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Title: **Servicing Contractors Association of Greater Delaware Valley, Inc. and United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry of the United States & Canada (PPF), AFL-CIO, Local 420 (2005)**

K#: **8647**

Employer Name: **Servicing Contractors Association of Greater Delaware Valley, Inc.**

Location: **PA Pennsylvania**

Union: **United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry of the United States & Canada (PPF), AFL-CIO**

Local: **420**

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Sector: **P**

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ARTICLE I

SECTION 1

AGREEMENT

THIS AGREEMENT is entered into this 15th day of May, 2005, by and between SERVICING CONTRACTORS ASSOCIATION OF GREATER DELAWARE VALLEY, INC. of the Refrigeration and Air Conditioning Industry, or THE INDIVIDUAL SIGNATORY CONTRACTOR (hereinafter called the "EMPLOYER"), AND STEAMFITTERS LOCAL UNION NO. 420 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (AFL-CIO) (hereinafter called the "UNION").

This Agreement shall remain in full force and effect from May 15, 2005 and until May 14, 2008. The Agreement shall be automatically renewed thereafter from year to year unless either party shall give notice in writing to the other party sixty (60) days prior to any expiration date of intention to terminate the Agreement or to request changes in the terms and conditions thereof.

If either party to this Agreement has given timely notice to the other party (as required in the preceding paragraph) of its intention to terminate or modify this Agreement, then if, by May 14, 2008, a new or modified collective bargaining agreement shall not have been approved by the parties, then collective bargaining negotiations shall continue from May 14, 2008 through June 30, 2008, during which time all of the terms and conditions of this Agreement shall remain in effect. If a new or modified agreement is approved by the parties by June 30, 2008, the terms and conditions of the new or modified agreement shall become effective retroactive to May 15, 2008. During the period, May 14, 2008 through June 30, 2008 the parties shall select an impartial mediator through the United Association and Mechanical Service Contractors of America whose function shall be to meet promptly with the parties, provide recommendations concerning collective bargaining issues that are unresolved and assist the parties, through mediation, in resolving such issues. In the event that the parties, notwithstanding this effort, cannot reach agreement by June 30, 2008, the parties shall, respectively, possess and may exercise any and all rights that either party possessed as of May 14, 2008 and the Agreement shall be construed as terminated. Nothing set forth in this provision shall prohibit the parties, by mutual written agreement, from extending the Agreement pending further negotiations or otherwise modifying, upon mutual written consent, provisions set forth herein.

This Agreement between the Servicing Contractors Association of Greater Delaware Valley, Inc. and Steamfitters Local Union No. 420 of the United Association of Journeymen and Apprentices in the Plumbing and Pipefitting Industry of the United States and Canada, is entered into for the purpose of the securing at all times a sufficiency of skilled UA Journeymen at fair wage rates, thereby preventing waste and unnecessary expense, annoyance or delay and for the advancement of the interests of the Employer and the Union.

SECTION 2

RECOGNITION

The Employer recognizes the Union as the sole and exclusive bargaining representative for all Mechanical Equipment Service Journeymen ("MESJ"), Servicemen ("MES"), Apprentices, and Maintenance Operatives performing work covered by this Agreement within the geographic jurisdiction set forth in Article II, Section 5 of this Agreement in the employ of the Employer with respect to wages, hours and other terms and conditions of employment or any and all work subsequently described in this Agreement.

ARTICLE II

SECTION 1

ADJUSTMENT AND ARBITRATION OF DISPUTES

- (a) All disputes of any nature whatsoever which may arise between the Employers Association or an Employer or two or more Employers, on the one hand, and the Local Union or one or more of its members, on the other hand, shall, upon written request of the Employers Association or of the Local Union to the other, be submitted to the Joint Arbitration Board.

Any Employer or Employers desiring that any matter shall be submitted to the Joint Arbitration Board must request the Employers Association to submit such matter to the Board, and the Employers Association's decision as to whether such matter shall be submitted

to the Board shall be final and binding upon said Employer or Employers. Any Employee or Employees desiring that any matter shall be submitted to the Joint Arbitration Board must request the Local Union to submit such matter to the Board, and the Local Union's decision as to whether such matter shall be submitted to the Board shall be final and binding upon said Employee or Employees.

- (b) The Joint Arbitration Board shall consist of three (3) members of the Employers Association and three (3) members of the Local Union. The Employers Association and the Local Union, respectively, may at any time and from time to time replace any or all of the members of the Joint Arbitration Board heretofore designated by it. The members of said Board selected by the Employers Association and the members of said Board selected by the Local Union, shall, respectively, be entitled to cast three (3) votes on any issue before the Board, even though less than three (3) members designated by the Employers Association or less than three (3) members designated by the Local Union shall be present or voting. The absence of any member or members of the Board from hearings before the Board or from any part of the Board's proceedings in any dispute shall not be deemed to vitiate to any extent the Board's authority to hear the matter in dispute and to render a valid award thereon, provided that there are present one or more members of the Board designated by the Employers Association and one or more members designated by the Local Union. A meeting of the Joint Arbitration Board shall be held within forty-eight (48) hours after the Employers Association or the Local Union by written notice to the other indicates its desire to submit any question or dispute to the Joint Arbitration Board for settlement. A majority decision or award of the Joint Arbitration Board in any dispute or matter shall be final and binding upon the parties and all other persons involved in such dispute or matter.
- (c) In the event that the Joint Arbitration Board is unable to reach a decision in any matter within five (5) days after the first meeting of the Board scheduled for hearing on, or consideration of, said matter, then either the Employers Association or the Local Union may in writing, request the American Arbitration Association (hereinafter referred to as the "AAA"), to submit to both the Employers Association and the Local Union a list containing the names of the ten (10) proposed arbitrators selected by the AAA from its Panel of Arbitrators. Any Employee or Employees desiring that a matter which the Joint Arbitration has been unable to decide shall be submitted to an arbitrator must request the Local Union to do so, and the Local Union's decision as to whether such matter shall be submitted to an arbitrator shall be final and binding upon said Employee or Employees.

Within five (5) days after the AAA has mailed its list of proposed arbitrators to the Employers Association and the Local Union, the Employers Association Secretary and the Local Union's Business Manager shall meet and attempt to select one of the persons named on said list to serve as sole arbitrator. In the event that the Employers Association's Secretary and the Local Union's Business Manager fail or are unable within said five (5) days to select an arbitrator, either of them may, not more than twenty-four (24) hours after the expiration of said five (5) days, request the AAA to submit to the Employers Association and the Local Union a second list containing the names of ten (10) proposed arbitrators selected by the AAA from its Panel of Arbitrators. Within five (5) days after the AAA has mailed its second list of proposed arbitrators to the Employers Association and to the Local Union, the Employers Association's Secretary and the Local Union's Business Manager shall meet and attempt to select one of the persons named on said list to serve as sole arbitrator. In the event that the Employers Association's Secretary and the Local Union's Business Manager fail or are unable within said five (5) days to select an arbitrator from such second list, then, within twenty-four (24) hours after the expiration of said five (5) days, either the Employers Association's Secretary or the Local Union's Business Manager shall request the AAA promptly to designate an arbitrator in accordance with said AAA's then existing rules for Voluntary Labor Arbitration.

The arbitrator, whether he be selected by the Employers Association's Secretary and the Local Union's Business Manager, or designated as above provided by the AAA, shall be the sole arbitrator to hear and decide the matter or question in dispute. Within forty-eight (48) hours after his selection or designation, the arbitrator shall schedule a hearing which is to be held within, but no later than, one (1) week thereafter. The arbitrator shall conduct the hearing or hearings and the arbitration proceedings in accordance with the then prevailing rules of the American Arbitration Association, and he shall render his decision or award in writing within fourteen (14) days after the date upon which the first hearing takes place, unless said time is extended by type agreement of the Employers Association and the Local Union.

The decision or award of the arbitrator shall be final and binding upon all parties to the dispute or matter involved, and in the event the issue determined by him involves the payment of wages or the rate of wages paid, his decision shall be retroactive to the date on which the matter was first submitted to the Joint Arbitration Board or the date of the alleged contract violation, whichever is appropriate.

SECTION 2

NO STRIKES OR LOCKOUTS

During the term of this Agreement, neither the Local Union nor any of the Employees covered by this Agreement, will collectively, concertedly or individually induce, engage or participate directly or indirectly, in any strike, picketing, slowdown, stoppage or other

curtailment or interference with the Employer's operations, or interference with the flow of materials or persons in or out of places where Employer is doing business. The Local Union agrees to end any unauthorized interruption of work. The Employer will not lockout any of the employees covered by this Agreement. It is further understood and agreed that in the event any dispute is pending for resolution in accordance with the grievance and arbitration procedure set forth in Section 1 of this Article, the terms of this Section nevertheless shall remain in full force and effect. Upon the violation of the Local Union or any of its Employees of any of the terms of this Section, the Employer shall not be required to resort to the grievance and arbitration procedure set forth in Section 1 of this Article prior to resorting to other remedies. This provision shall be subject to the exceptions set forth below:

- (a) Notwithstanding the language set forth above, nothing contained in this Article, or any provision of this Agreement, shall be construed as prohibiting the Local Union, its members or any employee(s) in the bargaining unit from honoring and/or refusing to cross or work behind a lawfully established picket line by this Local Union or any other labor organization or to subject an Employee to discipline or the Local Union to liability for engaging in such conduct or exercising such rights. It is expressly understood that the Local Union, its members and Employees in the bargaining unit shall, at all times, possess a right to a lawfully established picket line by this Local Union or any other labor organization and such conduct shall not be construed as a violation of this Article/Section or any other provision set forth by this Agreement.
- (b) Notwithstanding the language set forth above, nothing contained in this Article, or any provision of this Agreement, shall be construed as prohibiting the Local Union from withdrawing its members from a signatory Employer and withholding their labor in circumstances where the Employer has failed to pay its Employee(s) wage payments that are due and owing under provisions set forth in this Agreement or in circumstances in which the Employer has failed to submit timely contributions and/or transmit funds that are due and owing to any of the Steamfitters Local Union No. 420 employee benefit funds or the Local Union (for dues and assessments). It is expressly understood that the Local Union shall have the right to withhold the labor of its members in such circumstances and that such conduct by the Local Union, or the exercise of its right to engage in such conduct, shall not be construed as a violation of this Agreement or in any manner subject the Local Union, or its members, to discipline, sanctions or damages. Further, in the event the Local Union exercised its right to withhold the labor of its members in the circumstances described above, such action shall not be construed as releasing the Employer from its obligations under the terms and provisions of this Agreement. In addition, the Employer from whom the Local Union withholds its labor under this provision shall remain, and be, liable to its Employees for payment of all wages and fringe benefit contributions lost by them during the work curtailment, until such time as the matter is resolved.

SECTION 3

EMPLOYEES COVERED BY AGREEMENT

This Agreement shall apply to all Mechanical Equipment Service Journeymen, Servicemen, Service Apprentices, or Maintenance Operatives (any or all of whom are sometimes hereinafter referred to as "Employees"), who are at any time engaged in the territory described in Section 5 of this Article in performing for any Employer work covered by this Agreement or heretofore customarily performed by Journeymen, and/or Apprentice Steamfitters, Mechanical Equipment Service Journeymen, Light Refrigeration Service Journeymen, Light Refrigeration Service Apprentices, and/or Maintenance Operatives.

SECTION 4

EMPLOYERS COVERED BY AGREEMENT

This Agreement shall apply to members of the Employers Association and to such other "Servicing Contractors" who become members of the Employers Association. The Employers Association hereby represents that each member of the Employers Association is in good standing and that the Employers Association is executing this Agreement on behalf of each such Employers pursuant to authority duly granted by each such Employer. Each Employer shall continue to be bound by all of the terms and conditions of this Agreement, notwithstanding his suspension, expulsion or resignation from the Employers Association, or his loss of good standing or membership therein for any reason.

SECTION 5

TERRITORY COVERED BY AGREEMENT

This Agreement shall apply within the Commonwealth of Pennsylvania and the States of New Jersey and Delaware ("tri-state area"). In circumstances where the Employer is performing work on a project in the tri-state area that is outside Local 420's geographic jurisdiction as assigned to it by the United Association and where the Employer is otherwise signatory to an Agreement with a sister UA Local Union or a UA National Agreement that encompasses the same work, such Local or National Agreement, as the case may be, shall supersede this Agreement.

ARTICLE III

SECTION 1

DEFINITIONS

AIR CONDITIONING OR REFRIGERATION CONTRACTOR

As used herein, this term is defined to mean an individual or form of organization having full-time management, and operating responsibilities and engaged in the business of selling, erecting, installing, altering, servicing, maintaining or repairing refrigeration and/or air conditioning equipment, who shall have an established location where he transacts business with the public, with a sign displayed announcing the character of his business, who shall carry stocks of refrigeration and air conditioning materials for the performance of refrigeration and air conditioning installations of work, who shall maintain proper books of accounts and records incident to the conduct of this business and who shall comply with all laws and licensing regulations as required.

SECTION 2

CLASSIFICATION OF EMPLOYEES

MECHANICAL EQUIPMENT SERVICE JOURNEYMAN must be a skilled craftsman in the trade, and have a minimum of five (5) years actual, practical working experience as a serviceman in the Plumbing and Pipefitting and/or mechanical equipment service and maintenance industry. He may be required to satisfactorily pass an examination as to his special skills.

MECHANICAL EQUIPMENT SERVICEMAN must have a minimum of five (5) years actual, practical working experience in the mechanical equipment service and maintenance field. He may be required to satisfactorily pass an examination as to his special skills.

MECHANICAL EQUIPMENT SERVICE APPRENTICES, as defined in Article VII, Section 1, shall, after their first year of apprenticeship, be allowed to perform work limited only by their capabilities, as defined as being work in the mechanical equipment service and maintenance field, and they shall be under the direction of a qualified Serviceman or Journeyman.

MAINTENANCE OPERATIVES, It is the intent of this Agreement to make Contractors signatory to this Agreement more competitive in obtaining maintenance contracts. Signatory contractors, operating in fulfillment of this Agreement and having in their employ at least one (1) apprentice shall notify the Union of their intent of employing a "Maintenance Operative" when needed.

ALL above classifications of employees, except first-year Apprentices and Maintenance Operatives, must possess valid certificates of Universal CFC Certification.

ARTICLE IV

SECTION 1

TRADE OR WORK JURISDICTION

This agreement covers rate of pay, rules and working conditions of all Journeymen, Servicemen, and Apprentices engaged in the installation, service, maintenance, repair and replacement of all equipment, parts and appurtenances pertaining to commercial and residential

refrigeration, air-cooling, heating and air conditioning systems of the categories defined herein, the balancing of air and water flow of air conditioning systems in accordance with accepted standards and all other appliances and appurtenances of these systems which are now or which in the future, will be installed, serviced, repaired or maintained by the Employer.

SECTION 2

INTERPRETATION OF THE SCOPE OF INSTALLATION WORK

In order to avoid jurisdictional controversies with the other trades, the Employer agrees to procure and embrace, in all of the job contracts and specifications, all of the unloading, handling from curbstone delivery, erection and installation of piping, duct systems, fixtures, appurtenances, and appliances that are necessary to make new complete refrigeration and/or air conditioning installation and/or renovation project.

Mechanical Equipment Servicemen and Apprentices covered by this Agreement will perform functions of unloading, rigging, setting, piping, and start up of commercial refrigeration installations, where the combined compressor horsepower being installed on the premises does not exceed ten (10) horsepower, except in the instance of an addition of no more than four (4) refrigerated cases, not involving a complete remodel of a store and except in the instance of installations in such retail operations as "fast food stores" (for instance McDonald's) or "convenience stores" (for instance 7-11 stores, WAWA stores, etc.) small bakeries, delicatessens, small meat markets, small restaurants and bars and where "so called" package condensing equipment, such as manufactured by Hussman, Bohn Manufacturing Co., Larkin, etc. and refrigeration blower-evaporators are involved.

It is the intent of this Agreement to provide competitive opportunities for refrigeration installations, without encroaching on the employment of regular construction pipefitting personnel, especially in the installation of large refrigeration equipment in manufacturing plants, meat packing houses and supermarkets.

The nominal compressor horsepower, and not compressor tonnage, shall be the determining factor of capacity.

Installation of air conditioning, heat pump, gas, hot-water and solar heating and cooling equipment by Mechanical Equipment Servicemen under this Agreement shall be limited to a total of fifty (50) tons of cooling capacity and the equivalent heating capacity being installed on the premises, except in the instance of installations in such retail operations as enumerated above under "refrigeration" where this limitation is waived. Installation of hot water boilers shall be limited to a single system of 600,000 BTU's or cumulative system of 1,200,000 BTU's welded pipe excluded.

Installation of air conditioning equipment at any premises shall be limited to a cumulative nominal capacity rating of fifty (50) tons for so-called rooftop and self-contained units (air, water or Glycol cooled) together with controls and accessories. All other system types (air cooled or water cooled) installed within such cumulative fifty (50) ton limitation shall not exceed forty (40) tons capacity.

By mutual agreement between the Business Manager and the Contractor, on a case-by-case basis, the MES shall install air conditioning up to a 25,000 square foot space limitation, air-to-air systems only (excluding the city of Philadelphia).

The cooling capacity rating published by manufacturer in "Tons" shall be the determining factor of tonnage being installed. (The equivalent heating capacity rating is defined as "two times the cooling capacity expressed in BTU's". "Premises" is defined as that space occupied by a single company or corporate tenant.)

The scope of installation, within the above tonnage limitations, includes necessary refrigerant piping, condenser water piping, and in the case of gas fired, oil fired or hot water heating or cooling equipment, the necessary oil, gas piping and water piping for the size system. Installation of hot water boilers shall be limited to a single system of 600,000 BTU's or cumulative systems of 1,200,000 BTU's, welded pipe excluded. (Air and water balancing required in the installation of equipment and systems covered by this Agreement shall come under the scope of this Agreement. Installation of unit curbs and duct transitions to main duct systems included.) Installation of steam heating equipment does not come under the scope of this Agreement.

Residential installation work shall be defined as applying to work on any single-family dwelling or multiple-family housing unit, where each individual family apartment is heated or air conditioned by a separate, independent unit commonly known as "low-rise projects" and "garden-type, walk-up apartments," limited to two stories and basement. Such residential installation work shall not be subject to tonnage limitations.

SECTION 3

INTERPRETATION OF THE SCOPE OF WORK MECHANICAL SERVICE AND MAINTENANCE

Mechanical Service and Maintenance work is the work normally performed by contractors who are equipped to handle all work relating to evacuation, charging, start-up, inspection, operation, maintenance and service calls necessary to keep a mechanical system of refrigeration, air conditioning, heating, and/or ventilation or any other newly installed, remodeled revamped, or redesigned mechanical system in operational order. Service and maintenance shall include, but not be limited to, all the maintaining, cleaning, adjusting, repairing, altering, overhauling, dismantling, reconditioning, replacing, modifying, evacuating, charging, inspecting, operating, starting, calibrating and balancing of any system or component part thereof, regardless of size or location, including all other service and maintenance work assigned to the Employer by the customer in a currently operating facility. Notwithstanding the foregoing, it is specifically agreed by the parties that employees working under this Agreement shall not perform renovation work and/or work involving replacement or installation of packaged screw-type chillers above thirty-five (35) tons nominal capacity rating and all centrifugal and absorption water chillers.

Non-bargaining unit Employees of the Employer or the Employer's vendors or contractors may perform work of a technical nature related to diagnosing problems, or for the purpose of instruction and training.

MECHANICAL EQUIPMENT SERVICE JOURNEYMEN shall be allowed to perform all of the work covered under this agreement.

MECHANICAL EQUIPMENT SERVICEMEN covered under this Agreement will perform all maintenance and preventive maintenance work on all mechanical equipment. Maintenance and preventive maintenance work includes the inspection (other than inspection of packaged screw-type chillers above thirty-five (35) tons nominal capacity rating and all centrifugal and absorption water chillers, which shall be the work of the MESI), cleaning, lubrication and adjustment of all mechanical equipment. Inspection, repair, preventative maintenance and maintenance of all Centrifugal, Absorption and Packaged Screw Type Chillers above thirty-five (35) tons nominal capacity other noninvasive maintenance work shall be the work of the MES. The cleaning of the condenser and evaporator tubes shall be the work of the MES. MECHANICAL EQUIPMENT SERVICEMEN covered under this Agreement will perform all necessary service work on the following equipment and systems:

(a) Supermarket and Retail Food Store Refrigeration:

Supermarket and retail food store refrigeration and air conditioning systems, including compressors, condensing equipment, display cases, reach-in boxes, walk-in coolers, freezers, coils and accessories.

(b) Commercial Refrigeration:

Refrigeration systems installed in other than supermarkets and retail stores with an individual nominal compressor capacity, not exceeding twenty (20) horsepower. The cooling tower or other connected condensing appurtenances to the above systems.

(c) Industrial Refrigeration:

Ammonia-type refrigeration equipment and centrifugal and/or open drive screw refrigeration equipment does not come under the scope of the serviceman, nor does reciprocating and/or open drive screw refrigeration equipment of an individual size larger than twenty (20) horsepower when installed in other than supermarkets and retail food stores.

(d) Unitary Air Conditioning and Package Water Chillers:

Service and maintenance of air conditioning equipment, unitary self-contained or split package units (air or water-cooled), and package water chillers (air or water-cooled), together with controls, accessories, coils, heat exchangers and connected cooling tower or other condensing appurtenances including leak repair, filter dryer replacement when associated with leak repair, refrigerant recovery and replacements and/or testing of the above mentioned systems come under the scope of the Serviceman.

The replacement of an evaporator coil, condenser coil, compressor, associated piping, appurtenances including filter dryer, refrigerant recovery and replacement, exceeding forty (40) tons in capacity is not included within the scope of the serviceman. (Fifty (50) tons on packaged rooftop units.)

The replacement of existing (unitary) rooftop equipment up to and including one hundred (100) tons capacity (including rigging, wiring, curbing, and duct work) is within the scope of the Serviceman.

(e) **Centrifugal/Large Tonnage Chillers:**

Packaged screw-type chillers, above thirty-five (35) tons nominal capacity rating and all centrifugal and absorption water chillers are excluded from the scope of the Serviceman.

(f) **New Piping Excluded From Scope of Agreement:**

New piping of fan coil units, towers, pumps and air handlers, except as covered under Article IV, Section 2 (Installation), is not included in this Agreement.

(g) **Start-up New Installations:**

The function of start-up, evacuation, charging and adjustment of newly installed systems must be performed by the classification of Employees having the jurisdiction over the installation of same equipment and must be paid for at the wages and fringes applying to these Employees when the work is performed during regular hours or the rate of overtime pay applicable when work is performed on overtime.

(h) **Gas and Oil Burning Equipment:**

Service and Maintenance of all gas and oil burners and equipment, together with controls, accessories and heat exchangers, included in the scope of the Serviceman shall be limited to three million (3,000,000) BTU's input per burner.

(i) **Steam Equipment:**

General service and maintenance of steam heating systems plus electric steam humidifiers and other steam components that are part of HVAC systems shall come under the scope of this Agreement, provided such systems are no larger than one million (1,000,000) BTU's input. Steam boilers, other than residential type, are excluded from the scope of the Serviceman and are included in the scope of the MESJ.

MECHANICAL EQUIPMENT SERVICE APPRENTICES, shall, after their first year of apprenticeship, be allowed to perform all work limited only by their capabilities, as being defined as work in the mechanical equipment service and maintenance field, and they shall be allowed to work under the direction of a qualified journeyman or serviceman. They shall be allowed to assume serviceman duties in the mechanical equipment and service and maintenance field when they have completed their fifth (5th) period and have passed the tests applicable to that period.

MAINTENANCE OPERATIVES The following stipulations will apply to the employment of Maintenance Operatives:

- (a) The employer must have in his employ at least one (1) Apprentice for each Maintenance Operative employed. In case of a layoff, a Maintenance Operative must be laid off before an Apprentice is laid off.
- (b) Maintenance Operative work is to be strictly limited to non-mechanical duties, such as cleaning and changing of air filters, general cleaning and painting, water treatment, janitorial services and errands.
- (c) The pay scale of Maintenance Operatives shall be fifty percent (50%) of the wage scale for Servicemen under this Agreement.
- (d) Maintenance Operatives will not be covered by the Welfare and Pension Plans of the Union. It is incumbent on the Employer to provide Workman's Compensation and other insurance coverage, including health insurance coverage, following a ninety (90) day probationary period for Maintenance Operatives employed by him.

ARTICLE V

DAYS AND HOURS OF WORK

SECTION 1

WORK SCHEDULE

The regular work day for all employers shall consist of any consecutive eight (8) hours between the hours of 7:00 a.m. and 5:30 p.m. The regular workweek for employees shall be Monday through Friday inclusive and shall consist of forty (40) hours. All employees work to be scheduled for five (5) consecutive days.

All time worked before and after the established work day of eight (8) hours, Monday through Friday, and all time worked on Saturday, Sunday and Holidays on non-scheduled Emergency Service shall be paid at the rate of time plus one half. All scheduled work on Sunday and Holidays shall be paid at the double time rate.

On new installations, if work is to be done on overtime, the first two (2) hours performed in excess of an eight (8) hour work day, Monday through Friday, and the first ten (10) hours on Saturday, shall be paid at one and one half (1 1/2) times the straight time rate. All new installation work performed on Sunday and designated Holidays and in excess of ten (10) hours a day shall be paid at double time the established rate of pay.

By mutual consent of the Employer and the Union, the starting and quitting time of a normal established work day of eight (8) hours for the one employer may be set or changed for any or all employees.

REPORTING PAY

Any employee scheduled for work who is notified of through other means advised not to report for work because of inclement weather shall not be paid. Any employee scheduled for work who is notified or who, through other means, is advised not to report to work because of lack of work will receive two (2) hours pay at the regular hourly pay scale. Any employee who is scheduled for work and arrives at the office, shop or job and is thereafter advised that work is not available will receive four (4) hours pay at the regular pay scale. Any employee who works for four (4) or more hours and is advised that work is not available for the remainder of the work day will receive eight (8) hours pay at the regular hourly pay scale.

OPTIONAL FOUR (4) DAY WORK WEEK

By mutual consent between the Employer and the Local Union, a flexible work week of "four tens" (four (4) shifts of ten (10) hours each, Monday thru Friday, inclusive) may be established. All work, performed during these scheduled forty (40) hours shall be paid at the regular straight time wage rate.

In circumstances where the parties have agreed that shifts of "four tens" may be worked on a specific job involving new installation, overtime shall be paid as follows: The first two (2) hours worked in excess of ten (10) will be paid for at a rate of time plus one-half (1-1/2x) and all hours thereafter will be paid for at a rate of double time (2x). Saturday work will be paid at time and one-half (1-1/2x) for the first ten (10) hours and double time (2x) thereafter. Sunday and Holidays shall be paid at double time (2x). Hours worked in excess of forty (40) hours during a work week shall be paid at time and one half (1-1/2x) or, where otherwise required by the specific provisions set forth herein, double time (2x).

All work performed in excess of the designated ten (10) hour shift shall be paid at the applicable overtime wage rate. In such a circumstance, the employee shall receive a thirty (30) minute, paid meal period.

Apprentices assigned to work "four tens" concurrent with a regularly scheduled training class day shall be paid for not less than thirty-two (32) hours, provided that at least thirty (30) hours have been worked during the four (4) day workweek.

Alternately, Apprentices assigned to work "four tens" concurrent with a regularly scheduled training class day shall have the option of designating a make-up work day, Monday through Friday, inclusive.

SECTION 2

STAND-BY

Any Employer may, at its discretion, establish an emergency service, stand-by schedule for employees that it feels are qualified to perform the work. The schedule must be published and posted. Each employee in such a shop must be available for stand-by, but shall have the option to arrange for a substitute to serve in his place upon prior notice to the Employer's office.

An Employee scheduled for stand-by on days other than his normal scheduled work week shall receive a minimum of four (4) hours pay at the straight time rate, in case no actual work is performed. If work is performed, the employee is to be paid for the actual hours worked, but no less than the minimum stated above. An employee who is scheduled to receive emergency service calls during the regular work week at his home shall receive an allowance equivalent to one (1) hour at the regular time pay weekday on this schedule, unless he is called out to perform emergency service. Stand-by time shall not be considered as pay for hours worked. All hours actually worked in performing emergency service, including travel time during this schedule, shall be paid for at the applicable overtime rate, including benefits. No fringe benefits shall be payable for stand-by time that is not actually worked.

SECTION 3

PRE-EMPLOYMENT TESTING

If Employer requires that potential employees shall take a written examination as a condition of employment, Employer shall reimburse said potential employee for time spent in such examination.

SECTION 4

SHIFT WORK

Shift work may be used on installation projects only. In order to be considered as shift work, work must be performed by Employees on at least two (2) consecutive eight (8) hour shifts within one (1) day. Shifts shall be from 12:00 midnight to 8:00 a.m., 8:00 a.m. to 4:00 p.m. and 4:00 p.m. to 12:00 midnight. Lunch period of thirty (30) minutes on each shift shall be paid for by the Employer.

Shift work must run for a minimum of one hundred twenty (120) hours when three (3) shifts are worked and eighty (80) hours when two (2) shifts are worked. However, shift work shall not apply to Saturday, Sunday or designated Holidays. Shift work will be paid for at the rate of fifteen percent (15%) premium above the regular hourly wage rate, except for the shift between 8:00 a.m. to 4:00 p.m., which shall be paid for at regular time. In addition, the fringe benefit contributions for such work shall be increased by fifteen percent (15%).

SECTION 5

HOLIDAYS

The following are designated, observed holidays, not worked: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day.

Any one of the above listed holidays falling on Saturday shall be treated for all purposes under this Agreement as falling on the preceding Friday and shall for such purposes be observed on Friday only. Any of the above listed holidays, falling on Sunday, shall be treated for all purposes under this Agreement as falling on the following Monday and shall for all purposes be observed on that Monday only.

SECTION 6

FEDERAL/STATE/LOCAL GOVERNMENT ELECTION DAYS

With proper and reasonable notification to the Employers, employees may take a voluntary day off, without pay, for Federal, State or Local elections.

SECTION 7

DEATH IN FAMILY

Journeymen, Servicemen, Apprentices, with one (1) year or more of continuous service with the same Employer shall receive; sixteen (16) hours of pay in the case of absence due to the death in the immediate family of the employee. As used herein, "immediate family" shall mean spouse, children, grandparent, mother, father, brother, sister, mother-in-law, father-in-law, of the employee.

SECTION 8

WAGE PAYMENT

Pay day shall be once each week no later than the fifth day following the end of the employer's weekly payroll period. However, if mailed, Employers will mail such checks no later than the third working day following the end of the Employer's weekly payroll period. Employees are to be paid at the option of the Employer and signed permission of Employee in cash, by electronic or automatic deposit or negotiable payroll check. When employees are laid off or discharged, they shall be immediately paid all wages due after returning all tools, property, confidential materials, time sheets, and work orders belonging to the contractor. Contractor will be responsible for transportation of employee to his/her residence after return of above mentioned items and company van.

Waiting time for wages after the above criteria is met, either on regular payday or discharge or lay off, shall be paid for at the double (2x) time rate.

SECTION 9

TRANSPORTATION

Employers will normally furnish service trucks and pay the operating expenses of these trucks for the purpose of employees transporting tools, drums, motors and repair parts in carrying out their duties as service mechanics.

The use of the service truck for any travel not directly connected with the employee's assigned duties or without the Employer's express consent is prohibited. Violation of this rule is cause for dismissal without notice. Should the Employer request that the employee operate his own vehicle, for instance, while the service is being repaired, and the employee complies with this request, the Employer will as follows:

- (a) Reimbursement of \$14.00 per day to any employee using a personal vehicle in carrying out the duties assigned to him by the Employer, for up to thirty (30) calendar days. After thirty (30) days, the employee shall be reimbursed at the rate of \$28.00 per day. Should the employee drive his vehicle more than twenty-five (25) miles in one day carrying out the duties assigned to him by the Employer, he shall receive an additional reimbursement of thirty cents (\$.30) per mile for each mile in excess of twenty-five (25) miles per day.
- (b) *When using a personal vehicle for work duties assigned by the Employer, the employee shall carry the necessary property damage and general liability insurance coverages as required by state laws.*

All Employees that drive Company Vehicles will be required to maintain a valid driver's license while in the employ of the Employer, and the Employer shall have the right to check the validity of such driver's license at its discretion in accordance with the company policy. The Employee shall, at all times, exercise utmost care and safety in the operation of the Vehicle. The Employee shall be responsible for securing and locking the Vehicle when it is unattended, and shall follow all rules pertaining to the maintenance schedule.

Drivers of company vehicles shall be furnished with gasoline credit cards or "cash advances" as dictated by the Employer to limit "out-of-pocket" expenditures by the employee.

SECTION 10

TRAVEL TIME

It is expected that an employee shall spend a reasonable time traveling to his initial job assignment and returning from his final job site assignment to this "designated starting point." This reasonable travel time shall be equated to one hour (1) per direction (2 hours/day).

All travel time in addition to this shall be paid for at straight time rates and the pay, therefore, shall not be considered as pay for hours worked.

SECTION 11

OUT OF TOWN JOBS

Employees employed on out of town jobs on which it is necessary to travel long distances shall be paid for transportation fare and for time traveled. Time traveled shall be paid at straight time rates. Paid travel time is not to exceed eight (8) hours in any one day.

All travel time, in excess of reasonable commuting time, before and after an Employee's normal work hours shall be paid for at straight time, and such travel shall not be considered hours worked and the pay, therefore, shall not be considered as pay for hours worked.

Accommodations for room and board shall be equal to those of "Holiday Inn," "Quality Court" or similar facilities and shall be reimbursed to the employee.

ARTICLE VI

UNIFORMS AND TOOLS

When special uniforms are required by the Employer, the Employer shall supply such uniforms. Employees shall be responsible for tools, equipment, vehicles, instruments, etc. supplied by the Employer, provided mutual security arrangements are made in the form of locked tool boxes, etc. Establishment of gross carelessness or gross negligence on the part of the employee shall make the employee liable for replacement of lost or stolen tools. All tools must be AMERICAN made.

Employees shall be required to furnish all hand tools, herein listed, except equipment, presto tanks, etc.

Tool Box

Refrigeration Test manifold and hoses

Pocket thermometer

Crescent wrenches (set consisting of 6", 8", 12")

Tube cutters (1/4" to 1-1/8")

Refrigeration Flaring Kit

Screw drivers (complete set)

Combination wrenches (box and open end, 3/8" to 1-1/8")

Pliers (needle nose, channel locks, combination, vise grips)

Pipe Wrenches up to and including 14"

Side cutters

Ball peen hammer 2"

Allen wrenches (1/16" to 1/2")

Hack saw

Keyhole saw

Swaging kit (1/4", 3/8", 1/2", 5/8")

One (1) pair straight tin snips

Punch and chisel set

Presto-lite detection, installation, and repair kits (no tanks)

6" rule

Refrigeration service wrench

Flashlight

Amprobe RS-3 or equal
Extension cord and trouble light
Torpedo level
One (1) set metal files
3/8" drive socket set (3/8" - 1-1/8")
Knife
Fuse Puller

All broken or worn-out hand tools shall be repaired or replaced by the Employer. Apprentices reaching a sufficiently advanced state of training will be furnished necessary hand tools by the Employer on request. The Employer shall make the service vehicle furnished by him as burglar-proof as possible. The vehicle shall also be fully insured or self-insured (if permitted by law) by the Employer against theft, accidents, negligence, carelessness and losses of any nature with respect to the vehicle and/or its contents. If the employee uses his own vehicle for service, he shall make it as burglar-proof as possible under the circumstances. In the case of a proven forced entry into the service vehicle while on duty, the Employer shall replace the proven loss of the employee's tools, which shall also include additional tools or equipment owned by the employee, other than those listed herein, provided the employee has informed the Employer that such equipment was present in the service vehicle.

Replacement of tools shall be based on the personal tool list to be furnished by the employee to the Employer at the time of employment and updated from time to time if the employee buys additional tools at his/her expense. Establishment of carelessness or negligence on the part of the employee shall make the employee liable for the replacement of lost or stolen tools owned by such employee.

RAIN GEAR

If Employer requires any employee to work in the rain, said Employer will provide rain gear. It will be the responsibility of the employee to keep rain gear in good condition and return same to Employer upon request.

SAFETY

The Employer agrees to maintain safe working equipment to satisfactorily meet all requirements of laws, rules and regulations applicable thereto and both Employer and Employee shall comply with all of the provisions of the Occupational Safety and Health Act and with the rules and regulations promulgated thereunder.

To further promote the safety of the employees at the job site, no employee shall be required to work alone at locations which are mutually considered to be hazardous by the Employer or his representative (Superintendent or Foreman) and the Business Manager of the Local Union.

ARTICLE VII

SECTION 1

APPRENTICESHIP AND TRAINING

The term "Apprentice" means a person who is engaged in learning to perform the duties of a serviceman. Apprentices shall be governed by the rules and regulations of the Joint Conference Board, which administers the Apprenticeship Training Program of the Local Union, except in instances where, by agreement of the parties, an apprentice indentured to the Local Union's Steamfitter Apprentice Program is accepted for employment and training in the service field.

Apprentice wages shall be based on the following percentages of the appropriate rate for each period of advancement, with the provision that advancement must be certified by the Joint Conference Board following attainment of passing grades by the Apprentice in the attendance of the training program and qualifying tests. If a Service Apprentice performs work within the scope of the Serviceman, he/she will be paid the following percentages applied to the Serviceman rate (plus 100% of the fringe benefit package received by the Serviceman, except for Apprentices in the first through fifth period of the Apprentice Training Program the contribution to the Pension Plan shall be reduced by 50%). If a Service Apprentice performs work beyond the scope of a Serviceman and within the scope of the MESJ, he/she will be paid the following percentage applied to the MESJ rate (plus 100% of the fringe benefit package received by an MESJ, except for Apprentices in the first through fifth period of the Apprentice Training Program the contribution to the Pension Plan shall be reduced by 50%). Percentage of wages which Apprentices will receive following attainment of the respective period, with each period of minimum six (6) months or one thousand (1000) hours duration, are:

Apprentice Wage Scale

First Period	50%
Second Period	50%
Third Period	50%
Fourth Period	54%
Fifth Period	58%
Sixth Period	62%
Seventh Period	66%
Eighth Period	70%
Ninth Period	75%
Tenth Period	80%

The Employer shall be permitted a ration of one (1) Apprentice for the first Serviceman, and/or Service Journeyman, and then permitted an additional Apprentice for every two (2) Service Journeyman and/or Serviceman employed. An Employer who has in his employ three (3) Service Journeyman and/or Servicemen shall hire one (1) Apprentice upon requirement of a fourth (4th) employee.

Apprentices shall be allowed to assume Serviceman duties in the mechanical equipment service and maintenance field when they have completed their fifth (5th) period and have passed the tests applicable to that period.

Notwithstanding the foregoing language or any other provision set forth in this Agreement, a Steamfitter Apprentice that performs work under this contract shall not suffer a reduction in rate from what the Apprentice would have received in his/her appropriate period in the Steamfitter Apprentice Program.

SECTION 2

RULES GOVERNING APPRENTICESHIP AND TRAINING

The Employer agrees to cooperate with the Local Union in the practical training of Apprentices for mechanical equipment service and maintenance, refrigeration and air conditioning in accordance with the provisions of the Constitution and Bylaws of the UA and such Rules and Regulations as shall be set up by the Joint Conference Board. Where expenses are approved by the Joint Conference Board, they will be paid out of the Apprentice Training Fund.

POWERS OF JOINT CONFERENCE BOARD

The Joint Conference Board shall at all times have full autonomous jurisdiction over matters of the Apprenticeship Training by or through such Rules and Regulations and requirements as may by agreement or action be established. This jurisdiction shall be without interference or restraint by the Employer in dealing with Apprentices found violating the Charter, or Acts of the Joint Conference Board.

ACTION OF CONFERENCE BOARD NOT SUBJECT TO ARBITRATION

The actions of the Joint Conference Board and any agreement of plans for Apprentice Training shall not be subject to the provisions of Article II.

SECTION 3

JOINT CONFERENCE BOARD

In order to provide for an enlightened program in furthering the Air Conditioning and Refrigeration field, a "Joint Conference Board" shall be established. This Board shall be assigned the following tasks as outlined in paragraphs "a" through "j":

- (a) Establishment of a training program for the Refrigeration and Air Conditioning field.
- (b) Establishment of scholastic prerequisites and qualifying tests for those wishing to participate in the training program and administration of periodic tests.
- (c) Supervision of curriculum, teaching aids and instructors.

- (d) Administration of an Apprenticeship Program in Refrigeration and Air Conditioning, as approved and registered by Department of Labor and Industry, Bureau of Apprenticeship Training.
- (e) Establishment of a Serviceman Advancement Training Program is, therefore, so organized Servicemen under this Agreement, who have graduated from the Apprenticeship Program or who have had five (5) years experience as Servicemen, shall be eligible to attend (on their own time) advanced training courses in refrigeration and air conditioning technology installation, service, troubleshooting, air and water balancing, oil and gas burner service, etc. The curriculums and training standards shall be established by the Joint Conference Board, which shall have the right to drop candidates who lag in their attendance or skill attainment from the Program. The Serviceman Advancement Training Program shall be divided into two (2) cycles of instruction - SAT I and SAT II, each consisting of two (2) school years with ninety three (93) hours of instruction in each school year, or one hundred eighty-six (186) hours of instruction, in SAT I and one hundred eighty-six (186) hours of instruction in SAT II Programs.

In order to successfully pass the SAT courses, the same attendance and passing grade achievement standards shall apply as are established by the Joint Conference Board for the Apprenticeship Program. The courses shall be designated "Serviceman Advancement Training Course I and Course II" (SAT I and SAT II).

Servicemen who have successfully completed the Serviceman Advancement Training Program SAT I and SAT II will be permitted by the Union to apply for examination of their competency to qualify as Mechanical Equipment Service Journeymen and/or Building Trades Journeyman.

Servicemen who successfully complete SAT I course and thereby increase their competency and productivity will be eligible upon certification by the Joint Conference Board to receive the amount of seventy-five cents (\$0.75) per hour regular time over the regular serviceman's wage rate under this Agreement, provided he has been in the same Employer's service for a minimum of one (1) month or had been recalled after temporary layoff within a period of six (6) months during such period of one (1) year.

Eligible to enter SAT II course shall be Servicemen under this Agreement who have previously successfully completed SAT I course and have achieved certification by the Joint Conference Board. Servicemen who successfully complete both parts totaling one hundred eighty-six (186) hours in SAT II course and thereby further increase their competence and productivity in this field will be eligible upon certification by the Joint Conference Board to receive the amount of seventy-five cents (\$0.75) per hour regular time over the regular rate for servicemen provided he has been in the same Employer's service for a minimum of one (1) month, or had been recalled from a temporary layoff within a period of less than six (6) months, during such period of two (2) years. Certification for SAT I and SAT II premium wage rates will be valid for a period of five (5) years, at which time it will expire, unless the serviceman is recertified which will require successful passing of a competency test in the latest technology of the field Employers will be notified of Employees' recertification dates.

Servicemen who have successfully completed all the; Electronics I, II and III Training Programs will be eligible upon certification by the Joint Conference Board to receive the additional amount of seventy-five cents (\$0.75) per hour regular time over the regular serviceman's wage rate under this Agreement.

- (f) Will efficiently monitor and control the SAT recertification process.
- (g) Submit periodic reports on its activities and progress to Employers and Local Union.
- (h) The Joint Conference Board shall be composed of six (6) members. Three (3) members will be selected by the Local Union. Three (3) members will be elected from the membership of the Servicing Contractors Association (SCA). Two (2) Employer representatives and two (2) Union representatives shall constitute a quorum.
- (i) A Chair and Secretary-Treasurer shall be selected by the Board, one of which shall be filled by a Union Member.
- (j) In the event that the Joint Conference Board cannot agree on a matter to be decided by it, then the Board shall select a disinterested party to sit as Chair of the Board and decide the disputed matter.

SECTION 4

JOINT REVIEW COMMITTEE

It is the intent of the Agreement to establish a Joint Review Committee consisting of three (3) representatives of the Local Union and three (3) representatives of the Contractors for the purpose of studying the rapidly changing market related to the air conditioning and refrigeration field.

This Committee shall elect a Chair who shall issue assignments, call meetings and receive all reports pertinent to the marketing area study.

Reports received by the committee demonstrating a need for revisions in the scope of this Agreement which will achieve greater competitive strength in obtaining work for the signatory contractors and the Union members who are in his employ, will be the subject of negotiated changes.

These changes will pertain only to the scope of this Agreement and will not alter any other portion of this Agreement either by intent or interpretation.

ARTICLE VIII

SECTION 1

LOCAL UNION AUTONOMY

The Local Union shall at all times have full autonomous jurisdiction over its own membership. This jurisdiction shall be free from any interference or restraint in dealing with those of its member who are found violating its Charter, Constitution, By-Laws, Working Rules, Agreements or any of the Rules or Regulations governing Local Union.

However, it is understood and agreed that the Working Rules of Local Union cannot be made to conflict with this Agreement and that this Agreement governs.

SECTION 2

JOB REFERRALS - APPRENTICES - NOTICES

- (a) The hiring of apprentices shall be governed by Rules and Regulations, as amended from time to time, or the Joint Conference Board.
- (b) It is the desire of the parties to promote "open solicitation" for jobs in the industry. Employees may openly seek and solicit employment with any Employer.

SECTION 3

UNION SECURITY

- (a) The Union agrees to furnish the Employer with a sufficient number of competent employees who may be desired by him from time to time.

In the event that the Union is unable to furnish the Employer with a sufficient number of competent employees, the procedure as previously outlined in the Understanding of the Joint Conference Board concluded on June 30, 1980 between a the parties hereto will be followed (except the reference in Section 4 of such Understanding to a "4th year Apprentice" is hereby changed to a "5th year Apprentice").

- (b) The Employer agrees to require membership in the Union as a condition of continued employment of all employees performing any of the work specified in Article III of this Agreement within thirty (30) days following the beginning of such employment or the effective date of the Agreement, whichever is later, provided the Employer has reasonable grounds for believing that membership is available to such employees on the same terms and conditions applicable to other members, and that membership is not denied or terminated for reasons other than the failure of the employees to tender periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership.

SECTION 4

AFFIRMATIVE ACTION PROGRAM

The parties hereto agree that the existing Affirmative Action Program between said parties is incorporated herein by reference thereto and made a part hereof.

SECTION 5

DRUG-FREE WORKPLACE RULES

WHEREAS, the parties to this Agreement recognize that drug abuse by any employee may seriously endanger other employees, as well as the public and adversely affect work performance in this very competitive industry; and

WHEREAS, the parties have agreed to adopt the following substance abuse policy subject to the terms and conditions hereinafter set forth:

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

- (a) The parties hereby adopt the United Association National Pipe Line Substance Abuse Policy, as the same was adopted by the Pipe Line Contractors Association and the United Association on May 1, 1990 (the "Policy"), for all work coming within the geographic and work jurisdiction of that certain Agreement of the parties made and effective the first day of May, 1992 (the "Agreement"), except as the Policy may be modified by the other terms of this Agreement as hereinafter set forth.
- (b) The Policy shall only be observed, with respect to employees of an Employer covered under the Agreement, in the event such Employer is required by an owner, client, user, general contractor or by federal or state law or regulation to establish its own drug policy for a particular job and/or if such Employer elects to establish a drug policy for a particular job. In no event shall this Agreement be construed to require an Employer covered by the Agreement to adopt the Policy on those jobs where it neither is required, nor elects, to establish a drug policy.
- (c) The Policy shall not serve as the drug policy on any job for which an employer covered by the Agreement is required to adopt and observe the drug policy established by an owner, client, user, general contractor or by federal or state law or regulation, regardless of whether the same is more or less restrictive than the terms of the Policy.
- (d) In the event the Policy is amended or modified in any respect at any time in the future by the Pipe Line Contractors Association and United Association, the terms of any such amendment or modification shall not be deemed to be a part of the Policy for purposes of this Agreement unless and until the Association and the Union mutually agree in writing to the terms of such amendment or modification, as confirmed by an amendment to this Agreement.
- (e) For purposes of this Agreement ARTICLE VI (DURATION) of the Policy hereby is eliminated.
- (f) The Policy shall remain in effect for a period of time to coincide with the terms of the Agreement. The Association and the Union agree that either one may move annually to reopen the Policy for purposes of modification or termination by mutual agreement by giving notice sixty (60) days prior to the anniversary date of the execution of the Agreement.

SECTION 6

MOST FAVORED NATIONS CLAUSE

The Union agrees that, during the term of this Agreement, it will not authorize or permit any Employer to perform work covered by this Agreement at wage and/or fringe benefits rates which are more favorable than those set forth in this Agreement without offering those terms and conditions to members of the SCA; provided, however, this provision shall not apply in any of the following circumstances:

- (a) to jobs or projects that are subject to a Project Labor Agreement involving at least one other trade union;
- (b) to jobs or projects that are targeted under the Union's Market Recovery Program;
- (c) when the Union agrees to permit a newly organized Employer to complete contracts in progress according to terms and conditions that are more favorable than those in this Agreement in exchange for that Employer's execution of this Agreement;
- (d) to Agreements at specific locations involving direct hire of Union members by the Employer (e.g., Spectrum Agreement), where such Agreements were in existence on or before April 3, 1997;
- (e) when the job or project is subject to a National Agreement.

In the event the Union allows an Employer to work at more favorable wage and fringe benefit rates than those provided herein (other than in circumstances where an exception to this provision applies), then Employer members of the SCA may, at their option, elect to substitute any or all of such more favorable rates for those provided herein.

SECTION 7

RIGHT TO VISIT SHOP

The Representative of the Union shall have admission to the shop or job of the Employer any time during working hours for the purpose of ascertaining whether or not this Agreement is being observed by parties hereto, or for assisting in the adjustment of a grievance.

SECTION 8

STEWARDS

The Union shall assign, when it deems appropriate, not more than one (1) steward to an Employer. The Union will select a steward on the basis of such employee's tact and diplomacy. A steward shall be a working employee and, in addition to his/her work as a Journeyman or Serviceman, he/she shall be permitted to perform duties as a steward during working hours. The Union agrees to allow stewards a reasonable amount of time for performance of such duties. The Business Manager shall notify the Employer of the selection of each steward and the Employer, before laying off or discharging a steward, shall notify the Business Manager four (4) working days prior thereto of its intention to do so. In no event shall an Employer discriminate against a steward or lay him/her off or discharge him/her on account of any action taken by him/her in the proper performance of his/her duties. A steward shall be offered hours of work and overtime comparable to hours offered to other employees on similar work. On layoff for lack of work, the steward shall be the last laid off of those engaged in similar work.

The steward may receive grievances and disputes from employees and these matters shall be reported to the Union for processing as a formal grievance. In addition, the steward may attempt to amicably adjust minor differences or misunderstandings arising out of the interpretation or application of this Agreement. The Employer will provide assistance to the steward to compile his weekly steward reports. Any violation of this Article shall be treated as a grievance in accordance with provisions set forth in this Agreement.

SECTION 9

SAFEGUARDING WORK OF EMPLOYEES

The Employer, and its non-bargaining unit managerial personnel, shall not work "with the tools." The Employer further agrees, for the duration of this Agreement, that it shall employ at least one (1) Mechanical Equipment Service Journeyman or Serviceman at all times, who shall be a member of the Local Union (other than a member of management or supervision).

SECTION 10

PROHIBITION AGAINST USE OF THIS AGREEMENT TO PERFORM WORK COVERED BY THE LOCAL UNION NO. 420/MCA AGREEMENT

It is agreed and understood by and between the parties that this Agreement, including its wage rates, rules and terms and conditions of employment, is designed to apply to Employers performing work in the traditional refrigeration, heating and air conditioning ("service") industry. Nothing contained in this Agreement shall apply, or be construed to apply, to work that is otherwise encompassed, by agreement or understanding, by the provisions set forth in the Agreement by and between Steamfitters Local Union No. 420 and the Mechanical Contractors Association of Eastern Pennsylvania, Inc. ("MCA").

Each Employer signatory to this Agreement, including Employers bound by this Agreement through membership in an association, shall absolutely refrain from performing work that is covered by the Steamfitters Local Union No. 420/MCA Agreement unless such work is performed under and pursuant to the terms of that Agreement.

Each Employer bound by this Agreement shall also be construed to be bound by the provisions set forth in the Agreement by and between Steamfitters Local Union No. 420 and the Mechanical Contractors Association of Eastern Pennsylvania, the terms and provisions of which are hereby incorporated by reference as if fully set forth herein, and which Agreement is, and shall be construed, as an addendum to this Agreement, in all circumstances in which the Employer seeks to perform, or performs, work beyond the scope of this Agreement and which is encompassed by the provisions of the Steamfitters Local Union. 420/MCA Agreement.

SECTION 11

EMPLOYERS PARTIES TO AGREEMENT

The Employers Association hereby represents that Exhibit "A" attached hereto contains the names of all Employers who, on the date of the execution of this Agreement, were members in good standing of said Employers Association and who are, therefore, parties to this Agreement.

ARTICLE IX

SECTION 1-

HOURLY RATES OF PAY, FUND CONTRIBUTIONS AND TRANSMITTALS TO THE LOCAL UNION

- (a) Employees employed under and pursuant to this Agreement shall be paid, at a minimum, the hourly wage and fringe benefit rates during regular working hours as set forth in Appendix "A". In addition, effective May 1, 2006, the hourly wage rate for Mechanical Equipment Service Journeymen shall increase by \$2.70 per hour (in Reading and Lehigh Valley, this increase shall be \$2.55 per hour). Effective May 1, 2006, the hourly wage rate for Mechanical Equipment Servicemen shall be increased by an additional \$2.25 per hour (in Reading and Lehigh Valley, the increase shall be \$2.10 per hour). Effective May 1, 2007, the hourly wage rate of the Mechanical Equipment Service Journeymen shall be increased by an additional \$2.80 per hour (in Reading and Lehigh Valley, the increase shall be \$2.65 per hour). Effective May 1, 2007, the hourly wage rate of the Mechanical Equipment Servicemen shall be increased by an additional \$2.25 per hour (in Reading and Lehigh Valley, the increase shall be \$2.10 per hour). The Union shall have the option of applying such portions of the wage increase provided for on May 1, 2005, May 1, 2006 and May 1, 2007 to fringe benefits, including the Pension Fund, Supplemental Retirement Fund and the Welfare Fund. In addition, in accordance with

provisions set forth in this Agreement, the Employer shall transmit, in a timely manner, all fringe benefit (including Union dues and assessments, etc.) contributions and/or wage deductions to the appropriate entity.

- (b) Notwithstanding anything to the contrary herein contained, if at any time during the term of this Agreement the Steamfitters Local 420 Journeymen, who work under a separate collective bargaining agreement then in effect between the Union and the Mechanical Contractors Association of Eastern Pennsylvania, Inc. (referred to herein as the "Building Trades Journeymen"), receive an increase in the hourly contribution to be made to the Pension Fund on their behalf which is greater than the increase in the total hourly wage and fringe benefit package to be received by the Mechanical Equipment Service Journeymen under this Agreement for the same period, then the total wage and fringe benefit package for Mechanical Equipment Service Journeymen shall be increased for that period, to the extent necessary (and, retroactively, if appropriate), so as to match the increase in the Pension Fund contribution being made on behalf of Building Trades Journeymen. Two examples of the operation of this provision are set forth below:

Example 1: During a particular time period during the term of this Agreement, the Building Trades Journeymen receive an increase in their total wage and fringe benefit package of \$2.00 per hour and the Union elects to contribute \$1.00 per hour (i.e., one half of this increase) into the Pension Fund. If, for the same period the Mechanical Equipment Service Journeymen receive an increase in their total wage and fringe benefit package of \$0.75 per hour, then the Employer shall be required to contribute an additional \$0.25 per hour to the total wage and fringe benefit package of the Mechanical Equipment Service Journeymen.

Example 2: During a particular time period during the term of this Agreement, the Building Trades Journeymen receive an increase in their total wage and fringe benefit package of \$2.00 per hour, and the Union elects to contribute \$0.50 per hour (i.e. one-quarter of this increase) into the Pension Fund. If, for the same period, the Mechanical Equipment Service Journeymen receive an increase in their total wage and fringe benefit package of \$1.00 per hour, the Employer shall not be required to make any additional contribution to the wage and fringe benefit package of the Mechanical Equipment Service Journeymen.

SECTION 2

VACATION FUND

Every Employer under the terms of this collective bargaining Agreement, and every other servicing contractor in contractual relationship with the Local Union and/or employing Mechanical Equipment Service Journeymen, Servicemen, and Service Apprentices represented by the Local Union shall withhold out of net wages (gross wages less usual payroll deductions) of each of these Employees, the sum of one dollar (\$1.00) per hour for all hours paid. On overtime and shift work, withholding for the Vacation Fund shall be calculated by utilizing the appropriate overtime and shift work differential schedule. The Employer shall pay over such collected amounts by checks to the order of said company as the parties hereto may agree upon as the Depository for said funds.

SECTION 3

WORKING ASSESSMENT CHECK-OFF AUTHORIZATION

Every Employer shall deduct from the gross wages of those Journeymen/Servicemen employees who so authorized them by written Assignment or signed "Working Assessment Check-Off Authorization" filed with Local Union, one and one-half percent (1 1/2%), (which may be revised as per Steamfitters Local Union No. 420 Bylaws) of the established Journeymen/Servicemen wage package (wages, plus fringe benefits [other than apprentice and industry funds] contributions) for all hours paid (including: all overtime hours, shift premiums, other premiums, reporting and waiting times). Additionally, twenty-five cents (\$0.25), per hour (which may be revised by Steamfitters Local Union No. 420 Bylaws) for all hours paid (using the same total wage package formulas as stated herein) shall be withheld as a contribution, dedicated for the "Organizing and Market Recovery Fund" in each weekly paid period representing the Local Union membership dues for each Employee, working within the territorial jurisdiction of Local Union.

All monies so deducted shall be paid by each Employer to Local Union in accordance with Section 1 of ARTICLE X. It is understood and agreed that no deductions shall be made from any wages earned by an Employee prior to the receipt by the Local Union of the aforesaid written Assignment or signed "Working Assessment Check-Off Authorization," provided, nevertheless, that if such Assignment or signed "Working Assessment Check-Off Authorizations" are certified by Local Union to Employers Association for at least ninety percent (90%) of the active working members, then upon written indemnification by Local Union to Employers Association, acting on behalf of all Employers. Employers shall also deduct an amount equal to the specified working assessment check-off from those Employees for whom no Working Assessment Check-Off Authorization has been obtained, pending Local Union obtaining same.

SECTION 4

STEAMFITTERS LOCAL UNION NO. 420 SCHOLARSHIP FUND AND STEAMFITTERS LOCAL UNION NO. 420 "PIPE" FUND

Every Employer shall deduct two cents (\$0.02) per hour from the net wages of those Employees who execute a "Voluntary Contribution Agreement and Check-Off Authorization for Steamfitters Local Union No. 420 Scholarship Fund" card representing voluntary contributions of the Employee to the Steamfitters Local Union No. 420 Scholarship Fund.

Every Employer shall deduct seven cents (\$0.07) per hour from the net wages of those who execute a "Voluntary Contribution Agreement and Check-Off Authorization for Steamfitters Local Union No. 420 'PIPE' Fund" card representing voluntary contributions of the Employee to the Steamfitters Local Union No. 420 'PIPE' Fund.

All monies so deducted shall be paid by the Employer, respectively, to the Steamfitters Local Union No. 420 Scholarship Fund and to the Steamfitters Local Union No. 420 'PIPE' Fund, in accordance with the provisions of Section 1, and 2 of ARTICLE X. It is understood and agreed that such Employee contributions are voluntary, that participation in either of the said Funds is not a term of condition of employment, that an Employee may revoke such authorization at any time upon written notice hereof, and that no deductions shall be made from any wages earned by an Employee prior to receipt by the Local Union of the aforesaid written authorization, or after receipt by the Local Union of a written notice from the Employee revoking the aforesaid written authorization/check-off.

SECTION 5

WELFARE FUND

The parties hereto renew and confirm the Agreement and Declaration of Trust dated the 27th day of September, 1950, effective May 1, 1950, as subsequently amended, establishing the Welfare Fund. Each Employer shall contribute the amount, for each hour paid to its employees, set forth in Appendix A. "Hours paid" shall include all overtime hours, shift premiums, other premiums, reporting time and waiting time.

CONTRIBUTIONS TO WELFARE, PENSION AND SUPPLEMENTAL RETIREMENT FUNDS

The Employer and every other contractor in contractual relations with Steamfitters Local Union No. 420 and employing those persons represented by the Local Union, who are engaged in the scope of work covered by this Agreement shall contribute to the Steamfitters Local Union No. 420 Welfare Fund, the Steamfitters Local Union No. 420 Pension Fund and the Steamfitters Local Union No. 420 Supplemental Retirement Fund, for each hour paid, the amount(s) set forth in Appendix A. In addition, the Employer(s) hereby reconfirm, adopt and agree to be bound by all provisions set forth in the Declarations of Trust governing all these Funds and all rules and regulations adopted by the respective Boards of Trustees.

On all overtime work, fringe benefit contributions to the Welfare Fund, to the Supplemental Retirement Fund, and to the Pension Fund will be paid at the prevailing overtime rate.

The Local Union may divert all or portions of the contracted wage increases to increase contributions to the above Funds.

Contributions to be remitted to said company as the Trustees of the various fringe benefit funds may agree.

SECTION 6

TERM OF APPRENTICESHIP TRAINING FUND

The parties hereto renew and confirm the Agreement and Declaration of Trust dated effective November 1, 1967, as amended, establishing the Apprenticeship Fund for the Low Tonnage Refrigeration and Air Conditioning field, hereafter referred to as Mechanical Equipment Service Apprenticeship Fund.

INVESTMENT OF ASSETS OF APPRENTICESHIP FUND

The Trustees of the Apprenticeship Training Fund shall be empowered and authorized to invest and reinvest the monies of said Apprenticeship Training Fund in interest-bearing obligations.

CONTRIBUTIONS TO APPRENTICESHIP TRAINING FUND

As of July 15, 1986, the Employer and every other contractor in contractual relations with Steamfitters Local Union No. 420 and employing persons represented by the Local Union who are engaged in the scope of work covered by this Agreement shall contribute for all hours paid, including reporting time, to the Depository of the Apprenticeship Fund concurrently and subject to the same rules as applied to the Welfare Fund, the sum per hour as set forth in Appendix A.

SECTION 7

INDUSTRY ADVANCEMENT FUND

The parties hereto acknowledge the establishment by the Association of an "Industry Advancement Fund" for the Servicing Industry in the Air Conditioning and Refrigeration field. The Employer parties hereto agree to remit to the Depository established by the Trustees of said Fund each hour paid to employees covered by this Agreement, the sum per hour as set forth in Appendix A. Employer contributions to the Industry Advancement Fund may be increased an additional cents) per hour each year at the option of the Employers Association.

The parties hereto agree that no part of said Fund and no part of the contributions shall be used for advertising, propaganda or other purposes opposed to the interest of the Local Union.

ARTICLE X

SECTION 1

DUE DATES OF PAYMENTS AND REPORTS

The contributions and payments to be made in accordance with ARTICLE IX shall be made by Employer on or before the tenth (10th) working day following the end of each calendar month. Employer shall, with ten (10) working days from the end of each calendar month, transmit to the Depository a report containing:

- (a) The names and Security numbers of persons to whom this Agreement is applicable, who have been in the employ of Employer during such calendar month.
- (b) The number of hours during said calendar month for which compensation (including compensation for reporting and waiting time) was payable.
- (c) Such other information as said respective Boards of Trustees and/or Funds may reasonably require for the proper administration thereof.
- (d) If no persons have been employed for the period covered by the report, then the Employer shall so indicate on the report and return such information to the Depository.

SECTION 2

DELINQUENCY IN MAKING PAYMENT OR REPORT

In the event the contributions and payments provided for in ARTICLE IX are not paid within ten (10) working days following the end of each calendar month, or in the event the report provided for in Section 1 of this ARTICLE is not transmitted to the designated Depository within ten (10) working days following the end of each calendar month, the Employer shall be considered as a "delinquent." The "delinquent" Employer shall be obliged to apply any financial penalty, fines, assessments, and interest on the debt that may be required

under Rules and Regulations or Procedures governing delinquent contributions established by the Trustees of the various Fringe Benefit Funds identified in ARTICLE IX. Each Employer shall be bound and governed by any Rules and Regulations or Procedures adopted by any Board of Trustees of Fringe Benefit Funds to which contributions are due and owing under this Agreement.

The Rules and Regulations or Procedures adopted by the Trustees of the various Fringe Benefit Funds may require payment by a delinquent Employer of fines, assessments, interest on debt (in an amount determined by the Trustees) and shall also assess against, a delinquent Employer audit fees incurred during the collection process, together with all other expenses of collection, including, but not limited to, counsel fees and costs. Such charges and expenses shall be paid to that entity to whom such contributions or payments are owed. In addition to all other remedies available to the Union and to the Trustees of the various Fringe Benefit Funds, including those set forth above, the Union shall have the right to direct the Employees of any Employer who fails to furnish a bond as required by Article X, Section 3, or the Employees of any delinquent Employer to discontinue or refuse to work for such Employer and to refuse to refer Employees to work for such Employer until such time as a bond as required under Article X, Section 3, is obtained and all contributions and payments provided for in this Agreement have been paid, and reported, in full, including any financial penalty, fines, assessments and interest on the debt thereon and such action shall not be deemed to be a violation of any provision of this Agreement. In the event the Local Union exercises its option to remove its members from the employ of a delinquent contractor, which option shall not be construed as a violation of any provision in the Agreement (including the no-strike clause), the Employer shall be liable to pay to any employee so removed an amount equal to the wages lost by such employees by reason of said Employer's breach of the within Agreement.

SECTION 3

BONDS TO ASSURE PAYMENTS

Each Employer agrees to furnish immediately a bond with corporate surety that is acceptable to the Administrator of the Funds guaranteeing the payment by it of the contributions and payment to the Funds provided for in ARTICLE IX hereof. The amount of such bond shall be based upon the total number of hours worked, during the prior calendar year, by all of the Journeymen/Servicemen and Apprentices employed by said Employer as set forth below:

<u>Bond</u>	<u>Dollar Amount of Bond</u>
0 - 4,500	\$25,000
4,501 - 9,000	\$50,000
9,001 - 14,000	\$75,000
14,001 - 18,500	\$100,000
18,501 - 46,000	\$250,000
46,001 - 92,500	\$500,000
92,501 - 140,000	\$750,000
140,001 - and above	\$1,000,000

After the end of each calendar year, each Employer shall calculate the total number of hours worked by Journeymen/Servicemen and Apprentices for year and, for the following year shall furnish a bond with corporate surety in the appropriate dollar amount required by the schedule set forth above. The bond shall be prorated among the Funds and the "Working Assessment Check-Off" mentioned in ARTICLE IX, Section 3.

SECTION 4

EMPLOYER ACCEPTANCE OF TRUST RELATIONSHIP WITH RESPECT TO WAGE CHECKOFF AMOUNTS

The parties agree that, with respect to all Union dues checkoff amounts, including dues assessments, initiation fees and other amounts withheld from wages that are payable to the Union, as well as Vacation Fund contributions, Political Action Fund contributions, Scholarship Fund contributions and any amount that, in accordance with this Agreement, an Employer withholds from the wages of employees for submission to the Union and/or a Fund identified herein, such amounts shall not, under any circumstance, be construed as the property of the Employer or commingled with the Employer's assets. All such amounts, having been withheld from employee's wages are hereby

impressed with a "trust" and shall be held by the Employer only pending timely transmission of such amounts to the Union and/or Fund, as the case may be. An Employer who has withheld or deducted such amounts under any provision set forth in this Agreement is prohibited from using such amounts for its own purposes or for the benefit of any other person.

SECTION 5

EMPLOYER ACCEPTANCE OF TRUST RELATIONSHIP WITH RESPECT TO CONTRIBUTIONS DUE AND OWING TO WELFARE, PENSION AND SUPPLEMENTAL RETIREMENT AND APPRENTICE TRAINING FUNDS

The parties agree that, amounts that are labeled as contributions due to the Steamfitters Local Union No. 420 Welfare, Pension, Supplemental Retirement and Apprentice Training Funds under this Agreement are, in reality, wage payments to employees that, in accordance with the Local Union's rules and the provisions in this Agreement, have been set aside as contributions to the respective employee benefit Funds by the Employer. Accordingly, the parties agree that, with respect to all such contribution amounts required to be paid by the Employer to the respective Funds under this Agreement, such amounts shall not, under any circumstance, be construed as the property of the Employer or commingled with the Employer's assets. All such amounts, having been essentially withheld from employee's wages are hereby impressed with a "trust" and shall be held by the Employer only pending timely transmission of such amounts to the Fund. An Employer who has withheld or deducted such amounts under any provision set forth in this Agreement is prohibited from using such amounts for its own purposes or for the benefit of any other person.

ARTICLE XI

SECTION 1

MANAGEMENT OF PAYMENTS AND REPORTS

The management of the Employer's business, including but not limited to the direction of the working force, the right to hire, plan, direct, control and schedule all operations (including the scheduling of the work force), the right to establish, eliminate, change or introduce new or improved methods, machinery, quality standards or facilities, is the sole and exclusive prerogative and responsibility of the Employer. All rights not specifically nullified by this Agreement are retained by the Employer.

The Employer is vested with the right to relieve employees from duty because of lack of work or other legitimate reasons, to promote, suspend, demote, transfer, discipline or discharge for cause in accordance with this Agreement.

SECTION 2

SUBLETTING AND PRESERVATION OF WORK

The Employer agrees not to sublet or contract work covered by this agreement unless all Journeymen/ Servicemen are working a forty (40) hour week. It is further understood and agreed that the contractor shall be responsible for all piping and equipment which is part of the work of the UA and shall be handled and set by employees. Employer agrees not to sublet any work assigned to the UA unless the contractor to whom the work is sublet is in agreement either with the UA or one of its Local Unions.

The Local Union of the UA agrees not to enter into more favorable labor agreements with additional contractors or to permit out-of-town UA members to perform service work within the jurisdiction of Steamfitters Local Union No. 420 with less or no restrictions as to tonnage and horsepower at lower wages, unless the same or more favorable conditions are immediately extended to the signatory contractors to this Agreement.

The Union agrees that no Journeyman/Servicemen or Apprentice member of the Union will be allowed to contract for or personally perform any work coming within the jurisdiction of the Union, while in the employ of a signatory Employer without the permission of the Union and the employing Employer.

The Employer agrees that no evasion of the terms, requirements and provisions of this Agreement will take place. If and when Employer shall perform any work of the type covered by this Agreement within the jurisdictional territory of Union, under its own name, or under

the name of another, as a corporation, company, partnership or any other business entity, including a exercises control of labor policies of such other entity, the terms and conditions of this Agreement shall be applicable to all such work.

This clause shall only be applicable to job site work as that term is used in the construction industry proviso to Section 8(e) of the National Labor Relations Act. This clause will not be applicable to non-job site work.

Notwithstanding anything herein contained to the contrary, in the event there is a determination by the National Labor Relations Board or by a court of competent jurisdiction that the aforesaid provisions are illegal, unlawful or in violation of the provisions of the National Labor Relations Act, upon such determination, the aforesaid provisions shall be void and of no effect.

SECTION 3

MESJ CATEGORY WORK

Mechanical Equipment Servicemen temporarily assigned to carry out work on equipment exceeding the tonnage, horsepower and other limitations described in other Sections of this Agreement are required to indicate on the Employer's time reporting form that the hours worked on that equipment are to be paid at the MESJ wage and fringe benefit rate, and the Employer shall pay the employee that rate for the applicable number of hours.

Signatory contractors regularly performing services on equipment or systems exceeding the tonnage limitations defined under Article IV shall employ one or more Mechanical Equipment Service Journeymen. Employment of at least one MESJ shall become mandatory if the number of hours worked by Mechanical Equipment Servicemen for the Employer on work within the scope of the MESJ collectively exceeds 1,200 hours in a period of twelve (12) months or less. Additional Mechanical Equipment Service Journeymen shall be added by the Employer as work load increases in the large tonnage category.

SECTION 4

SEPARABILITY

It is not the intent of either party to violate any laws. Therefore, should any article or section of this Agreement be found to be in conflict with any federal, state or municipal law or ordinance, such portion shall immediately be stricken out, or to conform therewith, without affecting the intent or validity of any other section or provision herein, and nothing in this Agreement shall be construed to be in violation of any law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative on the day and year first above written.

**Servicing Contractors Association of
Greater Delaware Valley, Inc.**

By: Robert E. Rebstock
President

By: Edward R. Quinn
Vice President

By: Abner Dowdell
Jeffrey McGeehan
Joseph O'Hare
Stephen Williams

**United Association of Journeymen and
Apprentices of the Plumbing and Pipe
Fitting Industry of the United States and
Canada, Local No. 420**

By: Thomas Gallo
Business Manager

By: Kevin F. Heffernan
President

By: Edward L. McGehean, Jr.
Vice President

APPENDIX A

Wage-Fringe For MES Apprentices Working on MESJ Work Effective May 15, 2005 Through May 14, 2006 Philadelphia									
PERIOD	PERCENTAGE	WAGE RATE	HEALTH & WELFARE	RETIREE MEDICAL/SUPP.	S.R.P.	PENSION	INDUSTRY FUND	I.T.F.	TOTAL
FIRST	50%	\$18.22	\$6.05	\$2.00	\$3.75	\$6.02	\$0.19	\$0.05	\$36.28
SECOND	50%	\$18.22	\$6.05	\$2.00	\$3.75	\$6.02	\$0.19	\$0.05	\$36.28
THIRD	50%	\$18.22	\$6.05	\$2.00	\$3.75	\$6.02	\$0.19	\$0.05	\$36.28
FOURTH	54%	\$19.68	\$6.05	\$2.00	\$3.75	\$6.02	\$0.19	\$0.05	\$37.74
FIFTH	58%	\$21.14	\$6.05	\$2.00	\$3.75	\$6.02	\$0.19	\$0.05	\$39.20
SIXTH	62%	\$22.59	\$6.05	\$2.00	\$3.75	\$7.77	\$0.19	\$0.05	\$42.40
SEVENTH	66%	\$24.05	\$6.05	\$2.00	\$3.75	\$7.77	\$0.19	\$0.05	\$43.86
EIGHTH	70%	\$25.51	\$6.05	\$2.00	\$3.75	\$7.77	\$0.19	\$0.05	\$45.32
NINTH	75%	\$27.33	\$6.05	\$2.00	\$3.75	\$7.77	\$0.19	\$0.05	\$47.14
TENTH	80%	\$29.15	\$6.05	\$2.00	\$3.75	\$7.77	\$0.19	\$0.05	\$48.96

Wage-Fringe For MES Apprentices Working on MESJ Work Effective May 15, 2005 Through May 14, 2006 Reading & Lehigh Valley									
PERIOD	PERCENTAGE	WAGE RATE	HEALTH & WELFARE	RETIREE MEDICAL/SUPP.	S.R.P.	PENSION	INDUSTRY FUND	I.T.F.	TOTAL
FIRST	50%	\$15.96	\$6.05	\$2.00	\$3.58	\$6.02	\$0.19	\$0.05	\$33.85
SECOND	50%	\$15.96	\$6.05	\$2.00	\$3.58	\$6.02	\$0.19	\$0.05	\$33.85
THIRD	50%	\$15.96	\$6.05	\$2.00	\$3.58	\$6.02	\$0.19	\$0.05	\$33.85
FOURTH	54%	\$17.24	\$6.05	\$2.00	\$3.58	\$6.02	\$0.19	\$0.05	\$35.13
FIFTH	58%	\$18.51	\$6.05	\$2.00	\$3.58	\$6.02	\$0.19	\$0.05	\$36.40
SIXTH	62%	\$19.79	\$6.05	\$2.00	\$3.58	\$7.77	\$0.19	\$0.05	\$39.43
SEVENTH	66%	\$21.07	\$6.05	\$2.00	\$3.58	\$7.77	\$0.19	\$0.05	\$40.71
EIGHTH	70%	\$22.34	\$6.05	\$2.00	\$3.58	\$7.77	\$0.19	\$0.05	\$41.98
NINTH	75%	\$23.94	\$6.05	\$2.00	\$3.58	\$7.77	\$0.19	\$0.05	\$43.58
TENTH	80%	\$25.54	\$6.05	\$2.00	\$3.58	\$7.77	\$0.19	\$0.05	\$45.18

Starting with the third period apprentices deduct \$1.00 per hour for Vacation Fund and \$.20 for the Building Fund from net wages

Apprentices wages are not subject to P.I.P.E.-Scholarship-Organizing/Market Recovers (OMR) deductions

All wage rates, fringe benefits & deductions are based on **ALL HOURS PAID**

**WAGE-FRINGE RATES
STEAMFITTERS' LOCAL UNION 420
MECHANICAL EQUIPMENT SERVICE JOURNEYMAN (MESJ)
EFFECTIVE MAY 15, 2005 THROUGH MAY 14, 2006**

DISTRICT	HOURLY WAGE RATE	H&W	RETIREE MEDICAL/SUPPL.	PENSION	S.R.P.	APPRENTICE TRAINING	INDUSTRY FUND	I.T.F.	TOTAL
PHILADELPHIA	\$36.44	\$6.05	\$2.00	\$7.77	\$3.75	\$0.50	\$0.19	\$0.05	\$56.75
READING & LEHIGH VALLEY	\$31.92	\$6.05	\$2.00	\$7.77	\$3.58	\$0.50	\$0.19	\$0.05	\$52.06

ALL WAGE RATES, FRINGE BENEFITS RATES AND DEDUCTIONS PER HOUR ARE BASED ON ALL HOURS PAID.

DEDUCTIONS PER HOUR FROM NET WAGE:

- DEDUCT \$1.00 FOR VACATION
- DEDUCT \$.07 FOR PIPE FUND
- DEDUCT \$.02 FOR SCHOLARSHIP FUND
- DEDUCT \$.25 FOR ORGANIZATION/MARKET RECOVERY FUND
- DEDUCT \$.20 FOR BUILDING FUND

WORKING ASSESSMENT @ 1.5% X JOURNEYMAN GROSS PAY INCLUDING THE GROSS BENEFIT PACKAGE, EXCLUDING THE INDUSTRY FUND

EXAMPLE:

PHILADELPHIA AREA $\$36.44 + \$6.05 + \$2.00 + \$7.77 + \$3.75 + \$0.50 + \$0.05 = \$56.56 \times 1.5\% = \$0.85$

READING/

LEHIGH VALLEY AREA $\$31.92 + \$6.05 + \$2.00 + \$7.77 + \$3.58 + \$0.50 + \$0.05 = \$51.87 \times 1.5\% = \$0.78$

**MECHANICAL EQUIPMENT SERVICE JOURNEYMAN FOREMAN HOURLY WAGE RATES
(Construction/Installation work only)**

	Philadelphia	Reading/Lehigh Valley
Foreman (2-5) Journeymen 107% of Service Journeyman Rate	\$38.99	\$34.15
Foreman (up to 10) Journeymen 110% of Service Journeyman Rate	\$40.08	\$35.11

**WAGE-FRINGE RATES
STEAMFITTERS' LOCAL UNION 420
MECHANICAL EQUIPMENT SERVICEMAN (MES)
EFFECTIVE MAY 15, 2005 THROUGH MAY 14, 2006**

DISTRICT	HOURLY WAGE RATE	H&W	RETIREE MEDICAL/SUPPL.	PENSION	S.R.P.	APPRENTICE TRAINING	INDUSTRY FUND	I.T.F.	TOTAL
PHILADELPHIA	\$29.14	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$45.77
READING & LEHIGH VALLEY	\$27.67	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$44.30

ALL WAGE RATES, FRINGE BENEFITS RATES AND DEDUCTIONS PER HOUR ARE BASED ON ALL HOURS PAID.

DEDUCTIONS PER HOUR FROM NET WAGE:

- DEDUCT \$1.00 FOR VACATION
- DEDUCT \$.07 FOR PIPE FUND
- DEDUCT \$.02 FOR SCHOLARSHIP FUND
- DEDUCT \$.25 FOR ORGANIZATION/MARKET RECOVERY FUND
- DEDUCT \$.20 FOR BUILDING FUND

WORKING ASSESSMENT @ 1.5% X JOURNEYMAN GROSS PAY INCLUDING THE GROSS BENEFIT PACKAGE, EXCLUDING THE INDUSTRY FUND

EXAMPLE:

PHILADELPHIA AREA $\$29.14 + \$6.05 + \$2.00 + \$4.99 + \$2.85 + \$0.50 + \$0.05 = \$45.58 \times 1.5\% = \$0.68$ per hour paid

READING/

LEHIGH VALLEY AREA $\$27.67 + \$6.05 + \$2.00 + \$4.99 + \$2.85 + \$0.50 + \$0.05 = \$44.11 \times 1.5\% = \$0.66$ per hour paid

MECHANICAL EQUIPMENT SERVICEMAN FOREMAN HOURLY WAGE RATES (Construction/Installation work only)

	Philadelphia	Reading/Lehigh Valley
Foreman (2-5) Journeymen 107% of Service Journeyman Rate	\$31.18	\$29.61
Foreman (up to 10) Journeymen 110% of Service Journeyman Rate	\$32.05	\$30.44

**Wage-Fringe Rates
Serviceman Apprentices (MES)
Effective May 15, 2005 Through May 14, 2006
Philadelphia**

PERIOD	%	WAGE RATE	H&W	RETIREE MEDICAL/ SUPP.	PENSION FUND	SUPP. RETIRE.	APPRENTICE TRAINING FUND	INDUSTRY FUND	ITF	TOTAL
FIRST	50%	\$14.57	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$30.20
SECOND	50%	\$14.57	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$30.20
THIRD	50%	\$14.57	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$30.20
FOURTH	54%	\$15.74	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$31.37
FIFTH	58%	\$16.90	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$32.53
SIXTH	62%	\$18.07	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$34.70
SEVENTH	66%	\$19.23	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$35.86
EIGHTH	70%	\$20.40	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$37.03
NINTH	75%	\$21.86	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$38.49
TENTH	80%	\$23.31	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$39.94

**Wage-Fringe Rates
Serviceman Apprentices (MES)
Effective May 15, 2005 Through May 14, 2006
Reading and Lehigh Valley**

PERIOD	%	WAGE RATE	H&W	RETIREE MEDICAL/ SUPP.	PENSION FUND	SUPP. RETIRE.	APPRENTICE TRAINING FUND	INDUSTRY FUND	ITF	TOTAL
FIRST	50%	\$13.84	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$29.47
SECOND	50%	\$13.84	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$29.47
THIRD	50%	\$13.84	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$29.47
FOURTH	54%	\$14.94	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$30.57
FIFTH	58%	\$16.05	\$6.05	\$2.00	\$3.99	\$2.85	\$0.50	\$0.19	\$0.05	\$31.68
SIXTH	62%	\$17.16	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$33.79
SEVENTH	66%	\$18.26	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$34.89
EIGHTH	70%	\$19.37	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$36.00
NINTH	75%	\$20.75	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$37.38
TENTH	80%	\$22.14	\$6.05	\$2.00	\$4.99	\$2.85	\$0.50	\$0.19	\$0.05	\$38.77

Starting with the third period apprentices deduct \$1.00 per hour for Vacation Fund and \$.20 for the Building Fund from net wages

Apprentices wages are not subject to P.I.P.E.-Scholarship-Organizing/Market Recovers (OMR) deductions

All wage rates, fringe benefits & deductions are based on **ALL HOURS PAID**

**EFFECTIVE MAY 15, 2005 TO MAY 14, 2008
CONSENT AND APPROVAL STATEMENT
by
EMPLOYERS NOT AFFILIATED, WITH THE
SERVICING CONTRACTORS ASSOCIATION
OF GREATER DELAWARE VALLEY, INC.**

I, or we, the undersigned EMPLOYER, intending to be legally bound hereby, agrees to the terms and conditions in the foregoing agreement.

COMPANY NAME: _____

ADDRESS: _____

CODE: _____

TELEPHONE NO: _____ FAX NO: _____

E-MAIL ADDRESS: _____

FEDERAL IDENTIFICATION NO: _____

NAME/TITLE (print): _____

SIGNATURE: _____ DATE: _____

**STEAMFITTERS LOCAL UNION NO. 420 - UNITED ASSOCIATION
14420 TOWNSEND RD, SUITE A
PHILADELPHIA, PENNSYLVANIA 19154
(267) 350-4200 FAX: (267) 350-4299**

BY: _____
THOMAS P. GALLO, BUSINESS MANAGER

BUSINESS AGENT: _____

