

AGREEMENT

between the

SHEET METAL, AIR, RAIL and TRANSPORTATION INTERNATIONAL ASSOCIATION LOCAL 265

of DuPage, Grundy, Iroquois, Kane, Kankakee, Kendall, Livingston,
McHenry And Will Counties



Local No. 265



and

SMACNA GREATER CHICAGO

SEPTEMBER 01, 2020

TO

MAY 31, 2024

Table of Contents

Standard Form of Union Agreement Articles I thru XV

Agreement Enter Date	1
Article I (Section 1) <i>Pay and Conditions of Employment</i>	1
Article II (Sections 1-2) <i>Subcontracting and Assignment of Work</i>	1-2
Article III (Sections 1) <i>Sheet Metal Workers Employed on Work Described in Article I</i>	2
Article IV (Sections 1-2) <i>Union Furnish Qualified journeyperson</i>	2
Article V (Sections 1-5) <i>Required Membership, Legislative Actions and Authorized Deductions</i>	3-4
Article VI (Sections 1-4) <i>Regular Workday, Holidays and Shift Work</i>	4-5
Article VII (Sections 1-2) <i>Transportation in and out of the limits of Local 265</i>	5-6
Article VIII	6-14
Section 1- Minimum Rate of Pay	6
Section 2- Specified Work and Wage Equalization	6
Section 3- Provisions of Section 2 of this Article	6-7
Section 4- Air Pollution Control Systems	7
Section 5- Hiring Workers Outside Jurisdiction of this Agreement	7
Section 6- Portability Outside Jurisdiction of this Agreement	7-8
Section 7- Wage Scale Defined	8
Section 8- Welfare Benefit Contributions are Not to be Duplicated	8
Section 9- Wages Paid Once a Week	8-9
Section 10- Show Up Pay	9
Section 11- Owner/Member	9
Section 12 (a)- Contributions to IFUS	9
Section 12 (b)- Per Hour Rate and Remit to IFUS	9-10
Section 12 (c)- (IFUS) Semi Annual Reports to SMART	10
Section 12 (d)- Grievance Concerning use of IFUS Funds	10
Section 13 (a)- Contributions to LIF	10-11
Section 13 (b)- Per Hour Rate and Remit	11
Section 13 (c)- LIF Reporting to Business Manager	11
Section 13 (d)- Grievance Concerning use of LIF Funds	11
Section 14- Recognition of Contributions to Sections 12(b) & 13(b)	11-12
Section 15- Contributions to iTi	12-13

Table of Contents

Section 16- Delinquency – Withdrawal of Manpower	13
Section 17 (a)- Bonding	13
Section 17 (b)- Bonding Outside Covered Area	13
Section 17 (c)- Delinquent to Funds Weekly Payments	13
Section 18 (a)- Supplemental Retirement Savings Plan (SRSP)	13-14
Section 18 (b)- SRSP 401k Plan	14
Article IX (Sections 1-3) <i>Necessary Hand Tools, Transporting Tools and Materials</i>	14-15
Article X (Sections 1-11) <i>Grievance Procedures</i>	15-21
Article XI (Sections 1-9) <i>Apprentices, Upgrade Journeyman Training and JATC</i>	21-24
Article XII (Sections 1) <i>Pre-Apprentice Language</i>	24-25
Article XIII (Sections 1-2) <i>LMCC and Self-Funded Bonding Program</i>	25
Article XIV (Section 1) <i>Non-Discrimination</i>	26
Article XV (Sections 1-5) <i>Agreement Effective Dates, Reopening & Bargaining Representative</i>	26-27
Addendum to Standard Form of Union Agreement <i>(Form A – 08-11)</i>	27
Addendum 1 – Shift Work <i>(Ref. Article VI, Section 1,2 & 4)</i>	28
Addendum 2 – Work Week – (4) 10 Hour Days <i>(Ref. Article VI Section 1&2)</i>	28-29
Addendum 3 – Roofing Work – Saturday Make-Up Day <i>(Ref. Article VI Section 1)</i>	29
Addendum 4 – Start Time & Quitting Time <i>(Ref. Article VI Section 1)</i>	29
Addendum 5 – Travel Clause and Per Diem <i>(Ref. Article VII Section 1&2)</i>	29-30
Addendum 6 – Labor Management Cooperative Committee (LMCC) <i>(Ref. Article XIII Section 1&2)</i>	30-31
Addendum 7 – Job and Shop Stewards	31
Addendum 8 – Tool List <i>(Ref. Article IX)</i>	32
Addendum 9 – Wages – Journeyman and Apprentices <i>(Ref. Article VIII Section 1 & Article XI Section 6)</i>	33-35

Table of Contents

Addendum 10 – Foreman, General Foreman and Superintendents <i>(Ref. Article IV Section 1)</i>	35-36
Addendum 11 – Unemployment Compensation	36
Addendum 12 – Workers Compensation and Public Liability	36
Addendum 13 – Surety Bond <i>(Ref. Article VIII Section 17a)</i>	36-37
Addendum 14 – Fringe Benefits <i>(Ref. Article VIII Section 1, 12b, 13b & 15)</i>	37-39
Addendum 15 – Mandatory Fringe Benefit Fund Audits	40
Addendum 16 – SMART-P.A.L. (Political Action League)	40
Addendum 17 – Service (Sections 1-4) <i>(Ref. Article VI Section 1)</i>	40-43
Sec. 1(a)– Service Categories Defined	40
Sec. 1(b) – On Call	41-42
Sec. 2 – Tools and Equipment	42
Sec. 3 – Travel	42
Sec. 4 – Residential; Service, Replacement and Maintenance	42-43
Addendum 18 – Service Technicians	43
Addendum 19 – Apprentices	43-44
Addendum 20 – Pre-Apprentices <i>(Ref. Article XII, Section 1 & Article XV Section 5)</i>	44-45
Addendum 21 – Aluminum Gutter Work	46
Addendum 22 – Favored Nations Clause <i>(Ref. Article VIII Section 12a)</i>	46-47
Addendum 23 – Health, Safety and Education	47
Addendum 24 – Legally Celebrated Holidays <i>(Ref. Article VI Section 2)</i>	47
Addendum 25 – National Pension (Alternative Schedule)	48-49
<i>Addendum 26 – Professional Development Training</i>	49
Signature Pages	50-51
Note Pages	52-54
Memorandum of Understanding(s)	55

AGREEMENT

Agreement entered into this 31st day of August 2020, by and between SMACNA Greater Chicago and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No. 265 SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers hereinafter referred to as the Union for DuPage, Kane, Kendall, McHenry, Will, Grundy, Kankakee, Livingston, and Iroquois Counties.

ARTICLE I

SECTION 1. This agreement covers the rates of pay and conditions of employment of all employees of the Employer engaged in but not limited to the (a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all HVAC systems, air-veyor systems, exhaust systems, and air-handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches, whether manually drawn or computer assisted, used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) metal roofing; and (f) all other work included in the jurisdictional claims of SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers.

ARTICLE II

SECTION 1. No Employer shall subcontract or assign any of the work described herein which is to be performed at a job site to any contractor, subcontractor or other person or party who fails to agree in writing to comply with the conditions of employment contained herein including, without limitations, those relating to union security, rates of pay and working conditions, hiring and other matters covered hereby for the duration of the project.

SECTION 2. Subject to other applicable provisions of this Agreement, the Employer agrees that when subcontracting for prefabrication of materials covered herein, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication, as established under provisions of this Agreement.

ARTICLE III

SECTION 1. The Employer agrees that none but journeyman, apprentice, and pre-apprentice sheet metal workers shall be employed on any work described in Article I and further, for the purpose of proving jurisdiction, agrees to provide the Union with written evidence of assignment on the Employer's letterhead for certain specified items of work to be performed at a jobsite prior to commencement of work at the site. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA Greater Chicago and SMART, shall be provided to the Employer. The written evidence may be submitted through our secure web-based portal.

ARTICLE IV

SECTION 1. The Union agrees to furnish upon request by the Employer duly qualified journeyman, apprentice, and pre-apprentice sheet metal workers in sufficient numbers as may be necessary to properly execute work contracted for by the Employer in the manner and under the conditions specified in this Agreement. Complying with all federal, state and local equal employment opportunity (EEO) rules and regulations, the union and employer shall work diligently to recruit and hire qualified female, minority and disabled workers to diversify the workforce.

SECTION 2. The Union, SMACNA Greater Chicago and Employers signatory to this Agreement strongly encourage the Local Joint Apprenticeship and Training Committee Trustees to develop and make available anti-harassment training programs to be delivered to all employees in compliance with applicable federal, state or local ordinances.

ARTICLE V

SECTION 1. 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 I of this Agreement, within eight (8) days following the beginning of such employment or the effective date of this Agreement, whichever is the later, provided the Employer has reasonable grounds for believing that membership is available to such employees on the same terms and conditions generally applicable to other members and that membership is not denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fee uniformly required as a condition of acquiring or retaining membership.

SECTION 2. The Association hereby recognizes the Union as the Collective Bargaining Representative of all the employees covered by this Agreement. The non-member signatories who become parties to this Agreement do hereby likewise recognize the Union as the Collective Bargaining Representative of all employees of said Employer and as is covered by this Agreement. In as much as the Union has requested recognition from the Employer as the exclusive bargaining representative of the employees in the bargaining unit described herein under Section 9(a) of the National Labor Relation Act, and has submitted or offered to submit proof thereof in the form of signed and dated authorization cards, and the Employer is satisfied that the Union represents a majority of its employees in the bargaining unit described herein, the Employer hereby recognizes the Union as the exclusive collective bargaining representative of its employees on all present and future job sites within the jurisdiction of the Union, unless and until such time as the Union loses its status as the employees' exclusive representative as a result of an NLRB election requested by the employees. The Employer agrees that during the life of this agreement it will not request a NLRB election and expressly waives any right it may have to do so.

SECTION 3. If during the term of this Agreement the Labor-Management Relations Act of 1947 shall be amended by Congress in such manner as to reduce the time within which an employee may be required to acquire union membership, such reduced time limit shall

become immediately effective instead of and without regard to the time limit specified in Section 1 of this Article.

SECTION 4. The provisions of this Article shall be deemed to be of no force and effect in any state to the extent to which the making or enforcement of such provision is contrary to law. In any state where the making and enforcement of such provision is lawful only after compliance with certain conditions precedent, this Article shall be deemed to take effect as to involved employees immediately upon compliance with such conditions.

SECTION 5. The Employer agrees to deduct Union dues, assessment or service fees (excluding fines and initiation fees) from each week's pay of those employees who have authorized such deductions in writing, irrespective of whether they are Union members. Not later than the twentieth day of each month, the Employer shall remit to the designated financial officer of the Union the amount of deductions made for the prior month, together with a list of employees and their Social Security numbers for whom such deductions have been made.

ARTICLE VI

SECTION 1. The regular working day shall consist of eight and one-half hours (8 ½), with one-half (½) hour unpaid lunch period in the shop or on the job between six (6) a.m. and four-thirty (4:30) p.m. unless modified in local negotiations and the regular working week shall consist of five (5) consecutive eight (8) hour days' labor in the shop or on the job, beginning with Monday and ending with Friday of each week. However, with mutual consent of all affected members of a work crew, an earlier starting time may be established. There shall be no disciplinary action taken against any member that refuses to comply with the earlier starting time.

All full or part time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate. Except as otherwise provided pursuant to Section 4 of this Article, all work performed outside the regular working hours and performed during the regular work week, shall be at one and one-half (1½) times the regular rate. (*See Addendums 1, 2, 3, & 17*)

Employees shall be at the shop or project site at scheduled starting time each day and shall remain until quitting time. *(See Addendum 4)*

SECTION 2. New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day or days locally observed as such, and Saturday and Sunday shall be recognized as holidays. All work performed on holidays shall be paid as follows: Two (2) times the regular rate of pay except Saturday shall be at one and one half (1½) times the regular rate for the first eight (8) hours. *(See Addendum 24)*

SECTION 3. It is agreed that all work performed outside of regular working hours during the regular work week and on holidays shall be performed only upon prior approval from any officer or business representative, except for emergencies. Preference on overtime and holiday work shall be given to employees on the job on a rotation basis so as to equalize such work as nearly as possible.

SECTION 4. Shift work and the pay and conditions therefore shall be only as provided in written addenda attached to this Agreement. Energy conservation – Retrofit work performed outside the regular work day in occupied buildings shall be performed under shift work conditions to be established by the local parties or by the National Joint Adjustment Board on the request of either party, if not locally provided. *(See Addendum 1, 2)*

ARTICLE VII

SECTION 1. When employed in a shop or on a job within the limits of Local 265, employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within the said limits from home to shop or job at starting time and from shop or job to home at quitting time, and the Employer shall provide, or pay, for all necessary additional transportation during working hours. *(See Addendum 5)*

SECTION 2. When employed outside of the limits specified in Section 1 of this Article, and within the jurisdiction of the Union, employees shall provide transportation for themselves which will assure their arrival at the limits specified in Section 1 of this Article at

regular starting time, and the Employer shall provide or pay for all additional transportation for such jobs, including transportation from such job back to the limits specified in Section 1 of this Article which will assure arrival at such limits at quitting time. If an alternative to the foregoing method is used, it will be provided in a written addendum attached hereto. If an Employer sends an employee to perform work outside of the territorial jurisdiction of the United States of America or Canada, travel pay and/or subsistence arrangements shall be negotiated locally. *(See Addendum 5)*

ARTICLE VIII

SECTION 1. The minimum rate of wages for journeyman sheet metal workers covered by this Agreement when employed in a shop or on a jobsite within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be \$ _____ per hour, except as hereinafter specified in Section 2 of this Article. *(See Addendums 9 and 14)*

SECTION 2. On all work specified in Article I of this Agreement, fabricated and/or assembled by journeyman, apprentices, and/or pre-apprentice sheet metal workers within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other collective bargaining areas or Local Union affiliated with SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the jobsite Union shall be paid to the employees employed on such work in the home shop or sent to the jobsite.

SECTION 3. The provisions of Section 2 of this Article, Section 2 of Article II and Section 1 of Article III shall not be applicable to the manufacture for sale to the trade or purchase of the following items:

1. Ventilators
2. Louvers
3. Automatic and fire dampers

4. Radiator and air conditioning unit enclosures
5. Fabricated pipe and fittings for residential installations and light commercial work as defined in the locality
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air diffusers, grilles, registers
9. Sound attenuators
10. Chutes
11. Double-wall panel plenums
12. Angle rings

SECTION 4. The provisions of Section 2 of this Article shall not be applicable to AIR POLLUTION CONTROL SYSTEMS fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems. In addition, the provisions of Section 2 of this Article will not be applicable to the manufacture of spiral pipe and fittings, except when such a provision is contained in the local Union Agreement or Addendum to the Standard Form of Union Agreement (SFUA).

SECTION 5. Except as provided in Sections 2 and 6 of this Article, the Employer agrees that journeyman sheet metal workers hired outside the territorial jurisdiction of this Agreement shall receive the wage scale and working conditions of the local Agreement covering the territory in which such work is performed or supervised.

SECTION 6. When the Employer has any work specified in Article I of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another local Union affiliated with SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers and qualified sheet metal workers are available in such area, the Employer may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeyman sheet metal workers covered by this Agreement who are sent outside the area covered by this

Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is performed or supervised, plus all necessary transportation, travel time, board and expenses while employed in that area and the Employer shall be otherwise governed by the established working conditions of that local Agreement. If employees are sent into an area where there is no local Agreement of SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers covering the area then the minimum conditions of the home local union shall apply.

SECTION 7. In applying the provisions of Section 2, 5, and 6 of this Article VIII, the term “wage scale” shall include the value of all applicable hourly contractual benefits in addition to the hourly wage rate provided in said Sections.

SECTION 8. Welfare benefit contributions shall not be duplicated. When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this Agreement agree to arrange through the Health and Welfare Trust Fund to transmit health and welfare contributions made on behalf of the employee to the Health and Welfare Trust Fund in the employee’s home local union. The parties to this Agreement agree to establish a system for continuing health and welfare coverage for employees working temporarily outside the jurisdiction of the local collective bargaining Agreement when health and welfare contributions are transmitted on their behalf by trust funds from other areas. When sheet metal workers are temporarily employed outside the jurisdiction of their home local union, the parties signatory to this Agreement shall arrange to transmit any 401(k) contributions required to be made to a 401(k) plan where the work is performed to a 401(k) plan established for the employee’s home local union, and/or to the National Supplemental Savings Fund. This obligation is conditioned upon a suitable reciprocity arrangement being agreed to by the trustees of such plans.

SECTION 9. Wages at the established rates specified herein shall be paid once each week in the shop or on the job at or before quitting

time on the same day of each week, and no more than two (2) days' pay may be withheld. Alternative payroll procedures, i.e., electronic and/or automatic deposit may be negotiated locally. However, employees when discharged shall be paid in full. In the event layoff is not payoff, or pay is held more than 2 days', respective to the last hour worked, a daily penalty of 10% of the sum of 8 hours x Building Trades Base Wage, shall be paid to the effected member(s).

SECTION 10. Journeyperson, apprentice, and pre-apprentice sheet metal workers who report for work by direction of the Employer, and are not placed to work, shall be entitled to two (2) hours' pay at the established rate. This provision, however, shall not apply under conditions over which the Employer has no control.

SECTION 11. Each Employer covered by this Agreement shall employ at least one (1) journeyperson sheet metal worker who is not a member of the firm on all work specified in Article I of this Agreement. However, it will be permissible for an owner-member to be the journeyperson sheet metal worker.

SECTION 12(a). Contributions provided for in Section 12(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above. (*See Addendum 22*)

(b) The Employer shall pay the Sheet Metal and Air Conditioning Contractors' National Industry Fund of the United States (IFUS) twelve cents (\$0.12) per hour for each hour worked on and after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted to IFUS, 4201 LaFayette Center Drive, Chantilly, Virginia, 20151-1209,

or for the purpose of transmittal, through SMART Local 265. (*See Addendum 14*)

(c) The IFUS shall submit to SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers not less often than semi-annually, written reports describing accurately and in reasonable detail the nature of activities in which it is engaged or which it supports, directly or indirectly, with any of its funds. One time per year, the IFUS shall include in such written report a financial statement attested to by a certified public accountant containing its balance sheet and detailed statement of annual receipts and disbursements. Further specific detailed information in regard to IFUS activities or its receipts and/or expenditures shall be furnished to SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers upon written request.

(d) Grievances concerning use of IFUS funds for purposes prohibited under Section 12(a) or for violations of other subsections of this Section may be processed by SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers directly to the National Joint Adjustment Board under the provisions of Article X of this Agreement. In the event such proceedings result in a deadlock, either party may, upon ten (10) days' notice to the other party, submit the issue to final and binding arbitration. The Arbitrator shall be selected by the Co-Chairman of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he/she deems appropriate for violation of this Section, including termination of the Employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a dead-locked issue under this Section, (Section 12, Article VIII), and no other.

SECTION 13(a). Contributions provided for in Section 13(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support and

improve the employment opportunities for employees. No part of any such payments, however, shall be used for any purpose except as expressly specified above.

(b)The Employer shall pay to the (the local industry fund), *(See Addendum 14)* _____ cents (\$0.) per hour for each hour worked on or after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made monthly on or before the 20th day of the succeeding month.

(c) The local industry fund shall furnish to the Business Manager of the Union, not less often than semi-annually, written reports describing in reasonable detail the nature of activities in which it engaged or which it supports directly or indirectly with any of its funds. One time per year, the local industry fund shall include in such written report, a statement attested to by a certified public accountant and containing its balance sheet and detailed statement of receipts and disbursements. Further specified detailed information in regard to local industry fund activities or its receipts and/or disbursements shall be furnished to the Business Manager of the Union upon written request.

(d) Grievances concerning use of local industry fund monies to which an Employer shall contribute for purposes prohibited under Section 13(a) or for violations of other subsections of this Section shall be handled under the provisions of Article X of this Agreement. The National Joint Adjustment Board shall be authorized to impose any remedial order for violation of this Section, including termination of the Employer's obligation to contribute to the local industry fund.

SECTION 14. The Union and Employer recognize that the contributions provided in Sections 12(b) and 13(b) of this Article support activities that benefit the entire sheet metal industry. It is essential that the Employer support these activities, even though it may be performing sheet metal work under the provisions of a separate project agreement or maintenance agreement.

Therefore, hours worked for purposes of determining the contributions required under Sections 12(b) and 13(b) of this Article shall include all hours worked by each employee of the Employer

under any project agreement or maintenance agreement, unless specifically excluded by the terms of a written addendum that is negotiated by the Contractors' Association and the Local Union that are parties to this Agreement.

SECTION 15. Effective as of the date of this Agreement the Employers will contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) eighteen cents (\$0.18) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the ITI, or for purposes of collection and transmittal through SMART Local No. 265. **(See Addendum 14)** Effective as of the date of this Agreement, the Employers will contribute to the Sheet Metal Occupational Health Institute Trust (Institute) two cents (\$0.02) per hour for each hour worked by each employee of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the 20th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal through SMART Local 265. **(See Addendum 14)**

The parties agree to be bound by the separate Agreements and Declarations of Trusts establishing the International Training Institute for the Sheet Metal and Air Conditioning Industry, the National Energy Management Institute Committee, the Sheet Metal Occupational Health Institute Trust, and the Industry Fund of the United States and the separate agreements and declarations of trusts of all other local and national programs to which it has been agreed that contributions will be made. In addition, the parties agree to be bound by any amendments to said trust agreements as may be made from time to time and hereby designate as their representatives on the Board of Trustees such trustees as are named together with any successors who may be appointed pursuant to said agreements.

The parties authorize the trustees of all national funds to cooperatively establish uniform collection procedures to provide for

efficient and effective operation of the various national trusts. (*See Addendum 14*)

SECTION 16. In the event that the Employer becomes delinquent in making contributions to any national or local Fund, the Union may withdraw all employees from the service of the Employer within five (5) days' notice of such delinquency by the trustees. The withdrawal of such employees from the service of the Employer shall not constitute a violation of any provision of this Agreement.

SECTION 17(a). All Employers, whether represented by a contractor association or not, which perform any work specified in Article I of this Agreement within the area covered by this Agreement shall comply with any bonding provisions governing local Funds that may be negotiated by the local parties and set forth as a written Addendum to this Agreement. The Employer shall likewise comply with bonding requirements established by the Trustees of the National Funds. (*See Addendum 13*)

(b) When an Employer is performing any work specified in Article I of this Agreement outside of the area covered by this Agreement, and within the area covered by another Agreement with a local union affiliated with SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers the Employer shall comply with uniformly applied bonding requirements of that local area that are reasonable and necessary to ensure the timely payment of any contribution that may be required to local and national Funds, but in no event shall such bonds be in excess of three (3) months estimated contributions to local and national Funds.

(c) An Employer that has been delinquent in making contributions to any national or local fund shall, upon written notification of the trustees or local union, make the specified payment to such fund at weekly intervals. Such obligation shall continue until the Employer has not been delinquent in making contributions for a period of two consecutive months.

SECTION 18(a). The rate of employer contribution to the Supplemental Retirement Savings Plan (SRSP) shall be paid based upon all hours worked in accordance with the amounts shown on the

current Wage and Fringe Benefit contribution schedule. The employer shall be liable for the payment of monthly contributions set forth above to the SRSP, the employer in no way guarantees payment of the benefits established by the SRSP nor does the employer guarantee the solvency of the SRSP.

(b) Effective September 1, 2020 and subject to the Trustees of the SMART Local 265 Supplement Retirement Savings Fund(“Fund”) amending the Fund to include a 401(k) component to permit employee elective deferrals to the Plan, the employers agree to deduct from employees’ wages 401(k) contributions that have been authorized in writing by the employee and to timely remit those employee contributions to the Fund. Such contributions are to be remitted to the Fund in accordance with applicable IRS guidance and/or Plan policies and/or Plan provisions. Failure to withhold and remit authorized contributions may result in contribution assessments to the employer and/or ceasing employment of affected employees. The employer’s failure to remit salary deferrals in accordance with applicable IRS guidelines may result in excise taxes assessed against the employer by the IRS. The determination of such taxes and preparation of related filings is the responsibly of the employer. It is the intention of the parties that the Fund preserve its Safe Harbor status and that, employer contributions made to the Fund pursuant to this agreement will not be less than 3% of the employees’ wages (or such other percentage set by the Internal Revenue Code). It is agreed that employees will not be permitted to defer contributions that exceed the maximum annual amounts set forth in the Internal Revenue Code. The Trustees of the Fund have sole power and authority to administer the Plan, including the 401(k) component, and to construe and interpret the terms of the Plan, including the terms regarding the 401(k) component.

ARTICLE IX

SECTION 1. Journeyman, apprentice and pre-apprentice sheet metal workers covered by this Agreement shall at minimum provide for themselves all necessary hand tools. The Union and the Employer

shall establish a standardized tool list, which shall be set forth as a written addendum attached hereto. (*See Addendum 8*) Employees shall not be required as a condition of employment to furnish any tools beyond those listed in addendum 8.

SECTION 2. Journeyperson, apprentice and pre-apprentice sheet metal workers covered by this Agreement shall not be permitted or required as a condition of employment to furnish the use of automobile or other conveyance to transport workers, tools, equipment or materials from shop to job, from job to job, or from job to shop; facilities for such transportation to be provided by the Employer. This provision shall not restrict the use of an automobile or other conveyance to transport its owner and personal tools from home to shop or job at starting time or from shop or job to home at quitting time.

SECTION 3. Journeyperson, apprentice and pre-apprentice sheet metal workers covered by this Agreement shall not use cell phones, PDA's, tablets or other electronic communication devices for personal business on paid time except in the case of an emergency. Employees shall not use personal electronic devices for business use.

ARTICLE X

The Union and the Employer, whether party to this Agreement independently or as a member of a multi-Employer bargaining unit, agree to utilize and be bound by this Article.

SECTION 1. Grievances of the Employer or the Union arising out of interpretation or enforcement of this Agreement, shall be settled between the Employer directly involved and the duly authorized representative of the Union, if possible.

Both parties may participate in conferences through representatives of their choice. The local Employers' Association or the Local Union, on its own initiative, may submit grievances for determination by the Board as provided in this Section. The grievance procedure set forth in this Article applies only to labor-management disputes.

To be valid, grievances must be raised within thirty (30) calendar days following the occurrence giving rise to the grievance, or, if the

occurrence was not ascertainable, within thirty (30) calendar days of the first knowledge of the facts giving rise to the grievance.

SECTION 2. Grievances not settled as provided in Section 1 of this Article may be appealed by either party to the Local Joint Adjustment Board where the work was performed or in the jurisdiction of the Employer's home local and such Board shall meet promptly on a date mutually agreeable to the members of the Board, but in no case more than fourteen (14) calendar days following the request for its services, unless the time is extended by mutual agreement of the parties or Local Joint Adjustment Board. The Board shall consist of representatives of the Union and of the local Employers' Association and both sides shall cast an equal number of votes at each meeting. Except in the case of a deadlock, a decision of a local Joint Adjustment Board shall be final and binding.

Notice of appeal to the Local Joint Adjustment Board shall be given within thirty (30) days after termination of the procedures prescribed in Section 1 of this Article, unless the time is extended by a mutual agreement of the parties.

SECTION 3. Grievances not disposed of under the procedure prescribed in Section 2 of this Article, because of a deadlock or failure of such Board to act, may be appealed jointly or by either party to a Panel, consisting of one (1) representative appointed by the Labor Co-Chairman of the National Joint Adjustment Board and one (1) representative appointed by the Management Co-Chairman of the National Joint Adjustment Board. Appeals shall be mailed to the National Joint Adjustment Board. * Notice of appeal to the Panel shall be given within thirty (30) days after termination of the procedures prescribed in Section 2 of this Article. Such Panel shall meet promptly but in no event more than fourteen (14) calendar days following receipt of such appeal, unless such time is extended by mutual agreement of the Panel members. Except in case of deadlock, the decision of the Panel shall be final and binding.

In establishing the grievance procedure of the Standard Form of Union Agreement, it was the intent of SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers and

the Sheet Metal and Air Conditioning Contractors' National Association, Inc. to establish a method for resolving grievances permitting appeals for out-of-area Employers from the grievance arbitration procedures established for the territory in which work is performed. An Employer who was not a party to the Labor Agreement of the area in which the work in dispute is performed may appeal the decision of the Local Joint Adjustment Board from that area, including a unanimous decision, as well as a decision of any alternative arbitration tribunal established for that area, and request a Panel hearing as set forth in Section 3 of this Article, providing such appeal is approved by the Co-Chairmen of the National Joint Adjustment Board. Such a right of appeal shall exist despite any contrary provision in the agreement covering the area in which the work is performed.

For the purpose of this Section, an Employer who is party to the Labor Agreement of the area in which the work in dispute is performed, but has no permanent shop within the area served by the Local Joint Adjustment Board that rendered the unanimous decision, may also be entitled to appeal a deadlocked or unanimous Local Joint Adjustment Board decision, and request a Panel hearing.

SECTION 4. Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by such Board. Appeals to the National Joint Adjustment Board shall be submitted within thirty (30) days after termination of the procedures described in Section 3 of this Article. The Procedural Rules of the National Joint Adjustment Board are incorporated in this Agreement as though set out in their entirety. (Copies of the procedures may be obtained from the National Joint Adjustment Board*).

SECTION 5. A Local Joint Adjustment Board, Panel and the National Joint Adjustment Board are empowered to render such decisions and grant such relief to either party as they deem necessary and proper, including awards of damages or other compensation.

*All correspondence to the National Joint Adjustment Board shall be sent to the following address:

National Joint Adjustment Board,

P.O. Box 220956 Chantilly, VA 20153- 0956 or 4201 Lafayette Center Drive, Chantilly, VA 20151-1209

SECTION 6. In the event of non-compliance within thirty (30) calendar days following the mailing of a decision of a Local Joint Adjustment Board, Panel or the National Joint Adjustment Board, a local party may enforce the award by any means including proceedings in a court of competent jurisdiction in accord with applicable state and federal law. If the party seeking to enforce the award prevails in litigation, such party shall be entitled to its costs and attorney's fees in addition to such other relief as is directed by the courts.

Any party that unsuccessfully challenges the validity of an award in a legal proceeding shall also be liable for the costs and attorney's fees of the opposing parties in the legal proceedings.

SECTION 7. Failure to exercise the right of appeal at any step thereof within the time limit provided therefore shall void any right of appeal applicable to the facts and remedies of the grievances involved. There shall be no cessation of work by strike or lockout during the pendency of the procedures provided for in this Article. Except in case of deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

SECTION 8. In addition to the settlement of grievances arising out of interpretation or enforcement of this Agreement as set forth in the preceding sections of this Article, any controversy or dispute arising out of the failure of the parties to negotiate a renewal of this Agreement shall be settled as hereinafter provided. This may be done only if both parties first expressly agree in writing to utilize, specifically as to a particular contract renewal or dispute, the (interest arbitration) settlement procedures set forth in this Section.

- (a) Should the negotiations for a renewal of this Agreement or negotiations regarding a wage/fringe reopener become deadlocked in the opinion of the Union representative(s) or of the Employer ('s) representative(s), or both, notice to that effect shall be given to the National Joint Adjustment Board.

If the Co-Chairmen of the National Joint Adjustment Board believe the dispute might be adjusted without going to final hearing before the National Joint Adjustment Board, each will then designate a Panel representative who shall proceed to the locale where the dispute exists as soon as convenient, attempt to conciliate the differences between the parties and bring about a mutually acceptable agreement. If such Panel representatives or either of them conclude that they cannot resolve the dispute, the parties thereto and the Co-Chairmen of the National Joint Adjustment Board shall be promptly notified without recommendation from the Panel representatives. Should the Co-Chairmen of the National Joint Adjustment Board fail or decline to appoint a Panel member or should notice of failure of the Panel representatives to resolve the dispute be given, the parties shall promptly be notified so that either party may submit the dispute to the National Joint Adjustment Board.

In addition to the mediation procedure set forth above or as an alternate thereto, the Co-Chairmen of the National Joint Adjustment Board may each designate a member to serve as a subcommittee and hear the dispute in the local area. Such Subcommittees shall function as arbitrators and are authorized to resolve all or part of the issues. They are not, however, authorized to deadlock and the matter shall be heard by the National Joint Adjustment Board in the event a Subcommittee is unable to direct an entire resolution of the dispute.

The dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by the National Joint Adjustment Board. The unanimous decision of said Board shall be final and binding upon the parties, reduced to writing, signed and

mailed to the parties as soon as possible after the decision has been reached. There shall be no cessation of work by strike or lockout unless and until said Board fails to reach a unanimous decision and the parties have received written notification of its failure.

- (b) Any application to the National Joint Adjustment Board shall be upon forms prepared for that purpose subject to any changes which may be decided by the Board from time to time. The representatives of the parties who appear at the hearing will be given the opportunity to present oral argument and to answer any questions raised by members of the Board. Any briefs filed by either party including copies of pertinent exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.
- (c) The National Joint Adjustment Board shall have the right to establish time limits which must be met with respect to each and every step or procedure contained in this Section. In addition, the Co-Chairmen of the National Joint Adjustment Board shall have the right to designate time limits which will be applicable to any particular case and any step therein which may be communicated to the parties by mail, facsimile or telephone notification.
- (d) Unless a different date is agreed upon mutually between the parties or is directed by the unanimous decision of the National Joint Adjustment Board, all effective dates in the new Agreement shall be retroactive to the date immediately following the expiration date of the expiring Agreement.

SECTION 9. Employers not contributing to the Industry Fund of the United States (IFUS) will be assessed a fee to be determined periodically by the Administrator of the National Joint Adjustment Board. Proceeds will be used to reimburse IFUS for costs of arbitration under the provisions of Article X.

SECTION 10. In addition to the settlement of disputes provided for in Section 1 through 8 of this Article, either party may invoke the

services of the National Joint Adjustment Board to resolve disputes over the initial establishment of terms for specialty addenda, if the provisions of Article X have been adopted in their entirety, and without modification.

Such a dispute may be submitted upon the request of either party any time that local negotiations for such an agreement have been unsuccessful. Such a dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by said Board. The unanimous decision of said Board shall be final and binding upon the parties. There shall be no strike or lockout over such a dispute.

SECTION 11. In administering and conducting dispute resolution activities under the arbitration procedures of the Standard Form of Union Agreement, the National Joint Adjustment Board, the SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers the Sheet Metal and Air Conditioning Contractors' National Association, Inc., and their representatives, are functioning as arbitrators and not as the representative of any entity that is party to such dispute. Therefore, they shall enjoy all of the rights, privileges, and immunities afforded to arbitrators under applicable law.

ARTICLE XI

SECTION 1. All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of an equal number of trustees; one-half (½) by Employer, one-half (½) by Union. There shall be a minimum of 4 trustees. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices and the operation of an adequate apprenticeship system to meet the needs and requirements of the trade. Said rules and regulations when

formulated and adopted by the parties hereto shall be recognized as part of this Agreement.

SECTION 2. The Joint Apprenticeship and Training Committee designated herein shall serve for the life of this Agreement, except that vacancies in said Joint Apprenticeship and Training Committee caused by resignation or otherwise, may be filled by either party hereto and it is hereby mutually agreed by both parties hereto, that they will individually and collectively cooperate to the extent that duly qualified apprentices be given every opportunity to secure proper technical and practical education experience in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

(a) The parties will review the need for specialized and skills upgrade training and cooperate to establish necessary programs which will then be supervised by the Joint Apprenticeship and Training Committee.

SECTION 3. It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the International Training Institute and any Local Joint Apprenticeship and Training Fund (Local JATC) will not be used to train apprentices or journeypersons who will be employed by Employers in the Sheet Metal Industry not signatory to a collective bargaining Agreement providing for contributions to the International Training Institute and a Local JATC. Therefore, the trustees of the International Training Institute and Local JATC shall adopt and implement an Education Loan Agreement Program which will require apprentices and journeyperson employed by signatory Employers to repay the cost of training either by service following training within the union sector of the industry or by actual repayment of the cost of training if the individual goes to work for a non-signatory Employer in the Sheet Metal Industry. The cost of training shall include the reasonable value of all International Training Institute and Local JATC materials, facilities and personnel utilized in training. If a Local JATC does not implement the Education Loan Agreement, the Local JATC shall be prohibited from utilizing International Training Institute materials and programs.

SECTION 4. It is hereby agreed that the Employer shall apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant apprentices on the basis of one (1) apprentice for each three (3) journeyperson regularly employed throughout the year. Provided, however, an Employer will not be entitled to a new apprentice if the Employer has an apprentice on layoff for lack of work.

SECTION 5. Each apprentice shall serve an apprenticeship of four (4) years and such apprentices shall not be in charge of work on any job and shall work under the supervision of a journeyperson until apprenticeship terms have been completed and they have qualified as journeyperson.

SECTION 6. A graduated wage scale similar to that shown below, based on the journeyperson wage rate, shall be established for apprentices. The scale may vary based on local market conditions and recruiting requirements.

Year	First half	Second half
1 st	40%	45%
2 nd	50%	55%
3 rd	60%	65%
4 th	70%	75%
5 ^{th**}	80%	85%

***As of September 1, 2021, there will no longer be a 5th year in the apprenticeship. Tiers 1st through 4th shall remain unchanged.*

This section shall not have the effect of reducing the wage progression schedule of any apprentice who was indentured prior to the effective date of this Agreement. **(See Addendum 9)**

SECTION 7. Youth to Youth - The Union and SMACNA Greater Chicago agree to meet and develop a more detailed plan to implement the Youth to Youth program during the length of this agreement.

SECTION 8. The parties agree that concentrated apprenticeship training is preferable to night schooling. The parties recognize that previous experience in the industry can be considered when evaluating and placing sheet metal workers into the apprenticeship program and the JATC shall work cooperatively with the parties in establishing standards for placing employees into the program. The parties shall also address the need to provide continuity in health care for those workers entering the program with prior experience in the industry.

SECTION 9. The parties agree that career-long skill upgrade training is necessary for an effective workforce and agree to undertake those measures available to them to encourage continuing training for sheet metal journeyman.

ARTICLE XII

SECTION 1. It is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant Pre-apprentices based on Addendum 21. Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to any pre-apprentice. Thereafter, the same conditions and ratios shall apply. *(See Addendum 20)*

In the event the Employer is entitled to employ a pre-apprentice and the Union fails to comply with the Employer's written request to furnish a pre-apprentice within forty-eight (48) hours, the Employer may hire such employees and refer them to the Joint Apprenticeship and Training Committee for enrollment.

Pre-apprentices shall be enrolled as applicants for future openings in the apprenticeship program. The Joint Apprenticeship and Training Committee shall evaluate the qualifications of pre-apprentices for such openings during the first year of employment. No pre-apprentice shall be retained beyond one (1) year unless the pre-apprentice has

been found to be qualified as an applicant. *(See Addendum 20)* The wage scale for pre-apprentices shall be a minimum of thirty percent (30%) of the wage rate of journeyman sheet metal workers. Health and welfare coverage shall be arranged on behalf of the pre-apprentices by the parties. *(See Addendum 20)*

National Pension contributions will be paid on all hours worked beginning with the first payroll period after ninety (90) days in the amount of five percent (5%) of the journeyman pension fund contribution, to the next whole cent, or a minimum of thirty two cents (\$0.32) per hour, whichever is greater for each hour worked on or after the effective date of this Agreement to the Sheet Metal Workers' National Pension Fund. The parties shall make all necessary arrangements so that any pre-apprentice being reclassified shall experience no break in benefits coverage. *(See Addendum 20)*

ARTICLE XIII

SECTION 1. SMACNA Greater Chicago and SMART L.U. 265 are committed to promoting productive and cooperative Labor-Management relations. In furtherance of this goal, the local Employers' association and local Union agree to establish a Labor-Management Committee (LMCC) which shall meet on a regular basis, but not less often than quarterly, to discuss industry issues of mutual concern. Such committees will strive to improve communications, understand and respond to industry direction and trends, and resolve common issues collaboratively. *(See Addendum 6)*

SECTION 2. Under the LMCC established in Article XIII, Section 1, the parties agree to establish a subdivision which shall be known as the Self-Funded Bond Program. This program will be funded in part by collectively bargained contributions to the LMCC established under Article XIII, Section 1 and set forth as a written Addendum to this Agreement and in part by an annual renewal fee of \$250 to be charged to Employers endorsed under the Self-Funded Bond Program. *(See Addendum 6)*

ARTICLE XIV

SECTION 1. In applying the terms of this Agreement, and in fulfilling their obligations thereunder, neither the Employer nor the Union will discriminate in any manner prohibited by law.

ARTICLE XV

SECTION 1. This Agreement and Addenda Numbers 1 through 26 attached hereto shall become effective on the 1st day of September 2020, and remain in full force and effect until the 1st day of June, 2024, and shall continue in force from year to year thereafter unless written notice of reopening is given not less than ninety (90) days prior to the expiration date. In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party by written notice, provided, however, that, if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint Adjustment Board or until procedures under Article X, Section 8 have been otherwise completed.

SECTION 2. If pursuant to federal or state law, any provision of this Agreement shall be found by a court of competent jurisdiction to be void or unenforceable, all of the other provisions of this Agreement shall remain in force and effect. The parties agree to meet and negotiate a substitute provision. If negotiations are unsuccessful, the issue may be submitted for resolution by either party pursuant to Article X, Section 8 of this Agreement.

SECTION 3. Notwithstanding any other provisions of this Article, or any other Article of this Agreement, whenever an amendment to the Standard Form of Union Agreement shall be adopted by the sponsoring National Associations, any party to this Agreement, upon the service of notice to all other parties hereto, shall have this Agreement reopened thirty (30) days thereafter, for the sole and only purpose of attempting to negotiate such amendment or amendments into this Agreement for the duration of the term hereof. There shall be no strike or lockout over this issue.

SECTION 4. Each Employer hereby waives any right it may have to repudiate this Agreement during the term of this Agreement, or during the term of any extension, modification or amendment to this Agreement.

SECTION 5. By execution of this Agreement, the Employer authorizes SMACNA Greater Chicago to act as its collective bargaining representative for all matters relating to this Agreement. The parties agree that the Employer will hereafter be a member of the multiemployer bargaining unit represented by said Association unless this authorization is withdrawn by written notice to the Association and the Union at least one hundred-fifty (150) days prior to the then current expiration date of this Agreement.

In witness whereof, the parties hereto affix their signatures and seal this 31st Day of August 2020.

THIS STANDARD FORM OF UNION AGREEMENT HAS PROVIDED FOR THE INCLUSION OF PRE-APPRENTICES AND A REDUCTION OF THE WAGE SCHEDULE FOR NEW APPRENTICES. THE PURPOSE OF THIS IS TO MAKE CONTRACTORS MORE COMPETITIVE WITH NON-UNION COMPETITION. TO ACHIEVE THAT OBJECTIVE, EMPLOYERS AGREE TO MINIMIZE MULTIPLE MARKUPS. (See Addendum 20)

**Addenda to Standard Form of Union Agreement
(Form A – 08-11)**

All following addenda shall apply to the Agreement effective the 1st day of September, 2020 and continuing until the 1st day of June, 2024, by and between SMACNA Greater Chicago, hereinafter referred to as the Employer and Local Union No. 265 of SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers, hereinafter referred to as the Union for DuPage, Kane, Kendall, McHenry, Grundy, Iroquois, Kankakee, Livingston and Will Counties.

ADDENDUM No 1 – SHIFT WORK

(ref. Article VI, Sections 1, 2 and 4)

The regular working day (first shift) shall consist of eight and one-half (8 ½) hours, with one-half (½) hour unpaid lunch period, in the shop or on the job between six (6) a.m. and four-thirty (4:30) p.m. However, with mutual consent of all affected members of a work crew, an earlier starting time may be established. There shall be no disciplinary action taken against any member that refuses to comply with the earlier starting time.

Prior to establishing a second or third shift, the Union must be notified by the Employer regarding the use of the shift work. A minimum of three (3) consecutive days must be worked to establish shift work. The second shift shall be eight (8) continuous hours with a starting time between 3:00 P.M. and 8:00 P.M. and shall be paid at a base wage plus ten percent (10%), with a one-half (½) hour paid lunch period.

The third shift shall be eight (8) continuous hours with a starting time after 8:01 P.M. and shall be paid at a base wage plus fifteen percent (15%), with a one-half (½) hour paid lunch period.

All work performed in addition to the eight (8) hour shift, shall be paid for at one and one-half (1½) times the shift rate, except for work performed on Saturday after eight (8) hours of work, and Sunday and holidays designated in this Agreement, which shall be paid for at two (2) times the shift rate.

The previous language notwithstanding, a shift, once begun, shall finish at the same rate of pay that it started at. Furthermore, it shall not be necessary to have a first shift in order to have a second shift and it shall not be necessary to have a first and second shift in order to have a third shift.

ADDENDUM No. 2

(ref. Article VI Section 1&2)

When the job warrants and upon approval of the Business Manager, a work week of four (4), 10-hour days as opposed to five (5), 8-hour

days may be worked, if all employees involved with such jobs agree to work a four (4) day, 10-hour day shift. There shall be no disciplinary action taken against any member that refuses to work a four (4) day, 10-hour day shift.

ADDENDUM No. 3

Roofing Work – Saturday Make-Up Day

(ref. Article VI Section 1 & MOU)

When a previous day of the week is canceled due to inclement weather and when working in conjunction with a Roofing Contracting Company on a roofing job site, and when Saturday work is required, a premium rate of scale plus One Dollar Fifty Cents (\$1.50) per hour, up to forty (40) hours for the work week, Monday through Saturday, shall be paid. One and one-half (1½) times the regular rate shall be paid thereafter. Work in excess of eight (8) hours on Saturday, shall be paid at two (2) times the regular rate. There shall be no disciplinary action taken against any employee that refuses to work on Saturdays.

This Addendum does not apply to roof decking work.

ADDENDUM No. 4

(ref. Article VI Section 1)

Employees shall be at their designated work area, prepared to start work at the scheduled starting time each day and shall remain until quitting time.

ADDENDUM No. 5

(ref. Article VII Section 1&2)

Travel Clause - When working in Cook and Lake Counties of Illinois, two travel zones will be created. The dividing line for the two zones will be Route #94 from the Wisconsin border, down to the intersection of Route #94 and Cicero Ave. (Route #50), Cicero Avenue south to 147th Street/Route #83 and Route #83 east to the Indiana border. The area to the west of the dividing line will be Zone 1, the area to the east of the dividing line will be Zone 2.

When traveling in an employee's vehicle: Zone 1 will carry a \$3.50 per diem; Zone 2 will carry a \$7.00 per diem. When working in downtown Chicago and when transportation of tools is necessary, first and last day parking will be included. For collar counties surrounding Local #265's jurisdiction to the west, south and north, the current IRS standard for mileage will be paid when driving an employee's vehicle. In all cases, when traveling in an Employer's vehicle, no travel compensation will be provided. All employees will be required to be on the job site at starting time and remain until quitting time, (except when required to report directly to the shop at the start of the workday).

ADDENDUM No. 6 – LMCC

(ref. Article XIII Section 1&2)

LMCC - Create a Labor Management Cooperative Committee, according to the regulations established in the Federal Labor Relations Act, to promote the interests of the unionized sheet metal industry. Established on June 1, 1997, SMART Local 265 allocated monies from their hourly wage and benefit package to the LMCC. All Employers, whether represented by a contractor association or not, which perform any work specified in Article I of this Agreement within the area covered by this Agreement shall contribute to LMCC at the rate negotiated. *(See Addendum 9)*

The parties agree that the total amount of the LMCC contributions will be allocated at the sole discretion of the LMCC trustees to any of the following: LMCC General Fund, Scholarship Fund, Self-Funded Bond Program, Rebate Program(s), Marketing Program, Random Drug Testing Program, or any other Program created by the LMCC Trustees.

After June 1, 1997, if either party elects to withdraw from the LMCC, the LMCC will subsequently be dissolved. Remaining monies will revert back to contributing parties.

(a) SELF-FUNDED BOND PROGRAM - The Self-Funded Bond Program is created in furtherance of promoting the interests of the unionized sheet metal industry. Initial funding for the Self-Funded

Bond Program will be provided by SMART Local 265 in the amount of \$500,000.00 as evidenced by promissory note, adequately secured, and bearing a reasonable rate of interest.

All Employers with their principal place of business within the territorial jurisdiction of this Agreement that have submitted the “Rider-A Application and Indemnity Agreement For Wage and Fringe Benefit Bond” and have been approved, shall be endorsed under the Self-Funded Bond Program and shall be assessed an annual renewal fee for the period of coverage determined by the LMCC, as administrator to the Self-Funded Bond Program.

Employers with their principal place of business not within the territorial jurisdiction of this Agreement but performing work specified in Article I of this Agreement within the area covered by this Agreement are required to comply with the bonding provisions set forth in Addendum No. 14.

ADDENDUM No. 7 – STEWARDS

Stewards on job sites and in the shop, are appointed by the Union. The Steward shall be given a reasonable time during work hours to perform his/her duties as Steward. The Steward shall not be discharged or replaced, except for termination of the work at the job site or for sufficient reason. In the event the Steward is discharged for reason; prior notification shall be given to the Union. No Foreman or General Foreman shall be a Steward.

The Labor Management Cooperative Committee (LMCC) Trustees are comprised of 5 Labor Trustees and 5 Management Trustees. With unanimous approval of the LMCC the Union may assign a Steward to a company at large.

ADDENDUM No. 8 – TOOL LIST

(ref. Article IX)

Journeyman and apprentice sheet metal workers covered by this Agreement shall provide for themselves:

Pipe Crimpers	Slotted Screwdriver	Chalk Line
Scratch Awl	Phillips Head Screwdriver	Drift Pin
Whitney Hand Punch w/Dies	Hand Seamer-Folders	Pry Bar (Wonder Bar type) or Claw Hammer
“Bull” Snips	Dividers – 10”	Channel Locks
Right Cut Snips	Vice Grips	Panduit Gun
Left Cut Snips	Allen Wrench Set	6” Circumference Tape
25’ Rule	Cold Chisel	Tool Container
Combination Square	Crescent Wrench	Center Punch
Torpedo Level	Side Cutter for Wire	12” Drive Turner
Tinner’s Hammer	Pop Riveter – 1/8”	Dolly
Utility Knife	Plumb Bob	Scriber

Service technicians, journeyman and service apprentices covered by this Agreement shall provide for themselves the following tools:

Scratch Awl	Phillips Head Screwdriver	Refrigeration Wrench
Channel Locks	Allen Wrench Set	Crescent Wrench
Right Cut Snips	Nut Drivers 3/16”, 1/4”, 5/16”, 3/8”, 11/32”, 7/16”, 1/2”	Valve Core Removal Tool
Left Cut Snips	Wire Stripper/Crimper	Needle Nose Pliers
25’ Tape	Lineman’s Pliers	Fuse Pullers
Torpedo Level	Hacksaw Frame	Thermostat Screwdriver
Slotted Screwdriver	Tool Container	Razor Knife
Side Cutters		

ADDENDUM No. 9 – WAGES

(ref. Article VIII Section 1 & Article XI Section 6)

This Agreement includes wage increases for the next year of the following: Effective dates 09/01/2020 – \$2.67 wage and benefit increase.

A & C Members

Base Wage **	\$50.33
Local Pension	\$7.84
Supp. Retirement Savings Fund	\$9.75
National Pension	\$0.87
Health & Welfare	\$11.00
Local	\$1.11
National	\$0.18
Education Fund	\$1.29
LMCC	\$1.06
SMACNA G.C.	\$0.40
Industry Fund	\$1.46
SASMI	\$2.39
Total Package	\$84.93

B Members

Base Wage **	\$48.35
Local Pension	\$0.00
Supp. Retirement Savings Fund	\$9.75
National Pension	\$10.69
Health & Welfare	\$11.00
Local	\$1.11
National	\$0.18
Education Fund	\$1.29
LMCC	\$1.06
SMACNA G.C.	\$0.40
Industry Fund	\$1.46
SASMI	\$2.39
Total Package	\$84.93

The following classifications shall be paid over scale based on the listed percentage times the current journey person Base Rate.

Foreman Rate of Pay: 5%, General Foreman Rate of Pay: 8%,
Superintendent Rate of Pay: 9%

**This allocation includes a \$0.50 per hour deduction for Organization Fund; a \$0.31 per hour deduction for the Defense Fund, and a \$0.19 per hour deduction for IA Working Assessment, for a total deduction of \$1.00 plus 2.25% LU Working Assessment is applied to gross wages for hours worked and then remitted to SMART L.U. 265.

This Collective Bargaining Agreement also includes:

September 1, 2020- \$2.67 (\$0.02 allocated to the Industry Fund)

June 1, 2021- \$2.62 (\$0.02 allocated to the Industry Fund)

June 1, 2022- \$2.72 (\$0.02 allocated to the Industry Fund)

June 1 2023- \$2.77 (\$0.02 allocated to the Industry Fund)

After taxes have been deducted from the base wages, one dollar and twenty-two cents (\$1.00 plus 2.25% Working Assessment) will be remitted with the balance of the fringe benefits to L.U. 265. The remaining seventy-two cents (\$0.50) plus 2.25% Working Assessment shall be deducted in compliance with the requirements of Section 302(c)(4) of the Labor Management Relations Act of 1947, as amended, and shall be used by the Union for the purpose of organizing and general administrative activity.

Journeyman and Apprentice Base Wage Rates

Wage rates are computed using the collectively bargained base wage, minus the one dollar (\$1.00) for Defense/Local 265 Organizing Fund/I.A. Assessment contributions. One dollar (\$1.00) is then re-added to arrive at the taxable wage. The 2.25% LU Working Assessment is applied to gross wages for hours worked and then remitted to SMART L.U. 265 (see applicable wage sheets).

The graduated wage scale for apprentices is established on the following percentage basis of the base wage rate of journeyman sheet metal workers:

Year	First half	Second half
1 st	40%	45%
2 nd	50%	55%
3 rd	60%	65%
4 th	70%	75%
5 ^{th**}	80%	85%

NOTE - All fringe benefits apply to apprentices (*See Addendum 19, Sec. 2 & 3*).

***As of September 1, 2021, there will no longer be a 5th year in the apprenticeship. Tiers 1st through 4th shall remain unchanged.*

The Employer shall make contributions for each employee covered by this Agreement to SASMI Trust Fund equal to three percent (3%) of the established journeyperson base wage, any local or national fringe benefit fund and other fringe benefit account including, but not limited to, Pension, Health and Welfare, Annuity and other similar or related funds or plans.

ADDENDUM No. 10

FOREMEN, GENERAL FOREMEN AND SUPERINTENDENTS

(ref. Article IV Section 1)

Beginning on June 1, 2017 and continuing through the life of this agreement, Sheet Metal Workers' Foremen, shall receive an additional two dollars and fifty-two cents (\$2.52) (**5% x journeyperson base wage**) per hour, General Foremen shall receive four dollars and three cents (\$4.03) (**8% x journeyperson base wage**) per hour, and Superintendents shall receive four dollars and fifty-three cents (\$4.53) (**9% x journeyperson base wage**) per hour over the journeyperson scale. The actual dollar amount shall reflect the current journeyperson base rate multiplied by the appropriate percentage.

A journeyperson sheet metal worker Foreman shall be required for every job site that requires six (6) or more journeyperson. One of these six (6) shall be Foreman. There shall be a second journeyperson sheet metal Foreman on the job when twelve (12) journeyperson are employed. (1 of 6, 2 of 12, 3 of 18, etc.). One of the first three Foremen shall be designated as General Foreman and there shall be no more than one (1) General Foreman on any one job. It is understood that the schedule of hiring General Foremen and Foremen applies to the job site only. A journeyperson Sheet Metal Workers Superintendent shall be required for every shop that requires 35 or more journeyperson.

ADDENDUM No. 11

UNEMPLOYMENT COMPENSATION

Any Employer who is signatory to this Agreement and who employs one or more employees, shall be required to be covered by and contribute to the Unemployment Compensation Fund of the State of Illinois, and provide the registration number assigned to them by the Illinois Department of Labor under the provisions of the Unemployment Compensation Act.

ADDENDUM No. 12

WORKERS' COMPENSATION AND PUBLIC LIABILITY

The Employer agrees to provide a Certificate of Insurance covering Public Liability and Workers' Compensation Insurance.

ADDENDUM No. 13 - SURETY BOND

(ref. Article VIII Section 17a)

Every Employer with its principal place of business within the territorial jurisdiction of this Agreement and performing work specified in Article I of this Agreement within the area covered under this Agreement shall be endorsed under the Self-Funded Bond Program upon submission and acceptance of the "Rider-A Application and Indemnity Agreement for Wage and Fringe Benefit Bond".

Every Employer whose principal place of business is not within the territorial jurisdiction of this Agreement, but performing work specified in Article I of this Agreement within the area covered under this Agreement shall be required to furnish an acceptable surety bond, or an irrevocable bank letter of credit, or a certificate of deposit from an accredited financial institution in favor of SMART, Local 265 conditioned on the payment of wages and all fringe benefits. The amount of said surety bond, or irrevocable bank letter of credit, or certificate of deposit shall be in the amount of \$8,000 per employee.

Any Employer whose principal place of business is not within the territorial jurisdiction of this Agreement, but performing work specified in Article I of this Agreement within the area covered under this Agreement who permits his account with the respective Funds to become thirty (30) days delinquent, shall be advised by the Union, in writing, sent via Certified Mail, that unless such delinquency is cleared within seven (7) days, the contractor's employees shall be removed and steps will be taken to call in the bond.

Every Employer who is performing work specified in Article I of this Agreement within the area covered under this Agreement shall be required to furnish hire notification to the Union. This notification shall be done through our secure web-based portal.

The Union agrees to enforce this contribution compliance portion of the Agreement diligently and without discrimination between Employers.

ADDENDUM No. 14 - FRINGE BENEFITS

(ref. Article VIII Section 1, 12b, 13b & 15)

All Employers will submit benefit remittance and contributions monthly to SMART Local 265 as well as the National Benefit Funds. These contributions are due by the twentieth (20th) day of each month, for all of a Covered Employee's Hours of Work in the preceding month; unless otherwise agreed, such contributions and remittance data shall be transmitted electronically via the National Benefit Funds' secure online Internet Payment System, accessible at www.smwnbf.org (IPS Support Team can be reached via email: ips@smwnbf.org or by calling 800-231-4622). Should the Plan fail to receive the requisite contributions by the due date, the Employer will be delinquent and will be subject to all damages, interest and other charges applicable under the respective Trust Documents and federal law.

As of June 1, 2017, the vast majority of contractors already follow this procedure. However, this will be a new process for some. In consideration, there will be a 3-month grace period to support the learning curve of this process. The grace period shall end on

September 1, 2017.

Welfare Fund - The Employer shall pay into SMART, L.U. 265 Welfare Fund, as provided for in Addendum No. 9, for each hour worked for each sheet metal worker journeyman, apprentice, applicant, pre-apprentice and owner/member***.

National Pension Fund - The Employer shall pay into SMART, National Pension Fund as provided for in Addendum No. 9 for each hour worked for each sheet metal worker journeyman, apprentice, pre-apprentice, applicant and owner/member***. (*See Addendum 20*)

Local Pension Fund - The Employer shall pay into SMART, L.U. 265 Pension Fund, as provided for in Addendum No. 9, for each hour worked for each sheet metal worker journeyman, apprentice and applicant***.

National Training - The Employer shall pay into the International Training Institute Fund direct, the sum of twelve cents (\$0.12) per hour for each hour worked for each sheet metal worker journeyman, apprentice and pre-apprentice and pre-apprentice members ***.

NEMI Fund - The Employer shall pay into The National Energy Management Institute Fund through the ITI, the sum of three cents (\$0.03) per hour for each hour worked for each sheet metal worker journeyman, apprentice and pre-apprentice and pre-apprentice members ***.

SMART Scholarship Fund - The Employer shall pay into SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers Scholarship Fund the sum of one cent (\$0.01) per hour for each hour worked for each sheet metal worker journeyman, apprentice and pre-apprentice and pre-apprentice members ***.

S.M.O.H.I.T. - The Employer shall pay into the Sheet Metal Occupational Health Institute Trust the sum of two cents (\$0.02) per each hour worked for each sheet metal journeyman, apprentice, and pre-apprentice and pre-apprentice members ***.

For a total I.T.I. Fund contribution of eighteen cents (\$0.18).

Education Fund -The Employer shall pay into SMART, L.U. 265 Education Fund, as provided for in Addendum No. 9, for each hour worked for each sheet metal worker journeyman, apprentice and applicant***.

Industry Fund - The Employer shall pay into SMACNA Greater Chicago Fund, the sum of One Dollar Forty-Six Cents (\$1.46) per hour for each hour worked for all Local 265 members in their employ. (Journeyman, Apprentices and Applicants).

**** Bargaining unit employees hereunder shall include Owner/Members, i.e., employees of incorporated Employers who: [a] are officers, directors, or majority stockholders of an incorporated Employer; [b] perform work covered by the terms of this Agreement; and [c] are listed on the Registration Statement filed with the Sheet Metal Workers' National Pension Fund and National Cola Fund. Contributions on behalf of Owner/Members shall be made to the National Pension Fund for all hours for which the Owner/Members works or is entitled to payment. In any event, however, the Employer will contribute on one (1) Owner/Member on the basis of the greater of all hours worked or the minimum number needed to maintain health and welfare plan eligibility, but in no event, shall the hours be less than 350 hours every three (3) months. All additional Owners/Members will be contributed on the basis of the greater of all hours worked or the minimum number needed to maintain health and welfare plan eligibility, but in no event, shall the hours be less than the 620 hours every four (4) months.*

S.A.S.M.I. (Stabilization Agreement of The Sheet Metal Industry)

The Employer shall make contributions for each employee covered by this Agreement to SASMI Trust Fund equal to three percent (3%) of the established journeyman base wage, any local or national fringe benefit fund and other fringe benefit account including, but not limited to, Pension, Health and Welfare, Annuity and other similar or related funds or plans. *(See Addendum 9)*

ADDENDUM No. 15

Mandatory Fringe Benefit Fund Audits

Fringe Benefits – All Employers party to this Agreement shall be subject to an audit by the Trustees of the Employee Benefit Funds to verify that all contributions required to be paid under the terms of this Agreement have been made to the respective funds. Timecards or time sheets for all employees are to be filled out weekly and saved by the Employer for a period of no less than two (2) years.

ADDENDUM No. 16

SMART-P.A.L. (Political Action League)

The sum designated by the employee per hour worked shall be deducted by the Trustees of SMART, L.U. No. 265 Defense Fund and that amount shall be forwarded to SMART-PAL upon the members voluntarily signing an authorization card.

ADDENDUM No. 17 – SERVICE

(ref. Article VI Section 1 and MOU)

Section 1(a). SERVICE WORK

Service work shall be categorized as **Service Work** or **Residential Service Work**. **Service Work** shall include all service work other than single family homes. **Residential Service Work** shall be limited to residential single-family homes.

Any employee not On Call, who is dispatched for any Service Work, shall be paid all hours worked including portal to jobsite, but not less than 2 hours pay.

Section 1 (b). On Call

Voluntary On-Call During the Standard Work Week –

Employees may volunteer for On Call Duty. Submission to voluntary On Call Duty listing shall not be a condition of employment. Compensation, if any, for such voluntary listing shall be as agreed between the employer and the individual employee. If the employee is actually called to work, the employee shall receive only the greater of the agreed Voluntary Standby Duty compensation, if any, or pay for the hours actually worked, portal to portal.

Mandatory On-Call - Service Work-

Any serviceperson designated to be available for a specific time period, to be dispatched for emergency **Service Work** during the Employer’s non-business hours, shall be compensated as follows:

<u>Days</u>	<u>Rate per Day</u>
<i>Monday-Friday.....</i>	<i>1 times Journeyperson Base Rate</i>
<i>Saturday</i>	<i>1.5 times Journeyperson Base Rate</i>
<i>Sunday</i>	<i>2 times Journeyperson Base Rate</i>

If an employee is actually called to work, the employee shall receive only the greater of the minimum guarantee or pay for the hours actually worked including portal to jobsite.

Mandatory On Call - Residential Service Work -

Any serviceperson designated to be available for a specific time period, to be dispatched for emergency **Residential Service Work** during the Employer’s non-business hours, shall be compensated as follows:

<u>Days</u>	<u>Rate per Day</u>
<i>Monday-Friday.....</i>	<i>.5 times Journeyperson Base Rate</i>
<i>Saturday</i>	<i>.75 times Journeyperson Base Rate</i>
<i>Sunday</i>	<i>1 times Journeyperson Base Rate</i>

If an employee is actually called to work, the employee shall receive only the greater of the minimum guarantee or pay for the hours actually worked including portal to jobsite.

Section 2. TOOLS AND EQUIPMENT

The contractor shall furnish all tools and equipment necessary for the serviceperson, to do his/her job, with the exception of non-power hand tools. (*See Addendum 8*)

Section 3. TRAVEL

If employee uses their own vehicle, they shall be paid the current IRS standard per mile for all work performed for the Employer.

Section 4. RESIDENTIAL SERVICE, RESIDENTIAL REPLACEMENT & MAINTENANCE WORK

Scheduled Residential Service, Residential Replacement & Maintenance Work shall be defined as HVAC service performed in single family dwellings/units. The regular working day shall consist of eight (8) consecutive hours, (excluding one half (½) hour meal time), between the hours of 7:00 a.m. and 7:00 p.m.; beginning with Monday and ending Saturday of each week.

For scheduled Residential Replacement and Service Work only, the work week may be defined as Monday through Saturday, between the hours of 7:00 am and 7:00 pm, however, once 40 hours have been worked in any given work week, all hours worked on Saturday shall be paid at one and one half (1½) time the regular rate. Additionally, all work performed after eight (8) hours in one day shall be paid at one and one half (1½) time the regular rate. Scheduled service work shall be defined as work scheduled with at least forty-eight (48) hours of advanced notice to the member. There shall be no disciplinary action taken against any member that refuses to work on Saturday.

ADDENDUM No. 18 - SERVICE TECHNICIANS

The servicing, maintenance and repairs of the following equipment: Furnaces (gravity, forced air, etc.), heat pumps, all types of burners (coal, gas, oil, etc.) and all air conditioners. The servicing and repair of all window units.

Overtime Rate of Pay: Overtime rate of pay for a service technician shall be one and a half (1½) times the service technician's scale.

Rate of Pay: The hourly wage rate for a service technician shall be eighty percent (80%) of the highest journey person's base wage in the jurisdiction of L.U. 265. All fringes will be paid as per L.U. 265's Agreement and the Standard Form of Union Agreement (SMACNA Greater Chicago Fringe Benefits).

*****ADDENDUM No. 17 & No. 18*****

The Union and SMACNA Greater Chicago agree to meet and develop a more detailed plan to address the needs of residential service work. This will include, but not limited to, on a trial basis, flat-rate clean and check at 1 ¼ the base rate, including travel.

ADDENDUM No. 19 – APPRENTICES

SECTION 1. All apprentices will be required to attend school one (1) full week forty (40) hours, five (5) times a year**. Scheduling for apprentice training school shall be at the direction of the Joint Apprenticeship and Training Committee. First year apprentices will be paid at the regularly scheduled wage scale while attending school. Third, fourth and fifth year apprentices shall be entitled up to four (4) hours pay per day at the regularly scheduled wage scale while attending apprenticeship school. Second year apprentices shall be paid one half (½) day from the Employer and will be reimbursed for expenses equal to the Employer's contribution from the Education Fund while attending apprentice school.

**After Sept. 01, 2021 Schedule will be revised by JATC Approval to accommodate 4-year apprenticeship duration.

SECTION 2. For apprentices beginning their indenture after September 1, 2010, the contribution rate to the SRSF shall be \$3.00 per hour.

SECTION 3. For apprentices beginning their indenture on or after September 1, 2017, the contribution rate to the 265 Local Pension Fund and the SRSF shall graduate at the same percentage as wages. The percentage shall be applied to the current journey person contribution rate for these funds.

SECTION 4. First, Second, Third, Fourth and Fifth year apprentice wage rates will increase on each March 1st and each September 1st, if approved by the Joint Apprenticeship and Training Committee regardless of assigned session dates. All first-year apprentice rates will begin on September 1st, regardless of assigned session dates.

SECTION 5. Apprentices shall be laid off in order of seniority. However, the intention of this requirement is not to force a contractor to employ an apprentice who is not performing to such standards as will ensure continued employment as a journey person. Therefore, a contractor may layoff an apprentice without respect of the seniority protocol if that apprentice has demonstrated inferior work habits or skills, and with prior approval of the JATC.

ADDENDUM No. 20
PRE-APPRENTICES, APPRENTICES AND RATIOS
(ref. Article XII Section 1 & Article XV Section 5)

It is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant Apprentices and Pre-apprentices on the basis of the following schedule:

Journey person	Apprentices	Pre-apprentices
3	1	1
6	2	1
9	3	1
12	4	2
15	5	2
18	6	3

One apprentice and pre-apprentice shall be dispatched to “Traveling” contractors at the sole discretion of the Business Manager.

Pre-apprentices will be paid as per Article XII of the SFUA at 30% of journeyperson’s base wages. Pre-apprentice wages will increase to thirty-five percent (35%) of journeyperson wages after ninety (90) days of continuous employment prior to start of apprenticeship. At time of apprenticeship wages will go to forty percent (40%). (*See Addendum 9*)

All pre-apprentices hired prior to January 1st, will be enrolled as candidates for Apprenticeship Training School starting in September of the following year. All pre-apprentices hired after January 1st may be considered as candidates for Apprenticeship Training School starting in September of that same year, however, the Employer does have the option of deferring application for Apprenticeship candidacy until the following year.

The Employer shall pay into the SMART, No.265 Health and Welfare Fund, at the rate in effect, for each hour worked for each sheet metal pre-apprentice, if retained as an employee of the company beyond thirty (30) days.

Contributions on behalf of pre-apprentices retained beyond thirty (30) days shall be retroactive to the first day of employment. Pre-apprentices enrolled in the Health and Welfare Plan will be subject to the Plan requirement of 500 hours of premium contributions prior to being eligible for benefits. Benefits will begin the first of the following month after reaching 500 hours. Pre-apprentices terminated prior to thirty (30) days of employment will not be enrolled in the Health and Welfare Plan.

The Employer shall pay into the SMART National Pension Fund, thirty-two cents (\$0.32) per hour for each hour worked for each pre-apprentice, beginning with the first payroll period after ninety (90) days. Any mandatory increases to the National Pension Fund will be complied with.

ADDENDUM No. 21 - ALUMINUM GUTTER WORK

This wage classification will apply to all continuous aluminum gutter work performed on all residential dwellings. The wage rate will be seventy percent (70%) of the highest journey person’s wage scale.

Contractors will pay into the SMART Local 265’s Health & Welfare Fund, Local 265 Supplemental Retirement Fund, Industry Fund, National Training Fund, NEMI Fund, SMART Scholarship Fund, S.M.O.H.I.T. Fund, Industry Fund, and Organizing Fund at the appropriate rate per Local 265’s Standard Form of Union Agreement.

Two-year Training Period

Year	First 6 months	Second 6 Months
1 st	30%	40%
2 nd	50%	60%

ADDENDUM No. 22 - FAVORED NATIONS CLAUSE

(ref. Article VIII Section 12a)

If any more favorable conditions are granted by Local Union No. 265 to any other Employer, under the Building Trades Agreement in the jurisdictional area of their contract, all Employers will have the right to adopt the same as an amendment to their Agreement, effective at once.

This clause will not apply to New Construction Residential Work, Resolution 78 Work or Project Agreements and other Agreements negotiated by the International Association.

Upon notification to the Executive Vice President of SMACNA Greater Chicago, certain work disciplines, absent objection within ten (10) working days, shall be exempt from the Favored Nations Clause.

It is further agreed between the parties that an Employer not desiring to contribute to the Industry’s Promotion Fund, established in Article 8, Section 12a hereof, shall give written notice that they will not participate in the Industry’s Promotion Fund and, as an alternative, give thirty (30) days written notice that they will contribute to the SMART, Local 265 J.A.T.C. Fund, an additional forty cents (\$0.40)

per hour worked by each employee covered by the terms of this Agreement. The remaining one dollar and six cents (\$1.06) of the Industry Fund for the Local 265 Scholarship Fund, the Self-Bonding Fund and the LMCC will continue to be contributed under the Industry Fund.

ADDENDUM No. 23 - Health Safety and Education

SMART, Local No. 265 and the Employer Associations, being vitally concerned about the health, safety, education and productivity of all workers within the sheet metal industry, agree to the following two provisions:

Both parties have met for the express purpose of negotiating an alcohol and substance abuse program which includes a properly formulated drug testing policy. Copies of the current policy and any possible future policies will be available at the Local 265 Union office or by contacting the SMACNA Greater Chicago office.

There shall be a Sheet Metal Continuing Education Fund established for the purpose of providing continuous education and training for sheet metal journeyman and apprentices. Funding for this program will be accomplished through a one cent (\$0.01) per hour contribution on all hours worked. SMART, Local No. 265 will recommend that all sheet metal workers participate in up to eighteen (18) hours of continuing education programs each year and will make every effort to recommend that all of its journeyman attain an OSHA 30 certification.

ADDENDUM No. 24 - Legally Celebrated Holidays

(ref. Article VI Section 2)

The following days or the day on which they are legally celebrated by the federal government shall be recognized as legal holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Christmas Day.

ADDENDUM No. 25 - National Pension (Alternative Schedule)

If during the term of this Agreement, including any renewal or extension of this Agreement, the parties are provided with one or more schedules under Section 305 of the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006, because of an actuary's certification that the Sheet Metal Workers' National Pension Fund (NPF) is in critical or endangered status for a plan year, except where the Agreement provides for the automatic allocation or reallocation of the wage and fringe benefit package, the parties will reopen this Agreement solely for purposes of adopting one of the schedules provided by the NPF under the Re-habilitation Plan or Funding Improvement Plan, as applicable.

The parties agree that a schedule described above will be deemed to be adopted automatically if, in accordance with this Agreement, the Union allocates or reallocates a portion of the wage and fringe benefit package sufficient to cover fully any increases in contribution rates to the NPF under that schedule. In no event shall the total wage/fringe package be increased during the term of this Agreement. The parties agree further that the schedule described above will become part of this Agreement, and will be incorporated by reference herein, on the date the schedule is adopted or is deemed to have been adopted automatically in accordance with the terms above. The parties will not take any action or actions inconsistent with the NPF's Rehabilitation Plan or Funding Improvement Plan of which the schedule is a part, as modified or amended from time-to-time.

For the term of this Agreement, the Employer's Contribution Rate to the National Pension Fund shall include the contribution rates required by the 2009 Alternative Schedule as determined by the National Pension Fund in conjunction with the Notice of Critical Status and shall be increased by the date and in the amount required in the 2009 Alternative Schedule, no later than the first (1st) day of June 2014 and the first (1st) day of such month in each succeeding calendar year during the term of the Agreement. In no event may this date, notwithstanding any other term of the Agreement, be later than the date specified in the 2009 Alternative Schedule.

The parties further agree that any contributions or increase in contributions that are required by the 2009 Alternative Schedule shall be allocated from the existing wage/fringe package. If an Employer is required to pay any amounts regardless of the nature or source relating in any way to the National Pension Fund other than the contributions set forth in this Agreement, the hourly wage shall be reduced so as to make the Employer whole.

ADDENDUM No. 26 - Professional Development Training

The Union and Employer recognize that some non-site-specific training benefits the employer, the employee, and the entire sheet metal industry. Prior to the commencement of Professional Development Training (PDT), written approval from the union shall be obtained. The rate of pay shall be equal to the members' current base rate and shall be limited to 16 hours per calendar year. Approved PDT shall **not** be defined as hours worked when determining contributions required under Addendum No. 26 - Fringe Benefits. There shall be no disciplinary action taken against any member that refuses PDT.

Effective Date: September 1, 2020

For

SMART Local 265

President / Business Manager

For

SMACNA Greater Chicago

Chairman – Bargaining Committee

CERTIFICATION OF INSURANCES

I/We certify that I/We carry Insurance as provided in the Federal and State Statutes and as required by the terms of the 2020-2024 Agreement.

Federal Social Security
Account No. _____

State of Illinois Unemployment
Act Compensation No. _____

Workers' Compensation
Insurance Policy No. _____

Name of Insurance
Company: _____

Policy Expiration Date: _____

ACCEPTANCE OF AGREEMENT

I/We hereby certify that I/We have read and have full knowledge of the terms and conditions of this Agreement. I/We hereby agree to be bound by and subject as required by the terms of this Agreement.

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Website: _____ Email: _____

Authorized Signature: _____

Print Name exactly as signed above: _____

Title: _____

For SMART Local 265

By: _____

(President / Business Manager)

Signed this _____ day of _____, _____

~Notes~

~Notes~

~Notes~

MEMORANDUM OF UNDERSTANDING
between the
SHEET METAL, AIR, RAIL and TRANSPORTATION
INTERNATIONAL
ASSOCIATION LOCAL 265
and
SMACNA GREATER CHICAGO

MEMORANDUM OF UNDERSTANDING
between the
SHEET METAL, AIR, RAIL and TRANSPORTATION INTERNATIONAL
ASSOCIATION LOCAL 265
and
SMACNA GREATER CHICAGO

During negotiations leading up to the Collective Bargaining Agreement dated June 1, 2014 through May 31, 2017 it was agreed to make modification to Addendum No.3 titled Roofing Work – Saturday Make-Up Day. Unfortunately, the agreed upon language changes were unintentional left out of the 2014-2017 final draft. This was oversight was not realized until negotiating the 2017-2020 agreement. Minutes from the 2014-2017 negotiations were reviewed and both the Union and Contractors Association agree there was an unintentional oversight. The changes reflected below shall be in effect in the current Collective Bargaining Agreement with the effective dates of June 1, 2017 through May 31, 2020. The agree upon changes are shown strikethrough in red below.

ADDENDUM No. 3
Roofing Work – Saturday Make-Up Day
(ref. Article VI Section 1)
Change Summary

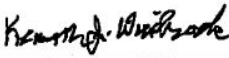
When a previous day of the week is canceled due to inclement weather and when ~~working in conjunction with a Roofing Contracting Company~~ on a roofing job site, and when Saturday work is required, a premium rate of scale plus One Dollar Fifty Cents (\$1.50) per hour, up to forty (40) hours for the work week, Monday through Saturday, shall be paid. One and one-half (1½) times the regular rate shall be paid thereafter. Work in excess of eight (8) hours on Saturday, shall be paid at two (2) times the regular rate. There shall be no disciplinary action taken against any employee that refuses to work on Saturdays.

~~This Addendum does not apply to roof decking work.~~

ADDENDUM No. 3
Roofing Work – Saturday Make-Up Day
(ref. Article VI Section 1)

When a previous day of the week is canceled due to inclement weather and when on a roofing job site, and when Saturday work is required, a premium rate of scale plus One Dollar Fifty Cents (\$1.50) per hour, up to forty (40) hours for the work week, Monday through Saturday, shall be paid. One and one-half (1½) times the regular rate shall be paid thereafter. Work in excess of eight (8) hours on Saturday, shall be paid at two (2) times the regular rate. There shall be no disciplinary action taken against any employee that refuses to work on Saturdays.

Agreed:



(Signature)
Kenneth J Wiesbrook
President
SMACNA GREATER CHICAGO

3-6-18

(Date)



(Signature)
John P Daniel
President/Business Manager
SMART LU 265

3/6/18

(Date)

MEMORANDUM OF UNDERSTANDING
between the
SHEET METAL, AIR, RAIL and TRANSPORTATION INTERNATIONAL
ASSOCIATION LOCAL 265
and
SMACNA GREATER CHICAGO

During the negotiation of the current Collective Bargaining Agreement with the effective dates of June 1, 2017 through May 31, 2020, Addendum No.18 – Service had substantial changes. One of those changes was to clearly separate and define “Service Work” and “Residential Service Work”. This process also allowed for needed On Call Pay language changes respective to the work being performed “Service Work” and “Residential Service Work”.

To everyone’s benefit, many of the members of Local 265 are proficient in both “Service Work” and “Residential Service Work”. It is also true that some of the Contractors working under this agreement perform both “Service Work” and “Residential Service Work”.

To that end, it has been agreed that if a Local 265 member is on call and has an expectation of receiving a call for “Service Work” or “Residential Service Work”, he/she shall be compensated under the terms of “Service Work”.

ADDENDUM No. 18 – SERVICE
(ref. Article VI Section 1)

Section 1. SERVICE WORK

Service work shall be categorized as **Service Work** or **Residential Service Work**. **Service Work** shall include all service work other than single family homes. **Residential Service Work** shall be limited to residential single-family homes.

Any employee not On Call, who is dispatched for any Service Work, shall be paid all hours worked including portal to jobsite, but not less than 2 hours pay.

Section 1 (a). On Call

Voluntary On Call During the Standard Work Week – employees may volunteer for On Call Duty. Submission to voluntary On Call Duty listing shall not be a condition of employment. Compensation, if any, for such voluntary listing shall be as agreed between the Employer and the individual Employee. If the Employee is actually called to work, the Employee shall receive only the greater of the agreed Voluntary Standby Duty compensation, if any, or pay for the hours actually worked, portal to portal.

Mandatory On Call - Service Work- Any serviceman designated to be available for a specific time period, to be dispatched for emergency **Service Work** during the Employer’s non-business hours, shall be compensated as follows:

<i>Days</i>	<i>Rate per Day</i>
<i>Monday-Friday</i>	<i>1 times Journeyman Base Rate</i>
<i>Saturday</i>	<i>1.5 times Journeyman Base Rate</i>
<i>Sunday</i>	<i>2 times Journeyman Base Rate</i>

If an employee is actually called to work, the employee shall receive only the greater of the minimum guarantee or pay for the hours actually worked including portal to jobsite.

Mandatory On Call - Residential Service Work - Any serviceman designated to be available for a specific time period, to be dispatched for emergency **Residential Service Work** during the Employer's non-business hours, shall be compensated as follows:

Days Rate per Day


Monday-Friday..... .5 times Journeyman Base Rate

Saturday75 times Journeyman Base Rate

Sunday 1 times Journeyman Base Rate

If an employee is actually called to work, the employee shall receive only the greater of the minimum guarantee or pay for the hours actually worked including portal to jobsite.

Agreed:



(Signature)
Kenneth J Wiesbrook
President
SMACNA GREATER CHICAGO

3-6-18
(Date)



(Signature)
John P Daniel
President/Business Manager
SMART LU 265

3/6/18
(Date)

MEMORANDUM OF UNDERSTANDING

RE: Wellness Center

This Memorandum of Understanding entered into this 14th day of October, 2020 (the “Effective Date”), by and between SMACNA Greater Chicago and each business establishment individually, whether represented by a contractor association or not (hereinafter the “Employers”) and Local Union No. 265 SMART, the International Association of Sheet Metal, Air, Rail and Transportation Workers (hereinafter the “Union”), is made a part of the current Agreement between the Sheet Metal, Air, Rail and Transportation International Association Local 265 and SMACNA Greater Chicago, effective September 1, 2020 to May 31, 2024 (the “CBA”).

WHEREAS, the Employers and the Union entered into the CBA on September 1, 2020; and

WHEREAS, Section 8, Addendum No. 9, Addendum No. 14, Addendum No. 20, and Addendum No. 21 of the CBA obligate the Employers to make contributions on behalf of covered employees for certain health and welfare benefits pursuant to the SMART Local No. 265 Health and Welfare Fund (“Welfare Fund”) as referenced in the CBA; and

WHEREAS, the Employers and the Union now wish to provide health and welfare benefits to covered employees in addition to those provided under the CBA;

NOW THEREFORE, the Employers and the Union agree as follows:

1. By execution of this Memorandum of Understanding, the Employers and the Union acknowledge that the Board of Trustees of the Welfare Fund shall prepare the necessary documents and agreements to provide benefits available through a Wellness Center located at 15900 W. 127th St., Lemont, IL 60439 (the “Wellness Center”) and take the necessary actions to establish additional wellness centers in the future in order to provide benefits for employees covered by the CBA, and agree to be bound by the terms of those agreements, as applicable; provided, that such documents are in compliance with applicable laws. Furthermore, the Employers and Union ratify all legally valid actions taken by the Board of Trustees of the Welfare Fund that are within the scope of their authority to establish the Wellness Center.

2. Pursuant to the terms of the CBA, the Employers contribute to the Welfare Fund which makes health and welfare benefits, including benefits provided through the Wellness Center, available to each eligible employee (and his/her dependents) of the Employers pursuant to the terms of the Welfare Fund's trust and plan documents which are incorporated by reference to the CBA.

3. The parties represent that a copy of this Memorandum of Understanding has been provided to the Board of Trustees of the Welfare Fund prior to the execution of the Memorandum of Understanding by the parties. The parties also represent that the Trustees have not raised any objection to the language of this Memorandum of Understanding and agree to honor the terms of the Memorandum of Understanding, provided that such terms do not violate the terms of the documents governing the Welfare Fund.

4. It is understood the Welfare Fund is a multiemployer employee welfare plan as defined under Sections 3(1) and 3(37) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) (29 U.S.C. 1002(1), 1002(37)), and that the benefits provided at the Wellness Center and any subsequent wellness centers to eligible participants of the Welfare Fund are component benefits of the Welfare Fund; and that the Welfare Fund and any benefits of the Welfare Fund including the Wellness Center and any subsequent wellness centers, constitute a plan that is established or maintained under or pursuant to one or more collective bargaining agreements, pursuant to ERISA Section 1002(40)(A)(i) and 29 C.F.R. 2510.3-40.

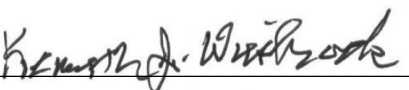
5. This Memorandum of Understanding shall be binding upon the parties, their successors and assigns and shall continue in full force and effect from September 1, 2020 until its termination on May 31, 2024, unless mutually agreed upon by the Parties to extend the terms, in writing.

IN WITNESS WHEREOF, Employers and Union have caused this Memorandum of Understanding to be signed and delivered by their duly authorized representatives, as of the date set forth above.

**Local Union No. 265 SMART
International Association of Sheet Metal, Air,
Rail and Transportation Workers**

SMACNA Greater Chicago

By:  _____

By:  _____

Its: President / Business Manager

Its: Chairman – Bargaining Committee