties, obligations and liabilities of the partners under the terms of this agreement.

#### 45. LIABILITY OF PRINCIPALS

(a) No principal of a member of the Association shall during the term provided for in this agreement become engaged or interested, directly or indirectly, in any other firm or corporation (either individually, or as a partner, or as an officer, director or stockholder thereof, or otherwise), engaged in a line of work intended to be covered by this agreement unless such other firm or corporation shall be or shall immediately enter into contractual relations with the Union, for the term of this agreement, pursuant to an agreement in all respects similar hereto.

It is agreed that if during the period of this agreement any principal of a member of the Association shall become engaged or interested, either directly or indirectly, in any other firm or corporation in violation of the foregoing provisions of this subdivision "(a)", and should such other firm or corporation operate contrary to the provisions of this agreement, then such principal shall be liable to the Union for damages and such other relief as the Impartial Chairman may award, in the same manner as if he, as the owner of such other firm or corporation, had individually entered into a contract with the Union covering such other firm or corporation upon terms identical to those herein contained and such contract were being violated by him. Any claims for damages and/or other relief hereunder by the Union against such principal shall be finally determined by arbitration in the same manner as provided herein for the adjustment of disputes.

As used in the foregoing provisions of this Paragraph, the term "principal" shall be understood to mean any officer, director or stockholder of a corporate member of the Association, any partner of a partnership member of the Association, and the owner of any individually owned member of the Association.

(b) The officers, directors and stockholders of each corporate member of the Association shall be individually liable, jointly and severally, without prior notice or demand, (i) for the payment of all wages which such corporate members shall fail to pay on the due date thereof to its employees covered by this agreement; and (ii) for the payment of all Health and Welfare Fund and

Retirement Fund contributions which such corporate member shall fail to pay on the due date thereof as provided by this agreement.

(c) The officers, directors and stockholders of each corporate member of the Association and the partners of each partnership member shall execute a Certificate of Authorization and Ratification in which they will individually acknowledge the obligations and liabilities on their part to be observed under the provisions of this agreement. Should a person become a partner of an employer, member of the Association, subsequent to the execution on this agreement, immediate notice thereof shall be given to the Union, including the name and address of the new partner, and such new partner shall execute a Certificate of Authorization and Ratification of this agreement immediately upon becoming such partner.

#### 46. COMPLAINTS AND GRIEVANCES

All complaints and grievances arising to the shop shall be taken up in the first instance for settlement and adjustment between the Shop Chairperson and the employer. Any such settlement and adjustment which may be made by the Shop Chairperson shall not be deemed binding upon the Union unless approved by an authorized representative thereof. In the event that the matter shall not be adjusted as here-in-above provided, it shall be settled in the manner hereinafter provided for the settlement of disputes.

#### 47. GRIEVANCE AND ARBITRATION

(a) Any and all disputes, complaints, controversies, claims and grievances whatsoever between the Association or any of its

members and the Union or any of the workers covered by this agreement, arising under, out of or in connection with, or in any manner relating to this agreement, including, but without limitation, any claim arising out of any alleged dissolution or termination of the business of any member of the Association prior to the expiration of the term of this agreement, shall be taken up for settlement and adjustment by representatives of the Union and the Association. Should any such matter not be fully adjusted between representatives of the Union and the Association, it shall be submitted to the Arbitrator as provided below.

(b) Any complaint, dispute, controversy, claim or grievance referred to in subdivision "(a)" of this Paragraph, shall be submitted to arbitration before the Impartial Chairman hereinafter named, or designated as hereinafter provided, irrespective of whether or not the matter is elsewhere in this agreement specifically referable to the Impartial Chairman.

The decision of the Impartial Chairman, or Arbitrator, shall be final and binding. In addition to granting such other relief as he may deem proper, the award of the Impartial Chairman may contain provisions directing and restraining acts and conduct of the parties. Any such award may be enforced by appropriate proceedings in law or in equity. The taking of the Arbitrator's oath by the Impartial Chairman is hereby waived.

The fee of the Impartial Chairman shall be borne equally by the Union and the Association.



(c) The parties hereto hereby designate MARSHALL ROSENBERG, 225 West 34<sup>th</sup> Street, Room 2004, New York, New York, 10122, as the Impartial Chairman to act during the term of this agreement. Should the Impartial Chairman above named resign, refuse or be unavailable to act, or be incapable of acting, or should the office become vacant for any reason, then Harold Richman shall be the Impartial Chairman who shall act as such during the term of this agreement with the same powers as the one here-in-above named, including the power to hear and decide all matters arising under prior agreements between the parties hereto as if he had been similarly designated as Impartial Chairman under those agreements. The parties agree that on or after January 1, 2004, either party, upon thirty (30) days written notice to the other party, may request that the Impartial Chairman named in the agreement be substituted with a new agreed to Impartial Chairman. No change shall be effected, however, until the parties have agreed upon a substitute Impartial Chairman to be named in the Agreement.

(d) Each case shall be considered on its merits and the collective agreement shall constitute the basis upon which a decision shall be rendered.

(e) Written notice of hearing before the Impartial Chairman may be served personally or by ordinary mail. Personal service of such notice forty-eight hours prior to the hearing shall be deemed sufficient. If notice is served by mail, deposit of same in the mails at least seventy-two hours (exclusive of Saturday and Sunday) prior to the hearing, addressed to the last-known address

of the parties, shall be deemed sufficient.

In the event that a party to an arbitration proceeding hereunder shall wilfully default in appearing before the Impartial Chairman at the time and place designated by the latter for hearing pursuant to written notice served as herein- above provided, the Impartial Chairman is hereby empowered to take the testimony and evidence of the party appearing and to render his award thereon. Such award shall be final and binding with the same force and effect as if both parties had appeared.

Copies of arbitration awards made by the Impartial Chairman may be served upon all parties to the arbitration proceeding by regular mail. Any papers, notices or process necessary or proper for the confirmation of an arbitration award rendered by the Impartial Chairman hereunder in any court or for the entry of judgment on any such award may be served upon all parties by regular or certified mail addressed to the last-known address of such party or to its attorney. The parties hereby expressly waive the requirements for personal service set forth in CPLR Section 403 (c) regarding application to the courts made in conformity with this Article.

(f) It is agreed that the machinery provided herein for the settlement of all disputes, claims, controversies, complaints and grievances arising under, out of or in connection with, or in any manner related to this agreement shall be the exclusive means for the determination thereof, and that neither the Association or any of its members, nor the Union or any of the workers covered by this

agreement, shall institute any action or proceeding against the other on any matter arising under this agreement, in any court of law or equity, state or federal, other than effecting arbitration as herein provided, or respecting enforcement of an arbitrator's award rendered hereunder. This provision shall be a bona fide defense in any action or proceeding instituted contrary to this agreement.

48. FAILURE TO COMPLY WITH DECISION  
OF IMPARTIAL CHAIRMAN

In the event that a member of the Association shall fail to comply with a decision of the Impartial Chairman, such member may be deprived of the benefits of this agreement without, however, being released from the obligations thereof. During the period that a member shall be deprived of the benefits of this agreement as aforesaid, the Association, as such, shall not be responsible for the member's further violation of this agreement during such period.

49. COST OF LIVING

(a) Should the U.S. Consumer Price Index for Urban Wage Earners and Clerical Workers, U.S. Cities Average, for the eighteen (18) month period May 2003 through November 2004, printed and released in the months of June 2003, and December 2004, increase at least 8 1/2%, the regular hourly wages of all piece and week workers shall be increased ten (10¢) cents per hour. An additional hourly increase of five (5¢) cents per hour shall be paid for each additional increase in the Index of 1/2 of 1%. The total cost of

living increase payable under this provision shall not in any event exceed twenty-five (25¢) cents per hour.

(b) Wage increases, if any, due hereunder shall be effective the first Monday in February, 2005.

50. "EMPLOYER" AND "MEMBER OF THE ASSOCIATION" DEFINED

The term "employer" or "member of the Association" is herewith defined to include all persons who are either sole traders or sole owners, partners, or officers, directors or stockholders of a corporation, and any and all other persons whose remuneration in part or in whole is paid for on a percentage basis.

51. REMOVAL OF SHOP

No member of the Association shall during the term of this agreement move his shop or factory from its present location to any place to which the public carrier fare is more than the prevailing single fare of the New York City Transit Authority, nor shall he remove his factory from its present location to any place outside the City of New York.

52. UNION AGENT

It is hereby agreed that ROBERT JORDAN shall be deemed the sole agent authorized by the Union to deal with the Association and the members thereof concerning matters affecting the collective agreement and the Union reserves the right to substitute said agent, or add additional ones, provided it does so in writing to the Association, but that no one shall be deemed an agent unless he is also designated by the Union in writing.

53. UNITE NOT A PARTY

It is agreed that the Union party to this agreement, acts on its own behalf and is not acting or authorized to act as agent of or for UNITE!

54. CONFLICT WITH LAW

If any provision in this agreement shall at any time during the term thereof conflict with the Labor Management Relations Act, 1947, as amended, then such provision shall be deemed modified but continue in effect to the extent (most favorable to the Union) permitted by the applicable law. However, if at any time thereafter such provision shall no longer conflict with the law, then it shall be deemed restored to the agreement with the same force and effect as if it had never been in conflict with the law.

55. SAVINGS CLAUSE

It is understood and agreed that if any provision of this agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this agreement, or the application of such provision to other persons and circumstances, shall not be affected thereby.

56. DISABILITY BENEFITS

Members of the Association shall pay and be directly responsible for the lawfully mandated disability benefits to be provided workers in its shop. The Employer will provide disability benefits at no cost to covered workers.

57. NEGOTIATIONS FOR A NEW AGREEMENT

Six weeks prior to the expiration of this agreement,

representatives of the Union and the Association shall confer for the purpose of negotiating the terms of a new agreement.

58. FAIR EMPLOYMENT PRACTICES

The Employer shall fully comply with all federal, state or local laws relating to employment discrimination and child labor.

59. NO WAIVER

The failure of either party of this agreement to require strict performance of any provision of the agreement shall not be deemed a waiver or abandonment of any of the rights or remedies provided herein for a violation of the agreement, or any provision thereof; nor shall it constitute a waiver or abandonment of any right or remedy herein provided for a subsequent violation of any provision of the agreement.

60. TIME OFF FOR UNION ACTIVITIES

The duly designated shop chairperson in each factory with 20 or more workers employed, shall be granted one day off, with pay, in each year of this contract, for Union activities.

61. PARENTING LEAVE/FAMILY LEAVE

In addition to any other leave of absence, the Employer shall grant, upon request of the Union, up to six (6) months leave of absence without pay to male and female workers for the birth or adoption of a child (hereafter "parenting leave") or to care for a sick member of the immediate family (herein family leave).

(a) The Employer may hire a provisional worker for a period not to exceed six (6) months to take the place of any employee who is on parenting/family leave. Upon date of hire, the Employer

shall give the Union and the provisional worker notice of the worker's provisional status. During such period, provisional workers shall be entitled to all the rights of regular workers under this agreement. The Employer may retain a provisional worker as long as such action does not displace the worker on parenting/family leave or any other regular worker.

(b) A worker on parenting/family leave shall be entitled to return to work on his or her regular job prior to such absence or an equivalent position, and shall not lose any rights and privileges under this agreement.

(c) The provisions of the Family and Medical Leave Act of 1993 shall be incorporated into this Agreement and are enforceable through the grievance and arbitration procedure.

This paragraph shall in no way diminish or impair any leave of absence benefit currently enjoyed by the employees under this Agreement.

#### 62. CHECK-OFF OF UNION DUES

Each member of the Association shall deduct Union dues (which includes initiation fees and assessments) from the pay of its employees, upon notice from the Union, subject, however, to the requirements of law concerning written authorization by the individual employees, and shall transmit the same to the Union within one (1) week after each pay period in which deductions are made.

63. VACATION LEAVE

In each twelve month period each employee shall be granted an unpaid vacation leave of three weeks during periods mutually agreed upon by the Employer and the worker, but in no event shall such vacation period unreasonably interfere with the Employer's production requirements, nor shall consent for such leave be unreasonably withheld by the Employer.

64. RESERVISTS AND NATIONAL GUARD MEMBERS

The employment rights of veterans and members of the National Guard guaranteed by law are incorporated into this Agreement and are enforceable under the grievance and arbitration provisions of this Agreement.

65. CHILD CARE

The Employer recognizes its responsibility to assist the Union in the development of day care facilities, using public funds where available and appropriate.

66. PLEATERS STITCHERS & EMBROIDERERS  
INDUSTRY FUND

In addition to the percentage of payroll paid pursuant to paragraph 9 of this Agreement, each member of the Association shall contribute to the Pleaters, Stitchers & Embroiderer's Industry Fund a sum equivalent to .5% of the gross payroll of all its workers covered by this Agreement.

The Pleaters, Stitchers & Embroiderer's Industry Fund established for the purpose of funding the promotion of the garment industry and other related industry activities, shall be administered by a Board of Trustees. Said Board of Trustees shall



in its sole discretion determine the manner in which the purpose of the Fund shall be implemented, the amounts to be expended in furtherance of such purpose, and other matter involved in the administration of said fund. The Board of Trustees shall be composed only of employer representatives who shall be designated by the Association. The Board of Trustees shall have the power to adopt by-laws, rules and regulations and to make all decisions thereunder and in connection with the administration of the Fund as it may deem advisable.

67. LABOR-MANAGEMENT COOPERATION

(a) It is in the interest of the Employer, the Union and the workers represented by the Union that cooperative relationships be established and promoted, including labor-management committees, formed pursuant to LMRA, Section 302(C)(9), in order to improve the welfare of the workers and the success of the Employer's business. The parties agree, however, that such cooperative relationships can only be truly effective with the full involvement of the Union. Accordingly, the Employer agrees to develop and implement such cooperative relationships only after negotiating with the Union, affording the Union the opportunity to meaningfully participate, and obtaining the consent of the Union.

(b) The parties also agree that actions and decisions resulting from cooperative relationships shall not be binding upon the Union, or change or modify the provisions of the collective bargaining agreement or other agreements between the parties, or settle grievances or disputes between the parties

unless the parties agree thereto in writing.

(c) The parties agree to review the respective factories for the purpose of instituting an ergonomics program suitable for the premises. Specifically, the parties agree to participate in the Council on American Fashion ergonomics program and allow the health and safety committees of each member of the Association to be trained, on company time. The purpose of the ergonomic program is to identify hazards and high risk jobs and develop and install appropriate job or equipment modifications to reduce hazards, risks or work related injuries.

#### 68. REORGANIZATION OF FACTORY

With the consent of the Union, or in the case of disagreement, upon the award of the Impartial Chairman, a member of the Association shall have the right in good faith to reorganize its factory upon such terms and with such provisions as the Union or the Impartial Chairman may designate. A reorganization in good faith shall mean a bona fide revision of the business of the member of the Association necessitated by a permanent curtailment of its business or a fundamental change in the character of its business. Except with regard to cutters, markers and graders, should the workers be displaced in the event of a reorganization pursuant to this paragraph "67", workers shall be laid off in order of their seniority by the department or operation with the Employer, the junior workers being laid off first. Should work become available, such laid off workers shall be recalled in inverse order of their lay-off before any new employees are hired.

69. TERM

This agreement shall go into full force and effect as of the 1st day of July, 2003, and shall terminate on the 30th day of June, 2006.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

PLEATERS, STITCHERS AND  
EMBROIDERERS ASSOCIATION, INC.

By: 

Sheldon M. Edelman,  
Executive Director

INTIMATE APPAREL, EMBROIDERY, BELT AND  
ALLIED WORKERS' UNION, LOCAL 62-32,  
U.N.I.T.E.

By: 

Robert Jordan, Manager-Secretary

SCHEDULE "A"

(Referred to in the annexed Agreement)

The Minimum Scales shall be as follows:

PLEATERS, STITCHERS AND EMBROIDERERS SHOPS

<u>NEW MINIMUMS</u>	<u>Current</u> <u>Minimums</u>	<u>Effective</u>	<u>Effective</u>
<u>CRAFTS</u>	<u>7/7/03</u>	<u>7/5/04</u>	<u>7/4/05</u>
Bonnaz Operators	\$259.05	\$264.20	\$269.50
Tuckers	259.05	264.20	269.50
Pleaters/Pattern Makers	253.20	258.20	263.20
Pleaters	251.90	256.90	261.90
Pleaters Helpers	229.15	233.65	238.15
Air Tuckers	235.15	239.75	244.30
Hemstitchers	235.15	239.75	244.30
Shirrsers	235.15	239.75	244.30
17 X 12 Operators	235.15	239.75	244.30
Menders	235.15	239.75	244.30
German Hemstitchers	235.15	239.75	244.30
Figure 8	235.15	239.75	244.30
Bottom Makers	235.15	239.75	244.30
Hand Rollers	235.15	239.75	244.30
Zig Zag Operators (zig zagging on edges only)	221.90	226.25	230.60
Joiners and all Edge Workers	221.90	226.25	230.60
Stampers	229.15	233.65	238.15
Machine Setters	229.15	233.65	238.15
Air Pressers (including Scallop Pressers, Finishers, Pinners, Machine Feeders, Spoolers, Porters, Errand Persons and Unclassified Workers)	215.90	220.15	224.40

SCHEDULE "A" - Page 2 - Continued

TUBULAR PIPING AND TRIMMING SHOPS

<u>NEW MINIMUMS</u> CRAFTS	Current Minimums <u>7/7/03</u>	Effective <u>7/5/04</u>	Effective <u>7/4/05</u>
Bonnaz Operators	\$259.05	\$264.20	\$269.50
Tuckers	259.05	264.20	269.50
Pleaters/Pattern Makers	253.20	258.20	263.20
Pleaters	251.90	256.90	261.90
Pleaters Helpers	229.15	233.65	238.15
Air Tuckers	235.15	239.75	244.30
Hemstitchers	235.15	239.75	244.30
Shirrs	235.15	239.75	244.30
17 x 12 Operators	235.15	239.75	244.30
Menders	235.15	239.75	244.30
German Hemstitchers	235.15	239.75	244.30
Figure 8	235.15	239.75	244.30
Bottom Makers	235.15	239.75	244.30
Hand Rollers	235.15	239.75	244.30
Zig Zag Operators (zig zagging on edges only)	221.95	226.30	230.60
Joiners and all Edge Workers	221.95	226.30	230.60
Stampers	229.15	233.65	238.15
Machine Setters	229.15	233.65	238.15
Air Pressers (including Scallop Pressers, Finishers, Pinners, Machine Feeders, Spoolers, Porters, Errand Persons and Unclassified Workers)	215.90	220.15	224.40

SCHEDULE "A" - Page 3 - Continued

NEW MINIMUMS  
CRAFTS

Current  
Minimums  
7/7/03

Effective  
7/5/04

Effective  
7/4/05

HAND WORKERS

Crochet Beaders	\$229.15	233.65	238.15
Hand Embroiderers	221.95	226.30	230.65
Applique Cutters	213.05	217.30	221.55
Nailhead and Rhinestone Setters	213.05	217.30	221.55
Hand Sewers	218.30	222.55	226.80
Passementerie	229.15	233.65	238.15

PIPING

Current  
Minimums  
7/7/03

Effective  
7/5/04

Effective  
7/4/05

Pullers	\$233.60	\$238.20	\$242.80
Round Knife/ Electric Cutter	230.25	234.85	239.45
Table Cutters	230.25	234.85	239.45
Bias Joiners	213.05	217.30	221.55
Automatic	213.05	217.30	221.55

HAND EMBROIDERY & NOVELTY SHOPS

Current  
Minimums  
7/7/03

Effective  
7/5/04

Effective  
7/4/05

Crochet Beaders	\$229.15	233.65	238.15
Hand Embroiderers	221.90	226.25	230.60
Applique Cutters	213.05	217.30	221.55
Nailhead & Rhine- stone Setters	213.05	217.30	221.55
Hand Sewers	218.30	222.55	226.80
Passementerie	229.15	233.65	238.15

SCHEDULE "A" - Page 4 - Continued

COVERED BUTTON SHOPS

<u>NEW MINIMUMS</u> CRAFTS	Current Minimums <u>7/7/03</u>	Effective <u>7/5/04</u>	Effective <u>7/4/05</u>
Regular Cutters	\$240.50	\$245.20	\$249.90
Button Making & Covered Buckles	229.70	234.20	238.70
Stitched Buckles	217.75	222.00	226.25
All other works on Wire Stitched Buckles	215.30	219.50	223.70
Hand Sewn Buttons and Pronging	215.30	219.50	223.70

ARTIFICIAL FLOWERS MANUFACTURERS INC.

<u>NEW MINIMUMS</u> CRAFTS	Current Minimums <u>7/7/03</u>	Effective <u>7/5/04</u>	Effective <u>7/4/05</u>
Dyers	\$257.80	262.85	267.90
Cutters (who dye)	257.80	262.85	267.90
Cutters	257.80	262.85	267.90
Starchers, Branchers (who do Rose Making), Rosemakers	217.40	221.75	226.10
Pressers and Branchers	215.90	220.15	224.40