

AGREEMENT
BY AND BETWEEN
CARPET LINOLEUM AND SOFT TILE
LOCAL UNION 1926, AFL-CIO
(District Council 50)
AND
HAWAII FLOORING ASSOCIATION
AND
ANY OTHER PERSON, FIRM, CORPORATION OR OTHER ENTITY
THAT
BECOMES
SIGNATORY HERETO

Effective March 3, 2024, to and including March 3, 2029

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AGREEMENT

Section 1. THIS AGREEMENT is effective the 3rd day of March 2024 by and between the Covered Members of the Hawaii Flooring Association (hereinafter called "Association"), and other employers signatory hereto (all hereinafter called "Employers"), and International Union of Painters and Allied Trades, Carpet, Linoleum and Soft Tile Local 1926, AFL-CIO (District Council 50) (hereinafter called "Union").

WITNESSETH

WHEREAS the Association is a multi-employer organization which represents the Covered Members for purposes of collective bargaining who employ all Journeyperson, Working Foreman I, Apprentices, and Material Handlers employed to install all flooring systems contracted by the employers signatory hereto in the Carpet, Linoleum, and Soft Tile Industry in the State of Hawaii and who are assigned to projects outside the State of Hawaii; and

WHEREAS Covered Member Employers represented by the Association and other signatory employers to this Agreement currently employ all Journeyperson, Working Foreman I, Apprentices, and Material Handlers employed to install all flooring systems contracted by the employers signatory hereto in the Carpet, Linoleum, and Soft Tile Industry in the State of Hawaii; and who are assigned to projects outside the State of Hawaii; and

WHEREAS, the Union is the exclusive bargaining agent of all employees classified and performing work as Journeyperson, Working Foreman I, Apprentices, and Material Handlers employed to install all flooring systems contracted by the employers signatory hereto in the Carpet, Linoleum, and Soft Tile Industry in the State of Hawaii and who are assigned to projects outside the State of Hawaii, excluding clerical employees, confidential employees, professional employees, watchmen, and supervisors (except foremen) as defined in the National Labor Relations Act, hereinafter referred to as "bargaining unit employees"; and

WHEREAS, said bargaining unit employees constitute an appropriate unit for purposes of collective bargaining under the National Labor Relations Act; and

WHEREAS Union claims and the Covered Members of the Association and Employers acknowledge and agree that a majority of the aforementioned bargaining unit employees have authorized the Union to represent them for purposes of collective bargaining; and

WHEREAS the parties have negotiated in good faith and have reached an agreement ratified by the bargaining unit employees and wish to memorialize the agreed upon terms and conditions of their agreement herein;

WHEREAS the Covered Members of the Association and Employers pursuant to Section 9(a) of the National Labor Relations Act (29 U.S.C. S 159(a)) voluntarily agree to recognize and do hereby recognize the Union as the exclusive bargaining representative of all bargaining unit employees as described herein; and

WHEREAS, the Covered Members of the Association, the Employers and the Union desire to have mutual confidence and cooperation so as to avoid industrial conflict and thereby benefit the Employers, the employees, the Union and the public.

NOW, THEREFORE, for the period from March 3, 2024, to and including March 3, 2029 the Covered Members of the Association, the Employers and the Union hereby agree as follows:

ARTICLE 1 RECOGNITION

SECTION 1. It is the intention of the parties hereto that all work covered by this Agreement shall be done pursuant to the provisions herein for the purpose of providing uniformity of wages, hours and working conditions.

SECTION 2. Employer coverage under this Agreement shall be accomplished by the Employers signature on the "Certificate of Receipt and Acceptance of Master Agreement" Form, a copy of which is attached hereto as Exhibit "D" and made a part hereof.

SECTION 3. Upon execution of this contract by an Employer the Union shall promptly forward copies 2 and 3 as outlined in Exhibit D.

ARTICLE 2 SCOPE OF AGREEMENT

SECTION 1. The work covered by this Agreement shall include, but not be limited to: (1) measuring, cutting, fabricating, fitting, installing to be cemented, tacked or otherwise applied to its base and/or underlayment(s) wherever it may be, all materials whether used either as a decorative covering, topping or as an acoustical appliance such as carpets of all types and designs, sheet rubber, sheet vinyl, pre-finished hardwood floors, laminate floor systems, cork carpet, rubber tile, asphalt tile, tile, cork tile, interlocking tile, mastipave composition in sheet or tile form and all derivatives of above; artificial turf derivatives thereof, all resilient seamless materials such as epoxy polyurethane, plastics and their derivatives, components and systems, seamless chemical flooring, sustainable flooring, polished flooring, stained flooring and stamped flooring; (2) the removal of the aforementioned installed material from its base and/or underlayment as required; (3) the cleaning of rugs and carpets and all drapery hanging, make-

up and the installation of drapes and window treatments except such measuring work for estimating purposes to be done by sales personnel.

SECTION 2. While work under this Agreement may include the removal from its base and/or underlayment of installed material included in (1) and (2) above as required, the Employer is also free to subcontract out this work to another contractor of his choice.

SECTION 3. Where floorcoverings are being installed, at least one Journeyperson must be on the job, except for floor preparation and cleanup work.

ARTICLE 3 UNION SHOP

SECTION 1. All Employees except Material Handlers, covered by this Agreement shall, as a condition of continued employment, be or become a member of the Union no later than the 8th day following the date of employment or the execution date of this Agreement, whichever is later, and shall thereafter maintain such membership in good standing. Material Handlers shall, as a condition of continued employment, be or become a member of the Union not later than the 30th day following the date of employment or the execution date of this agreement, whichever is later and shall thereafter maintain such membership in good standing.

ARTICLE 4 PAYROLL DEDUCTIONS

SECTION 1. If an Employee signs the proper authorization form (a sample copy of which is attached hereto as Exhibit "B"), the Employer shall deduct from the wages of said Employee, all union dues, union initiation fees or re-admission fees and the administrative dues checkoff, which shall be deducted on a weekly basis.

It is understood that the establishment of union fees, dues and assessments is an internal matter, and the Union shall notify the Employers of the proper amounts and percentages in accordance with Exhibit "B".

SECTION 2. In requesting deductions for "Assessments", the Union shall restrict such requests to assessments assessed on all members of the Union on a uniform basis as an incident of membership in the Union.

SECTION 3. All monies deducted pursuant to this Article shall be transmitted by the Employer to the Union on or before the 25th day of each month. Said Union transmittal shall be by way of check drawn to the order of the "Carpet Linoleum and Soft Tile Local Union 1926".

Central Collection System. The Employer, shall, with respect to any and all contributions or other amount that may be due and owing to the IUPAT and its related or affiliated Funds or organizations, including, but not limited to, the IUPAT Industry Pension Plan, the IUPAT Industry Annuity Plan, the IUPAT Finishing Trades Institute (IUPAT-FTI), the Painters and Allied Trades Labor Management Cooperation Initiative, the IUPAT Political Action Together (and any and all other affiliated International organizations as they may be created or established in the future), upon receipt of a written directive to do so by the affiliated Funds and organizations, make all required payments, either directly or through an intermediate body, to the "Central Collection" Unit of the International Union and its affiliated Funds and organizations. Such contributions shall be submitted on appropriate forms, in such format and with such information as may be agreed to by Central Collections.

SECTION 4. Delinquent Union Transmittal. When an Employer monthly Union transmittal is not paid or postmarked by the 25th day of the month immediately following the month for which the Union transmittals are due, such Union transmittal is considered delinquent. An Employer responsible for a delinquent Union transmittal shall pay liquidated damages to the Union in the amount of 10% of such delinquent amount or \$20.00, whichever is greater, for each and every month that such union transmittal is delinquent. Such amount shall be due and payable as liquidated damages and shall be in addition to the total amount of the delinquent Union transmittal.

If the matter is referred for legal action, the delinquent Employer agrees to pay all attorney fees and costs incurred in collection.

SECTION 5. In the case of probationary Employees, the Union may assess a registration fee after the 15th working day. Said fee shall be established by the Union.

ARTICLE 5
(Deleted)
(2/28/16)

ARTICLE 6

MUTUAL OBLIGATIONS AND RESPONSIBILITIES

SECTION 1. The Union, the Employees, the Association, and the Employers hereby commit themselves to cooperate with one another in the development of ways, means, and programs that will make for an efficient and responsible work force, and which will otherwise bring rightful pride and recognition to the Floor Covering Craft and its rightful status within Hawaii's Construction Industry.

SECTION 2. The parties hereto agree that no rules, customs, or practices shall be imposed upon the introduction of new techniques or processes, nor shall any limitation or restrictions be placed on the introduction and/or use of tools, equipment, machinery, or other labor-saving devices.

SECTION 3. No Employer covered by this Agreement shall attempt to engage in any work covered by this Agreement through the use or device of another business or corporation which said Employer owns or controls, or through any other scheme, plan, device, or agreement if the purpose thereof is to circumvent the payment of wage rates, employee benefits, or conditions as provided for in this Agreement.

ARTICLE 7

EMPLOYER REQUIREMENTS

SECTION 1. No Employer shall be a party to this Agreement unless they maintain a legitimate place of business, are financially able to meet payroll requirements every week, comply with the State of Hawaii's Worker's Compensation Law, Hawaii Employment Security Law, Social Security Act, and all other State and Federal Laws enacted to protect or benefit the Employees.

SECTION 2. Employer's business must be that of floor laying, who employs at least one journeyperson, who maintains at all times a permanent address as the principal place of business and whose principal contracting business is the execution of contracts requiring the art, science, knowledge, experience, skill and ability to examine surfaces intelligently and specify and execute the preliminary and preparatory work necessary to bring such surfaces to a condition where, under an agreed specification, acceptable work can be executed with the use of any or all of the skills and work processes as set forth in Article 2 (Scope of Agreement).

SECTION 3. The Employer shall notify the Union in writing of the names and addresses of all its owners, partners, or corporate officers prior to the signing of this Agreement. Upon any

subsequent change in one or more officers, owners, or officials, the Union shall be promptly notified in writing within 5 working days.

SECTION 4. "Preservation of Work Clause"

- (a) To protect and preserve, for the employees covered by this agreement, all work they have performed and all work covered by this agreement, and to prevent any device or subterfuge to avoid the protection and preservation of such work, it is agreed as follows: If the Employer performs on-site construction work of the type covered by this agreement, under its own name or the name of another, as a corporation, company, partnership, or other business entity, including a joint venture, wherein the Employer, through its officers, directors, partners, owners, or stockholders, exercises directly or indirectly (through family members or otherwise), management, control, or majority ownership, the terms and conditions of this agreement shall be applicable to all such work.
- (b) All charges of violations of Section A of this subsection shall be considered as a dispute and shall be processed in accordance with the provisions of this agreement on the handling of grievances and the final and binding resolution of disputes. As a remedy for violations of this Article, the Joint Industry Committee shall be able, at the request of the union, to require an Employer to pay 1) to affected employees covered by this agreement, including registered applicants for employment, the equivalent of wages those employees have lost because of the violations, and 2) into the affected Joint Trust Funds to which this agreement requires contributions any delinquent contributions that resulted from the violations. The Joint Industry Committee shall also be able to provide any other appropriate remedies, whether provided by law or this agreement. The Union shall enforce a decision of the Joint Industry Committee under this Article only through arbitral, judicial, or governmental, for example, the National Labor Relations Board channels.
- (c) If, after an Employer has violated this Article, the Union and/or the Trustees of one or more Joint Trust Funds to which this agreement requires contributions institutes legal action to enforce an award by the Joint Industry Committee remedying such violation, or defend an action that seeks to vacate such award, the Employer shall pay any accountants' and/or attorneys' fees incurred by the Union and/or the Joint Trust Funds, plus costs of the litigation, that have resulted from such legal action. This section does not affect other remedies, whether provided by law or this Article that may be available to the Union and/or the Joint Trust Funds.

SECTION 5. Any person who signs this Agreement for an Employer must be authorized for this purpose and shall produce proof of such authorization on demand by the Union, the Association or any other person, firm corporation or other entity that becomes signatory hereto.

SECTION 6. Every Employer shall be licensed by the Hawaii State Contractors License Board to perform work as a Floor Covering Contractor utilizing the skills and work processes as set forth in Article 2, (Scope of Agreement).

SECTION 7. Employers who become parties to this Agreement after September 1, 1978, by virtue of their activity in specialized aspects of the flooring trade shall confine themselves exclusively to their specialty and shall not engage in any other work covered by this Agreement without first obtaining the applicable Hawaii State Contractors License that may be required for such other work and also providing notification to the Union.

SECTION 8. Any Employer who does not have a satisfactory past performance record with respect to: (a) compliance with the terms of Labor Agreements (b) supervision of workers, or (c) ethical business practices will be required to post a bond in the amount of \$10,000 with the Joint Industry Committee for a period of one year. If said Employer subsequently fails to comply with the terms of this Agreement in a satisfactory manner, said bond shall be forfeited. In addition, thereto, said Employer's coverage under this Agreement shall be subject to termination.

SECTION 9. The contractor or the employer party to this agreement, when engaged in work outside the geographical jurisdiction of the Union party to this agreement, shall employ not less than fifty percent (50%) of the workers employed on such work from the residents of the area where the work is performed or from among persons who are employed the greater percentage of their time in such area.

SECTION 10. The Employer party hereto shall, when engaged in work outside the geographical jurisdiction of the Union party to the agreement, comply with all of the lawful clauses of the collective bargaining agreement in effect in said other geographical jurisdiction and executed by the employers of the industry and the affiliated Local Unions in that jurisdiction, including but not limited to, the wages, hours, working conditions, fringe benefits, and procedure for settlement of grievances set forth therein; provided however, that where no affiliated Union has a current effective agreement covering such out-of-area work, the employer shall perform such work in accordance with this agreement; and provided further that as to employees employed by such employer from within the geographical jurisdiction of the Union party to this agreement and who are brought into an outside jurisdiction, such employee shall be entitled to receive the wages

and conditions effective in either the home or outside jurisdiction whichever are more favorable to such employees. In situations covered by the last proviso fringe benefit contributions on behalf of such employees shall be made solely to their home funds in accordance with their governing documents, and the difference between the wages and benefits contributions required by the away funds and the home funds, if any, shall be paid to the employees as additional wages. This provision is enforceable by the District Council or Local Union in whose jurisdiction the work is being performed, both through the procedure for settlement of grievances set forth in its applicable collective bargaining agreement and through the courts and is also enforceable by the Union party to this agreement, both through the procedure for settlement of grievances set forth in this agreement and through the courts.

ARTICLE 8

HIRING AND REFERRAL PROCEDURE

SECTION 1. Except as provided in Section 6 of this Article, the Union shall be the sole and exclusive source of referral of applicants for employment.

SECTION 2. The Employer shall call upon the Union for such workers as the Employer may need from time to time, and the Union shall immediately furnish to the Employer from its lists which are established and maintained in accordance with permissible criteria of the National Labor Relations Act, the required number of qualified and competent workers needed by the Employer. The Union will supply a written referral for each worker so furnished. No individual so referred shall be hired by the Employer unless such individual possesses a valid Union-signed referral slip, a copy of which is attached hereto as Exhibit "C". It shall be indicated on the referral slip (Exhibit C) whether the employee has completed and has current fall protection, HazCom, first aid/CPR training, at a minimum. These shall be required as a prerequisite prior to job referral. Other various Government mandated training classes that the employee has completed such as OSHA 10, OSHA 30, Silica, forklift, may also be indicated, etc. These shall all be considered as "tools of the trade". (Also see Article 13, Section 9.)

As of September 1, 2019 (six months after the beginning of this Agreement) no employee will be referred out for work UNLESS they have successfully completed and have a current certificate for the minimum training above.

SECTION 3. Whenever possible, the Employer's notice to the Union shall be given forty-eight hours in advance of the time at which the Employer desires the Employees to report for work.

SECTION 4. When making requests to the Union Office, the Employer may name persons who were formerly employed at any time within the six-month period before the date of the request, and if said persons are duly registered with the Union Referral Office and are available for employment, the Union shall refer them to the Employer. Other referrals to the Employer shall be made on the basis of the referral lists as provided for in Section 2 of this Article, which lists shall also recognize the precept that applicants whose experience was gained locally and who currently resides in the locality shall also be given preference.

SECTION 5. The Employer has the right to reject any applicant dispatched by the Union. If requested by a rejected applicant, a conference will be held between the Employer, the Union and the applicant involved, at which time the reasons for rejection will be explained.

SECTION 6. In the event the Union cannot furnish the Employee(s) requested by the Employer within 48 hours after the request is received, the Employer may obtain Employees from any other source of labor the Employer desires, including loans or transfers from other Employers. If the Employer hires Employees through a source other than the Union, including loans or transfers from other Employers, said Employer shall on the date of hire, notify the Union of the names of the Employees so hired. Utilization of a completed Exhibit "C" will satisfy the notice requirement as required. The Employee so hired shall thereupon report to the Union so that the date of his employment may be confirmed, and the Contractor and the Union records will be the same, and possible disputes with respect to rates of pay, Union security, and other provisions of this Agreement will thereby be avoided. If such Employee cannot report to the Union on the date of hire because of emergency or where the requirements of the job make immediate commencement of work necessary, the Employee shall report not later than the second day of work, unless other arrangements have been made with the Union.

SECTION 7. The operation of the Union shall fully comply with all applicable State and Federal laws and regulations; and neither the Employer nor the Union shall discriminate in favor of or against any applicant because of membership or non-membership in the Union or any other labor organization, or because of race, color, creed, national origin, age, sex, handicap disability or whether the applicant is a Vietnam era or disabled veteran.

SECTION 8. Top Workplace Performance.

(a) Should any person referred for employment be terminated for cause, his or her referral privileges shall be suspended for two weeks. Should the same individual be terminated for cause a second time within a twenty-four (24) month period, his or her hiring hall privileges shall be suspended for two months. Should the same individual be terminated for cause, a third time

within a twenty-four (24) month period, his or her referral privileges shall be suspended indefinitely.

(b) A termination shall not be considered as "for cause" for purposes of this provision if the person referred for employment has filed a grievance challenging the propriety of his or her termination, unless and until the grievance is resolved in a manner that affirms the termination for cause. For the purpose of this provision, a decision of the District Council Joint Industry Committee and/or an arbitrator shall be final and binding.

(c) The provisions in the subsections (a) and (b) notwithstanding the Joint Industry Committee may, upon written request of the applicant, vacate or reduce the period of suspension should the Committee determine, following inquiry or investigation, in its sole and complete discretion, that equity requires such action.

SECTION 9. A program shall be offered by the District Council (or Local Union 1926) Apprenticeship and Training Program for advanced or upgraded journeyperson training for all journeypersons working under this Agreement. Journeypersons shall be required to take such courses.

SECTION 10. The International Union shall refuse to approve agreements which do not set forth the above provisions; provided however, the General President may approve agreements that do not include the above provisions when, in his or her discretion, he or she believes the interests of the International Union will be served by such approval.

ARTICLE 9 SPECIAL CONDITIONS

SECTION 1. No Piece or Contract Work.

(a) No Employee shall perform work covered by this Agreement on a "piece work" or contract basis, nor shall any Employee perform work within the jurisdiction of this Agreement except as an Employee of the Employer.

(b) No Employer shall allow any Employee to perform work covered by this Agreement on a "piece work" or contract basis, nor shall any Employer allow any Employee to perform work within the jurisdiction of this Agreement except as an Employee covered by this Agreement.

SECTION 2. No Moonlighting.

(a) No Employee covered by this Agreement shall do any "moonlighting" of work covered by this Agreement.

(b) No Employer shall allow any "moonlighting" of work to be done for the Employer.

SECTION 3. Work For Self or Others. An Employee covered by this Agreement shall not perform work covered by this Agreement for himself or others unless the Employee has written advance authorization from the Employer.

SECTION 4. Violation of This Article. If it is alleged that an Employee or Employer covered by this Agreement has violated any Section of this Article, said allegation shall be referred to the Joint Industry Committee as provided under Article 30 (Joint Industry Committee) of this Agreement. If found guilty by the said Joint Industry Committee, said Employee and/or Employer shall be subject to fines, suspensions, and/or other penalties and sanctions as may be assessed or imposed by said Joint Industry Committee.

ARTICLE 10
SUBCONTRACTING OF WORK

Except as provided in Article 2, Section 2 regarding removal, if the Employer subcontracts any of the work covered by this Agreement, provision shall be made in the terms of said subcontract that the subcontractor shall be signatory to an agreement with the Union unless otherwise prohibited by law.

ARTICLE 11
DISCIPLINE OR DISCHARGE

SECTION 1. The Employer may discipline or discharge an Employee only for just and sufficient cause.

SECTION 2. A probationary period of 30 working days shall be established for all new Employees. Probationary Employees may be summarily discharged. Probationary Employees may be charged a registration fee after the 15th working day in an amount determined by the Union.

SECTION 3. Any discharged Employee shall, upon request, be furnished with the reason for his discharge in writing. A copy of said letter shall be sent to the Union.

SECTION 4. If the Employer takes action under this Section which the Employee or the Union believes is improper or unjustified, they shall have the right to process such grievance through the grievance procedure under Article 31 (Grievance Procedure and Arbitration).

ARTICLE 12

WORKING TOOLS

SECTION 1. Each journeyperson shall be required to furnish the following minimum tools of the trade, which must be in the Employee's possession on the job at all times.

One each of the following:

Carpet Tools

Anchor-rite tool
Awl
Base Mold Lifter
Carpenter's Hammer
Carpet Knife
Chalk Line
Cushion Back Trimmer
(or adapter)
Hack Saw and Blades
Knee Kicker
Needles (straight & curved)
Screw Drivers (fl. & ph.)
Sharpening Stone
Shears (carpet)
Stair tool
Strip Cutters
Tapes (12' - 50')
Trimmer
Toolbox
Trowel
Utility Knife & Blades
Straight edge up to 6
4" Seaming Iron
6" Seaming Iron
Staple Hammer

Hard Surface Tools

Base Mold Lifter
Carpenter's Hammer
Chalk Line
Dividers
File
Fox Tail Brush
Hack Saw & Blades
Hook knife and Blades
Knotch Spreaders - Base
Nail Set
Pin Scribe
Pliers
Scraper (broad knife)
Screw Drivers (fl. & ph.)
Sharpening Stone
Single Arm Roller (hand)
Square
Tapes (6' & 50')
Tile Cutter
Torch (LPG)
Trowels
(knotted & finished)
Under Scribe
Linoleum knife
Toolbox

Personal Protective Equipment

Non-specialty Safety-toe footwear (including steel-toe shoes or steel-toe boots).

Non-specialty prescription safety eyewear.

Everyday clothing such as long-sleeve shirts, long pants, steel-toe shoes and normal work boots.

Respirator 6000 or 7000 series or as recommended or designated by the JATC (not including cartridges).

SECTION 2. Except as noted above, the Employer shall furnish power stretchers, rollers, LPG fuel, staple guns, staples, all power tools and their accessories, and other necessary equipment.

SECTION 3. The Employees shall exercise proper care, use, and maintenance of all tools and equipment furnished by the Employer for the Employee's use.

SECTION 4. All Employees covered by this Agreement shall, when reporting for work, be properly attired in accordance with accepted Federal and State Safety standards, including, but not limited to, long pants and sleeved shirts. Employees who report to work without proper attire shall not be paid for time lost. In such an event, the Employee's workday and wages shall be calculated from the time the Employee reports for work to the shop with the proper attire.

ARTICLE 13

SAFETY

SECTION 1. In the event a job is shut down by a Federal or State Safety inspector or any other proper authority for a safety violation which is the responsibility or fault of an Employer covered by this Agreement, the Employer will pay the wages of the Employees affected until such violation is corrected, or for the balance of the workday; provided, however, that if it is determined that the violation is the result of the Employee's error, negligence, or disobedience, the aforementioned payment of wages provision shall not apply.

SECTION 2. Safety. Adequate safety and protective devices shall be supplied to the workers by the Employer on all work in accordance with applicable State or Federal safety regulations. Workers shall observe the Employer's instructions in the matter of safety if such instructions are not in conflict with Federal or State safety regulations. Any Employer or employee who violates this provision may be fined, suspended, or otherwise penalized by the Joint Industry Committee.

SECTION 3. Pursuant to State and Federal safety laws and the dictates of good safety practice, Employees are required to use the health, safety and protective equipment issued to them.

SECTION 4. Employees shall be responsible for the proper care, use, and maintenance of such equipment issued or assigned to them, and they shall return the same to the Employer upon completion of its use.

SECTION 5. The Employer shall provide First Aid kits in all trucks. Each Employee covered by this Agreement shall be required to obtain an approved First Aid Certificate and to keep said certificate current; and the Employer and the Union shall work jointly with each other to ensure Employee compliance with this requirement.

SECTION 6. In order to prevent accidents or physical injuries, an Employee shall request and be given assistance (manual or mechanical) to lift objects that are too heavy or too bulky for the Employee to lift.

SECTION 7. The Employer shall provide transportation for his Employees and such transportation shall conform to applicable State, County, and Federal Safety Rules and Regulations.

SECTION 8. Each Employer shall give the Union written notification of the name and address of his Worker's Compensation Insurance and Temporary Disability Insurance Carrier.

SECTION 9. (a) Workers, when reporting to the employer shall be qualified in all respects, including being certified as properly trained in first aid, CPR, hazard communication, fall protection, general safety and other required training for the flooring trade. The worker shall also have medical clearance for the use of respirators and be trained in their use and maintenance. Additional training/testing requirements, as imposed by government regulations, shall be included in this Agreement. The worker shall also:

1. Pass a Drug Test unless they have previously been tested and cleared (passed) a drug test within the last six (6) months prior to the referral.
2. Pass a pre-placement physical, where required.
3. For entry level workers, pass an agility screening.

(b) It is preferred that employees be up to date at all times with safety training. In the event an employer receives a confirmation at least five (5) working days in advance from the Union that

an employee is scheduled for Saturday training, the employer will make an effort to refrain from scheduling that employee for work during the scheduled training time. This may not be possible in every case in which case the training will be rescheduled for the next available opportunity.

ARTICLE 14

WAGES

SECTION 1. Wage Schedules. Attached hereto as Exhibits "A" through "A-2" and made a part of this Agreement are the hourly wage schedules which shall be effective for the term of this Agreement.

SECTION 2. Working Foreman I.

On any project to which a crew of 5 or more Journeypersons and/or Apprentices are assigned, one of the Journeypersons shall, while so assigned to said crew, be designated and paid as a Working Foreman I at plus \$3.00 per hour worked.

SECTION 3. "Davis-Bacon" Projects - The Contractor shall be required to pay the "posted" "Davis-Bacon" wage rates at the time of bid for classifications of work covered by this Agreement (Posted "Davis-Bacon" wage rates are those rates of pay which have been predetermined and established for said project by the U. S. Dept. of Labor, or the State Dept. of Labor, or County projects subject to either, and which are set forth in the governments bid document at the time the project was bid).

Contractor contributions to the various Trusts and other funds as provided for in this Agreement, however, shall be made in the amounts as set forth in the Agreement and shall include any increased rates of contributions as may become effective after the project was bid.

SECTION 4. The Negotiation Committee representing the Association and the Union may determine the proper allocation of the wage and fringe benefit option schedule (if any) in accordance with the annual increases as stated in Exhibit A, without further approval of signatory Employers or the Employees. If the parties to this Agreement are unable to determine the allocations in the wage and benefit option provided herein within ten (10) working days from the effective date of the option, the Union shall have the sole discretion to determine the allocations.

ARTICLE 15
PAYMENT OF WAGES

SECTION 1. Wages shall be paid weekly, not later than quitting time on payday and not more than one week's wages may be withheld at any time. In the event the normal pay is changed, notice of such a change shall immediately be brought to the Union's attention.

SECTION 2. The Employer shall state on all paycheck stubs or statements, the Employee's full legal name and social security number, in addition to an itemized account of the Employee's earnings and deductions, which will include hours of work covered by such paycheck and the hourly rate of pay and all deductions from the gross earnings made for any reason.

SECTION 3. If an Employee's paycheck is not made available by the Employer by quitting time on payday, the Employee shall be paid at the regular rate for all time waited for the check; provided, however, that the waiting time pay provision shall not apply in cases where the delay was for a reason beyond the control of the Employer, including, but not limited to, circumstances such as electrical cutoff, computer failure, acts of God, etc.

SECTION 4. If an Employee's paycheck is returned unpaid because of insufficient funds, the Employee shall be paid, in addition to the amount of the check and any penalty, 8 hours of pay for each day the Employee must wait until the check is received. If the "insufficient funds" are created by the bank's error or such other cause not controlled by the Employer, this section shall not apply.

SECTION 5. If an Employee is laid off for lack of work or is discharged, said Employee shall receive all wages due at the time of said lay-off or discharge. However, if said layoff or discharge occurs at a time and under conditions which prevents the Employer from making immediate payment, then all wages due must be paid to the Employee no later than the working day following the layoff or discharge.

SECTION 6. If an Employee quits, said Employee shall be paid all wages due no later than the next regular pay day either through regular pay channels or, if requested by the Employee, by mail.

SECTION 7. The Employer shall provide completed W-2 forms in accordance with State and Federal law.

ARTICLE 16

HOURS AND OVERTIME

SECTION 1: Work week. Any forty (40) hours, Monday - Sunday inclusive, shall constitute a standard work week. This agreement specifies that up to forty (40) hours (not to exceed ten (10) hours in one day) may be worked in one week at straight time pay. Work on Sundays shall be compensated with an additional premium of five dollars (\$5.00) per hour with fringe benefits added to the straight time rate, for each hour worked.

SECTION 2. Workday. Eight (8) and up to ten (10) consecutive hours except for a one-half hour lunch period, shall constitute a standard workday: provided however, that overtime will be paid for all hours worked after ten (10) hours in one day or forty (40) hours in one week. Employees who work 4 - 10-hour days will not be scheduled for any further hours in the same work week except by mutual consent of both Employee and Employer and overtime of time and one half shall apply for all hours worked in excess of forty (40) in the same work week.

SECTION 3. Starting Time. A standard workday shall start not earlier than 6:00 a.m. and not later than 8:30 a.m.

SECTION 4. Reporting: All employees will report to work at the designated jobsite ready to begin work by the scheduled starting time.

SECTION 5. Show Up Time: An employee who is scheduled to report to work but for whom no employment is available shall be entitled to show up pay of two (2) hours straight time pay, including fringe benefits, unless the employee is unable to start work for reasons which are beyond the control of the Employer including, but not limited to, natural disasters, equipment breakdown, electrical failure, inclement weather, general contractor/customer rescheduling and Acts of God.

SECTION 6. Overtime and Premium Rates.

(a) Work performed on Sundays shall be paid at the rate of \$5.00 per hour additional plus the straight time rate and fringe benefits provided that Sunday work is not mandatory, and the Employee has the right to refuse work. No employee shall be asked to work more than 50% of the total Sundays in a calendar year.

(b) Work performed after 6:00 p.m. or before 6:00 a.m. on days other than Sunday shall earn premium pay of plus four dollars (\$4.00) for journeymen and plus two (\$2.00) dollars for apprentices in addition to the straight time rate, plus fringe benefits.

(c) In the event of any overlapping of premium hours or overtime pay only the higher rate of pay will apply and will not be combined with other rates.

SECTION 7. Right of the Union to Cancel. It is recognized that Section 1, Section 2 and Section 6 have the potential for being abused by Employers. Any alleged abuse(s) will be referred to the JIC for a determination of whether there has been a violation. If the JIC determines that there has been a violation, the Union has the right to cancel Section 1, Section 2 or Section 6 against that Employer with 30 days written notice to that Employer. In the event that the Union exercises its right to cancel against that Employer, Exhibit "E" attached hereto shall apply and Section 1, Section 2 and Section 6 shall be inapplicable for the following maximum periods from the effective date of the written notice:

| | |
|------------------------|-------------|
| First Offense | Six Months |
| Second Offense | One Year |
| Any Subsequent Offense | Permanently |

Examples of abuse might include working Employees for 6 1/2 hours for 6 consecutive days, continual and repeated assignment of Tuesday-Saturday work schedules to only selected Employees, etc.

SECTION 8. Wages on Day of Injury. If an Employee is injured in the course of employment and after receiving any necessary first aid or medical attention, returns to work that same day the employee shall be paid for all time lost on such day at his regular straight time rate of pay. If such Employee receives a medical physician's advice not to return to work on that day, the Employee shall nevertheless receive wages for the full shift as worked by other Employees in the same crew, but not to exceed eight straight time hours.

ARTICLE 17 HOLIDAYS

SECTION 1. The following days shall be recognized as holidays under this Agreement:

| | |
|------------------------|------------------|
| New Year's Day | Fourth of July |
| Martin Luther King Day | Labor Day |
| President's Day | Veteran's Day |
| Memorial Day | Thanksgiving Day |
| Kamehameha Day | Christmas Day |

SECTION 2. In the event any of the above holidays falls on a Saturday, the Friday before shall be considered the holiday. In the event any of the above holidays falls on a Sunday, the following Monday shall be considered the holiday.

SECTION 3. In addition to whatever benefits an Employee covered by this Agreement may receive as "holiday pay" pursuant to the provisions of Article 24 (Vacation & Holiday Trust Fund), work performed on any of the above listed holidays shall be compensated for at one and one half time the Employee's regular straight time rate. Work performed on Labor Day shall be compensated at two times the Employee's straight time rate.

SECTION 4. If, during the term of this Agreement, the Holiday Schedule as issued by the General Contractors Association of Hawaii is added to or otherwise revised, then the holidays listed under Section 1 above, shall be deemed automatically and simultaneously amended so as to incorporate said revisions or additions.

SECTION 5. "Switching" and/or Substitution of Holidays. Whenever any of the holidays listed below falls on a Tuesday, Wednesday, or Thursday, said holiday may be "switched" to either Monday or Friday provided however, that said "switch" is mutually agreed upon by the Union, Employee and the Employer.

Kamehameha Day
Veteran's Day

Fourth of July
Thanksgiving Day

NOTE: At the present time the switching provision is applicable only to PRIVATE AND FEDERAL PROJECTS. The law would have to be changed in order for said paragraphs to be applicable on State or County projects.

ARTICLE 18 TRANSPORTATION

SECTION 1. Time traveled from the Employer's established place of business to the job site shall not be considered as time worked and included as part of the workday.

SECTION 2. Employees shall remain at work on the job site until their scheduled quitting time.

SECTION 3. The Employer may also supply transportation from the job site to the employer's established place of business, but time traveled shall not be considered as time worked, except for the driver.

SECTION 4. It is understood that loading or unloading of materials and/or equipment, driving of a company truck and/or other types of vehicles of the Employer shall be considered as time worked and shall be compensated.

SECTION 5. The following rules and procedures shall govern the administration of this Article:

- (a) When trucks leave the Employer's established place of business, they shall proceed directly to the assigned job site except for emergency stops or as specifically directed or authorized by the Employer.
- (b) Upon completion of the work at one job site and proceeding to another job site, the truck and crew shall proceed directly to said job site except for emergency stops or as specifically directed or authorized by the Employer.

SECTION 6. In the event a jobsite does not have free parking available within one-half mile of the job site, the employer shall reimburse, after presentation of a signed, dated receipt, parking paid by the employee at a rate not more than the lowest rate within the one-half mile area.

ARTICLE 19

NEIGHBOR ISLAND WORK PROJECTS

SECTION 1. When an Employee is required by the Employer to leave the island on which he resides to report to work on a neighbor island project, the Employer will provide transportation to and from said island. Whenever possible and available, air transportation between Islands shall be via Hawaiian Airlines or comparable-sized airplanes.

SECTION 2. Said Employee shall also be reimbursed for travel expenses as approved by the Employer which are incidental to the trip.

SECTION 3. If required to travel to and from neighbor islands on a work day or non-work day the employee shall receive the applicable rate of pay, but only for the time spent in actual travel time from port to port and not to exceed one (1) hour in any one twenty-four (24) hour period unless traveling roundtrip on the same day in which case the maximum shall be two (2) hours.

If required to travel to and from work sites outside the State of Hawaii on a workday or non-workday, the employee shall receive no more than three (3) hours of straight time pay for each

way for the United States mainland travel and four (4) hours for Guam and the South Pacific Islands travel.

SECTION 4. Transportation of any personal baggage (exclusive of tools required by the Employer) in excess of the weight and size of that included in the normal fare, shall be paid for by the Employee unless he receives express permission from the Employer to take excess baggage. For transportation cost of tools/equipment, a receipt must be attained for reimbursement by Employer.

(a) Employees who have resided on the Big Island (Hawaii Island) for a minimum of two months (60 days) prior to referral for a job in Hilo or Kona and must pass a travel point of Kawaihae Road or beyond Honoka'a are entitled to adequate overnight lodging (if required to stay overnight) and a daily per diem.

SECTION 5. In the event the employee is required to remain on the neighbor island the Employer shall, provide lodging of good quality to include accommodations for employees (no more than one (1) person per bed, no more than two (2) persons per bedroom) plus pay a per diem meal allowance to the employee in the amount of \$50.00 per day effective March 3, 2024. Increases in the daily per diem amounts shall be as stated in Exhibit "A".

SECTION 6. The aforementioned subsistence allowance shall be paid in advance to the Employee who, upon its receipt shall sign a statement that any advance subsistence amount to which the Employee is not entitled shall be returned to the Employer and, if not so returned shall be withheld from wages. Returnable amounts include amounts advanced for up to 40% of the daily per diem for the day of return by the employee who is not on the travel island for dinner. Per diem for the return departure day is for breakfast and lunch only unless special holdover conditions apply.

SECTION 7. The Employer shall have the option of providing meals and lodging of good quality with no more than four (4) Employees per room.

SECTION 8. Meals and lodging, or subsistence allowance, as the case may be, shall be provided for each day the Employee is required by the Employer to remain on the island, provided, however, that an Employee who absents himself from work without the approval of the Employer shall pay the applicable per diem subsistence allowance as specified above for the cost of meals and lodging or shall have the applicable per diem subsistence pay deducted, as the case may be, for each day of absence.

SECTION 9. Meals and lodging or subsistence allowance, as the case may be, shall automatically cease in the event that the Employee refuses to work, is suspended for cause, or is discharged or quits prior to the completion of the work project. Said Employee shall pay his own return transportation and shall not be paid for return travel time.

SECTION 10. The Employee shall be entitled to weekend round trip transportation at the Employer's expense from the neighbor island to the Employee's home Island on the second weekend of his stay on said neighbor island and for every second weekend thereafter until completion of the project. (By mutual agreement between the Employer and the Employee, another weekend may be substituted so as to take advantage of a long weekend or to otherwise accommodate special requests.) In the event of special circumstances such as a limited time to finish the job and avoid return expenses, a jobsit condition necessitating employee presence, and an employee's option to stay, or other special factors, the employee will return on the third weekend of this stay. On such weekend trips home, the Employee shall not receive the subsistence allowance for Saturdays, Sundays, or holidays, unless work is performed by the Employee on the neighboring island on said days.

SECTION 11. In the event an Employee is injured or becomes ill and a duly licensed medical physician certifies that said Employee's condition requires that the Employee be returned to the Employee's home island, the Employer shall pay the cost of the said return transportation. This shall not apply, however, to an Employee whose injury or illness is caused by the Employee's own misconduct.

SECTION 12. This Article shall not apply to bona fide residents of the island on which the work is being performed; provided, however, when an Employee who is a bona fide resident of any neighbor island is required by the Employer to live away from home elsewhere on the same island, the Employer shall provide either a boarding house of good quality (no more than two persons per room) or, if not so furnished, a per diem subsistence allowance in the same amounts and under the same terms and conditions as specified under Sections 5, 6, 7, 8 and 9 of this Article, except for the determination of whether to provide a boarding house or the per diem subsistence allowance shall rest with the Employer.

ARTICLE 20

TRUST DOCUMENTS AND EMPLOYER PAYMENTS

SECTION 1. Trust Documents. Each of the Trust Documents as referred to in this Agreement are, by reference, incorporated herein and each Employer signatory hereto or covered hereby agrees that he shall be bound by all the terms and conditions of said documents. Each

Employer further agrees to the appointment of the Trustees of said Funds as designated by the Association and hereby designates said Employer Trustees to serve as the Employer's representative and to act as the Employer's agent in all matters concerning the Funds.

SECTION 2. Transmittal Of Contributions.

- (a) Employer contributions to the various Funds as specified and provided for above shall be paid or postmarked by the 25th day of the month immediately following the month for which the contributions are due, but an Employer shall not be deemed delinquent if full payment of amounts due are actually received or postmarked and mailed by the 25th day of said month.
- (b) A monthly consolidated transmittal report form as provided by the Administrative Office, showing, among other things, the monthly total of hours worked by each Employee covered by this Agreement, shall be submitted each month and accompany such payment, if any.
- (c) The monthly consolidated transmittal report form must be submitted or postmarked by the 25th day of the month immediately following the month being reported even if no Employees were employed by the Employer.

SECTION 3. Information and Audit. Each Employer shall maintain and provide the appropriate Trustees or their authorized representative(s) with information and records necessary to carry out the purposes of and in connection with the proper administration of the various Funds and shall permit an audit of the Employer's payroll records by authorized representative(s) of the Administrative Office or the Trustees to ascertain whether all contributions due have been paid.

SECTION 4. Delinquent Contributions and Collections.

(a) When an Employer's contributions to any of the Trust Funds provided for under this Agreement are not paid or postmarked and mailed by the 25th day of the month immediately following the month for which the contributions are accrue, such contributions are delinquent, and the Employer shall be deemed to be in violation of this Agreement and the aforementioned Trust Agreements. An Employer responsible for such delinquent contributions shall pay to each respective Fund:

(1) The unpaid contributions.

(2) Interest on the unpaid contributions from the last day of the month for which contributions accrue to payment or to judgment at the rate of twelve percent per annum or the rate prescribed under Section 6621 of the Internal Revenue Code of 1954, whichever is greater.

(3) An amount equal to the greater of:

(i) Interest on the unpaid contributions as computed in the manner provided above.

(ii) Liquidated damages in the amount of 20% of such delinquent and unpaid contributions due to each respective Fund or \$10.00 whichever is greater, for each and every delinquent monthly contribution.

(4) All audit and collection costs and

(5) If the delinquency is turned over to an attorney for collection, reasonable attorney's fees as specified in (1), (2), and (3) above, and all costs of action or, reasonable attorney's fees and cost of the action as provided by the Employee Retirement Income Security Act, as amended, whichever shall be greater.

(b) The liquidated damages specified in subsection (3) (ii) above shall be due and payable to each respective Fund upon the day immediately following the date such contribution becomes delinquent and shall be in addition to the total amount of the delinquent contributions. Said amount is payable as and for liquidated damages, and not as penalty, in that the failure of the Employer to make the required timely payment of contributions imposes additional burden and expenses upon the Trustees in the collection thereof and in the administration of the Trust Funds, including but not limited to the processing of late contribution reports, correspondence and other communication with said Employer, and in addition thereto, may cause a loss of benefits to Employees, and loss of benefit of the use of the amounts required to be paid, all of which are difficult to accurately ascertain.

SECTION 5. (a) Bond or Cash-in Escrow by Delinquent Employer. If the delinquent contributions and damages due to any fund are not paid within 60 calendar days after the due date, the delinquent Employer, to secure the payment of future contributions, shall be required by the Trustees of said Fund to post with said Fund within five working days thereafter, and for a period of up to one year from the date of delinquency, a surety bond or cash-in-escrow in an amount equal to the last three months contributions or \$10,000 whichever is greater. If a delinquent Employer fails to satisfy the requirements of the bond or cash-in-escrow as provided herein, the Trustees may refuse to allow such delinquent Employer to participate in the Union and the Carpet, Linoleum and Soft Tile Layers Trust Funds.

(b) Third Party Recovery. The Trustees of each Trust Fund shall be authorized and empowered to seek any remedy or to bring any action provided for by contract or under the laws of the State of Hawaii or the United States of America which the Trustees deem necessary to seek recovery of delinquent Trust Fund contributions together with the sums described above

from any Employer, contractor, owner, developer or property, as the case may be, by way of an assertion of any lien against real property or claim under a payment bond.

(c) In the event that an Employer does not comply with subsection (a) above, within 60 days of appropriate notice, the Trust Fund shall notify the Union. Upon notification to the Union, the Union shall refuse to dispatch Employees to said non-complying Employer until the Employer is in compliance.

SECTION 6. New Employer. The Trustees, to secure the payment of future contributions, may require a new Employer or reinstated Employer (an Employer whose participation in any of the Trust Funds provided for under this Agreement was terminated for delinquency in the payment of contributions and damages and who has subsequently been reinstated), to post with the Trustees a bond or cash-in-escrow in the amount of \$10,000 or the average of three month's contributions as determined solely by the Trustees for a period of one year from the date such Employer signs the Agreement or is reinstated.

SECTION 7. Enforcement. If it becomes necessary for the Trustees to take legal action to enforce the payment of contributions and damages from a delinquent Employer, the Employer shall be liable for all court costs and attorney's fees incurred in the collection of the amounts due and owing.

SECTION 8. Nothing in this Article shall be construed as being in conflict with the provisions of Section 3 of Article 32 (No Strike and Lockouts) of this Agreement, nor shall anything in this Article be deemed a condition precedent to any action that the Union may take under the provisions of said Section 3 of Article 32 (No Strike and Lockouts).

SECTION 9. Records Maintained in Hawaii. Every contractor signatory hereto shall maintain records in the State of Hawaii with respect to each of the contractor's Employees covered by this Agreement sufficient to determine the benefits due or which may become due to such Employees. A contractor whose principal place of business is located outside of the State of Hawaii shall also be subject to this requirement and shall notify the Trust Fund Administrator of the location of the records in the State of Hawaii.

SECTION 10. Amounts collected not attributable to individual participant accounts shall be distributed by the Administrator to the appropriate Union Trust Funds as directed by the Trustees.

SECTION 11. Large Projects; Impact on Trust Funds

In consideration of the potential large financial impact major floor covering projects can have on the stability and income or loss to the various trust funds, in the event any Employer signatory to this Agreement obtains an agreement for the installation of floor covering that is in excess of \$500,000 inclusive of materials and/or labor covered by this Agreement, the Employer shall report this project to the Trust Fund Administrative Office who shall refer the matter to the Administrative Committee for review. The Administrative Committee may refer the matter to the full Board of Trustees who may require a project payroll audit approximately midway through the project and sixty (60) days after completion of the project. The Employer has the burden of notifying the Trust Fund Administrative Office within ten (10) days of the successful award of such contracts, including the approximate number of anticipated hours to be worked on the project, as well as advanced notice of the likely start, midway and completion dates of the project. The Employer must also notify the Trust Fund Administrative Office of the actual start date of the project within thirty (30) days of such date and the completion date of the project within sixty (60) days of such date. For the purposes of this Section, "completion" shall be defined as the performance of all or substantially all of the scope of work on the project, including punch list items but not including warranty work, regardless of whether final payment was received for all such work performed. Non-compliance with such notice requirements shall be determined by the Joint Industry Committee as constituted under Article 30 of this Agreement.

If the Board of Trustees determines a project payroll audit is warranted, it shall have the option of authorizing the Trust Fund Administrative Office to conduct such audit or engaging a third-party CPA firm to conduct such audit. In either case, the Trust Fund Administrative Office shall be privy to the full details of such audit and shall provide the Board of Trustees with a general summary of the results of such audit upon completion.

In the event discrepancies in excess of 10% of the total contributions paid or to be paid to any one fund for that project are discovered by the audit then the Employer shall be liable for all costs of the audit. If the discoverable amounts are less than those specified above, then the costs of the audit shall be borne by the Fund.

ARTICLE 21
HEALTH AND WELFARE FUND

SECTION 1. Each Employer shall participate in the Carpet Linoleum & Soft Tile Local Union 1926 Health & Welfare Trust Fund (hereinafter referred to as the "Health & Welfare Fund") under the terms and conditions as set forth in the Health & Welfare Fund Trust Agreement as established on March 1, 1968, as amended, and as may be amended in the future.

SECTION 2. Effective as of the dates listed below, the Employer shall contribute to the Health and Welfare Fund for each Employee covered by this Agreement. The amounts as reflected in Exhibit A, A-1 and A-2 as attached.

SECTION 3. Eligibility requirements for participation in the Health and Welfare Fund for all apprentices indentured after February 27, 1994, shall be in accordance to Exhibit "A" which is an attachment hereof.

SECTION 4. The Negotiation Committees representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

ARTICLE 21A
RETIREE HEALTH REIMBURSEMENT FUND
(New: Effective 2/28/2021)

SECTION 1. Each Employer shall participate in the Carpet Linoleum & Soft Tile Local Union 1926 Retiree Health Reimbursement Fund (hereinafter referred to as the "Retiree Health Plan" or "RHP") under the terms and conditions as set forth in the Retiree Health Reimbursement Agreement as established on February 28, 2021, as amended, and as may be amended in the future.

SECTION 2. Effective as of the dates listed below, the Employer shall contribute to the Retiree Health Reimbursement Fund for each Employee covered by this Agreement the amounts as reflected in Exhibit A, A-1 and A-2 as attached.

SECTION 3. Eligibility requirements for participation in the Retiree Health Reimbursement Fund for all employees shall be in accordance with the Plan.

SECTION 4. The Negotiation Committee representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

ARTICLE 22 PENSION FUND

SECTION 1. Each Employer shall participate in the Resilient Floor Covering Pension Fund (hereinafter referred to as the "Pension Fund") under the terms and conditions as set forth in the Resilient Floor Covering Pension Trust Fund Agreement, established on December 24, 1958 as amended, and as may be amended in the future.

SECTION 2. Effective as of the dates listed below, the Employer shall contribute to the Pension Fund for each Employee covered by this Agreement the amounts as reflected in Exhibit A, A-1 and A-2 as attached.

SECTION 3. The Negotiation Committees representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

ARTICLE 23 SPECIAL RULE FOR RETIREES WHO RETURN TO WORK

Effective August 1, 2001, for participants who have retired under the Resilient Floor Covering Pension Fund (formerly known as the Carpet Linoleum and Soft Tile Local Union 1926 Pension Fund) and who have returned to employment with an Employer, fringe benefit contributions shall be made by such Employer based on total hours worked by each such participant to the Carpet Linoleum and Soft Tile Local Union 1926: Health and Welfare, Market Recovery, Training, Trust Admin, Vacation and Holiday Trust Funds, and Retiree Health Plan with the understanding that no contributions are required for the Annuity Fund and the Resilient Floor Covering Pension Fund. Contributions hereunder shall be subject to adjustment for compliance with applicable laws.

ARTICLE 24 VACATION / HOLIDAY FUND

SECTION 1. Each Employer shall participate in the Carpet Linoleum & Soft Tile Local Union 1926 Vacation/Holiday Trust Fund (hereinafter referred to as the "Vacation/Holiday Fund") under the terms and conditions as set forth in the Vacation/Holiday Fund Trust Agreement, established on September 1, 1968, as amended, and as may be amended in the future.

SECTION 2. Effective as of the dates listed below, the Employer shall contribute to the Vacation/Holiday Trust Fund for each Employee covered by this Agreement the amounts as reflected in Exhibit A, A-1 and A-2 as attached.

SECTION 3. The Negotiation Committees representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

ARTICLE 25 TRUST FUND ADMINISTRATION

SECTION 1. A Trust Fund Administration account shall be established to which each Employer shall contribute the amounts as reflected in Exhibit A, A-1 and A-2, as attached.

SECTION 2. Said account shall be operated under the control and supervision of an Administrative Committee composed of three persons appointed by the Union and three persons appointed by the Association.

SECTION 3. The Trust Fund Administration account shall be used: (a) to pay the expenses of administering the Vacation and Holiday Trust Fund and (b) as determined at the sole discretion of the aforesaid Administrative Committee, to either wholly or partially pay or subsidize any or all of the expenses of administering any other Trust Fund or Funds provided for in this Agreement.

SECTION 4. The Administrative Committee is hereby given the authority to, and may at its discretion, temporarily reduce this cents-per-hour contribution or order a temporary discontinuance of payments into said Trust Fund Administration account if in its judgment an unjustified surplus accumulates in said account.

SECTION 5. The Negotiation Committee representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

ARTICLE 26 ANNUITY FUND

SECTION 1. Each Employer shall participate in the Carpet Linoleum and Soft Tile Local Union 1926 Annuity Trust Fund (hereinafter referred to as the "Annuity Fund") under the terms and conditions as set forth in the Annuity Fund Trust Fund Agreement established on March 1, 1978, as amended, and as may be amended in the future.

SECTION 2. Effective as of the date listed below, the Employer shall contribute to the Annuity Fund for each hour worked by each Employee covered by this Agreement the amounts as reflected in Exhibits A, A-1 and A-2 as attached.

- a) Eligibility requirements for participation in the Annuity Fund for all apprentices indentured after February 27, 1994, shall be in accordance to Exhibit "A-1" of which there is an attachment thereof.

- b) Eligibility requirements for participation in the Annuity Fund for all Material Handlers shall be in accordance with Exhibit "A-2" of which there is an attachment thereof.

SECTION 3. The Negotiation Committees representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

ARTICLE 27

DISTRICT COUNCIL 50 JOINT APPRENTICESHIP AND TRAINING TRUST FUND

SECTION 1. Joint Apprenticeship and Training Committee Composition. There shall be a Joint Apprenticeship and Training Committee (hereinafter referred to as the "Training Committee") for the Carpet Linoleum & Soft Tile Industry. The Training Committee shall be composed of 6 members: 3 appointed by the Union and 3 appointed by the Association, one alternate Committee person may be appointed by the Union and one appointed by the Association to serve when a respective Committee person is or will be absent.

SECTION 2. Authority. The Training Committee shall supervise and administer all apprenticeship and training matters in accordance with this Agreement and standards of the Carpet, Linoleum, & Soft Tile Industry. The Training Committee shall establish and determine its rules of procedure and shall set the time and place for Committee meetings. The Training Committee shall operate the apprenticeship and training program in accordance with the budget as developed by the Trustees of the Training Fund.

SECTION 3. Indenture Required. All apprentices shall be indentured by the Training Committee. Applicants for apprenticeships must have at least 500 hours of work experience as a Material Handler prior to making an application.

SECTION 4. Employer Must Be Qualified. An Employer wishing to hire apprentices must first be approved as a training agency by the Training Committee and must request the apprentice from the Training Committee. Said Employer shall assist in the enforcement of all rules and regulations adopted by the Training Committee and agrees to discharge and not rehire any apprentice who fails to comply with orders of the Training Committee or whose apprenticeship

agreement is canceled pursuant to Apprenticeship Standards, Rules, or Regulations. Upon the recommendation of the Training Committee, an Employer who does not provide training in accordance with the Apprenticeship Standards or who does not otherwise abide with the said standards shall be subject to having his Apprenticeship Agreement canceled by the State of Hawaii Apprenticeship Division.

SECTION 5. Class Attendance Required. All apprentices employed in the trade shall attend instructional classes established by the Training Committee for the training of said apprentices.

SECTION 6. Transfer. (a) If the Training Committee determines an apprentice is being given insufficient or improper job or shop experience, the situation shall be studied and such adjustment shall be made as necessary, even to the extent of transferring the apprentice to another Employer either on a temporary or permanent basis. (b) The Training Committee may call the Employer or the Employer's agent to its meetings for an interview regarding the training of apprentices.

SECTION 7. Restricted Wages and Benefits of Apprentices. An Employer shall not pay or provide any apprentice, directly or indirectly with wages or benefits which exceed those provided in this Agreement for such apprentice.

SECTION 8. Apprentices Shall Not Supervise. Apprentices shall not supervise or give work orders to a Journeyperson.

SECTION 9. Settlement Of Disputes. All controversies or differences arising out of the apprenticeship standards, or the apprenticeship agreements, or which otherwise involve apprenticeship and training which cannot be adjusted by the Joint Apprenticeship and Training Committee or upon the written request of any of the parties affected (Apprentice, Employer, Union, Association and any other person, firm corporation or other entity that becomes signatory hereto) may be referred to the Director of the Department Labor and Industrial Relations of the State of Hawaii for final decision.

SECTION 10. Ratio of Apprentices to Journeyperson. The Employer may employ no more than one apprentice for every three Journeypersons, provided, however, that said ratio may be modified by the Joint Apprenticeship and Training Committee.

SECTION 11. Training Trust Fund. Each Employer shall participate in the District Council 50 Joint Apprentice and Training Trust Fund (hereinafter referred to as the "Training Fund") under

the terms and conditions as set forth in the Training Fund Trust Agreement established on March 1, 1968, as amended, and as may be amended in the future.

SECTION 12. Effective as of the date listed below, the Employer shall contribute to the Training Fund for each hour worked by each Employee covered by this Agreement. Amounts are reflected in Exhibit A, A-1 and A-2 as attached.

The Negotiation Committee representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

SECTION 13. The Trustees shall develop a method of recouping Fund expenses, where practical, for an apprentice who does not remain in the covered industry for a minimum of 10 years following a successful completion; provided, however, that the apprentice has been offered work during the 10-year period and that the apprentice has not been terminated due to sickness, health, or disabling or death accident.

SECTION 14. Participation in the International Union of Painters and Allied Trades Finishing Trades Institute (IUPAT FTI).

(a) Commencing with February 28, 2016 and for the duration of this Agreement, and any renewals or extensions thereof, the Employer, as defined in the Agreement and Declaration of Trust executed by and between the International Union of Painters and Allied Trades Local Union #1926, and Hawaii Flooring Association, agrees to allow the Training Fund to make payments to the Finishing Trades Institute for all Journeypersons covered by this Agreement, as follows:

(b) For each hour or portion of an hour worked by a Journeyperson the Training Fund shall make a contribution of ten cents (\$0.10) to the above-named Apprenticeship and Training Fund.

SECTION 15. The Union, through the Training Trust Fund program shall provide, at no additional cost to the Employee or Employer, other than the contribution in Section 12, satisfactory training in order for employees to become certified for first aid, CPR, OSHA-10, Lead Paint (EPA), drug testing, LEED, forklifts and other certification or training by government agencies as may be required in the floorcovering industry now or in the future.

SECTION 16. A program shall be offered by the District Council (or Local Union) Training Program for advanced or upgraded journeyperson training for all journeypersons working under this Agreement. Journeypersons shall be required to take such courses in accordance with the rules set forth by the Joint Apprenticeship and Training Committee.

ARTICLE 28

MARKET RECOVERY FUND

SECTION 1. Each Employer shall participate in the Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund hereinafter referred to as the "Market Recovery Fund", under the terms and conditions as set forth in the Market Recovery Fund Trust Agreement, established March 2, 1992, as amended, and as may be amended in the future.

SECTION 2. Effective as of the date listed below, the Employer shall contribute to the Market Recovery Fund for each hour worked by each Employee covered by this Agreement the amounts reflected in Exhibits A, A-1 and A-2 as attached.

The Negotiation Committee representing the Association and the Union may determine annually the proper hourly contribution to this Fund.

SECTION 3. In special cases and by approval of the Trustees, funds may be expended from the Market Recovery Fund for 1) recovery of delinquent contributions to any Joint Trust Fund in this Agreement, 2) for expenses of an audit to include verification of contributions to and for the benefit of fund beneficiaries and/or 3) for the determination of the proper pro rata allocation of recovered contributions that may be collected as a result of such recovery efforts.

Any other use of these funds, unless specifically authorized by the Trustees, is prohibited.

ARTICLE 29

INDUSTRY IMPROVEMENT FUND

SECTION 1. Employers covered by this Agreement shall contribute the amounts as reflected in Exhibit A, A-1 and A-2 as attached for each hour worked by each Employee covered by this Agreement to the Hawaii Flooring Industry Improvement Fund Trust Agreement, established on August 31, 1982, as amended and as it may be amended in the future.

SECTION 2. Said Fund shall be used for the purpose of improving, promoting and securing the unionized flooring industry in the State of Hawaii, such as construction education, market

development and improvement, servicing of this Agreement, safety, pollution control, public relations, research, and the like.

SECTION 3. This provision is a Management add-on item which does not constitute a deduction nor an addition to the Employee's wage and fringe benefit "package". This Fund is administered solely by the Trustees of the Hawaii Flooring Industry Improvement Fund.

SECTION 4. In the event that any signatory Employer becomes delinquent to the Fund and the matter is referred for legal action the signatory Employer herein agrees to pay all court costs and attorney fees incurred in collection.

SECTION 5. It is understood that although the Union as an employer participates in the various Trust Funds for and on behalf of Employees of the Union, the Union shall not be considered an Employer for the purpose of this section.

ARTICLE 30

JOINT INDUSTRY COMMITTEE

SECTION 1. Appointment of Representatives. There is hereby established a Joint Industry Committee to be composed of three persons appointed by the Union and three persons appointed by the Hawaii Flooring Association. Alternates may be selected by each of the appointing parties to serve when regular members are or will be absent.

SECTION 2. Scope and Authority. The Joint Industry Committee shall review and make recommendations with respect to problem areas or other matters of mutual concern which may arise during the term of this Agreement. The Joint Industry Committee shall have the authority to investigate, hear, and make determinations regarding alleged violations of piece work, contract work, moonlighting, wages and fringe benefit contributions due for hours worked, and any other violations of Article 9 (Special Conditions) or any other part or conditions set forth in this Agreement and to assess fines, suspensions or revocation of Union membership against any Employee or Employer found to be in violation of any section of said Agreement. Any fines, including findings for payment of unpaid wages as may be assessed against any Employee or Employer shall be paid in the manner specified by the Joint Industry Committee.

In the event it is alleged that an Employee or Employer covered by this Agreement has violated any provision of this agreement, said allegation shall be presented to the JIC for adjudication.

At the adjudication hearing, the party making the allegation(s) and the party who allegedly violated this Agreement shall have the right to present any evidence, testimony and arguments to the JIC prior to its decision on the merits of the allegations. In addition to any other penalties provided by this agreement, including orders for the payment of wages due, an Employee or Employer found to be in violation of this Agreement may be subject to the following maximum penalties:

| | |
|------------------------------|-------------|
| First Offense | \$ 500.00 |
| Second Offense | \$ 1,000.00 |
| Third Offense and thereafter | \$ 1,500.00 |

The Joint Industry Committee shall have the authority to investigate, hear and make determinations regarding grievances presented to the Committee under the provisions set forth in Article 31 (Grievance Procedure and Arbitration).

It is specifically understood and agreed that all decisions and recommendations of the Joint Industry Committee shall be within the scope of this Agreement, and that the Joint Industry Committee shall not have the authority to alter, amend, or modify the terms of this Agreement in any way. Should a problem arise in which the Joint Industry Committee recommends that the Agreement be amended, said recommendation will be referred to the Union and to the Association for review and appropriate action.

SECTION 3. Rules of Procedures. Except as herein provided, the Joint Industry Committee shall determine its own rules of procedure and all other details necessary to carry out the business for which it was appointed.

SECTION 4. Quorum. A quorum at any meeting of the Joint Industry Committee shall consist of at least two Union Committee members and two Employer Committee Members. Unless a quorum is present, no business shall be transacted. The Committee may act in writing without a meeting upon any matter which may properly come before it, provided such action has the affirmative concurrence in writing of at least two Employer Committee Members and two Union Committee Members, and provided further that a copy of such written concurrence shall be forthwith mailed to each non-participating Committee Member.

SECTION 5. Voting. A quorum being present, all matters coming before the Joint Industry Committee for consideration shall be decided through secret balloting by a majority vote of the Committee Members and/or Alternates present and eligible to vote. It is understood that the

number of Committee Members eligible to vote shall be governed by the lesser number of Employer or Union Committee Members present so that the total number of votes cast by the Employer Members may not exceed the total number of votes cast by the Union Members and vice-versa.

The majority decision of the Joint Industry Committee shall be final and binding upon the parties. In the event that the Joint Industry Committee is unable to render a decision on cases involving violations of Article 9 (Special Conditions) or on grievances submitted to the Committee as provided for in Article 31 (Grievance Procedure and Arbitration), either party may refer these matters to arbitration as provided for in Article 31 (Grievance Procedure and Arbitration), Section 2.

SECTION 6. Rights of Committee. The Committee may summon, question, and examine any party to this Agreement, or their representatives or agents, in connection with any question or matter over which the Joint Industry Committee may act. The Joint Industry Committee may also have the books and accounts of any party covered by or signatory to this Agreement examined by an independent certified public account as to payroll records, payments made to Employees by this Agreement, and payment of fringe benefits.

SECTION 7. Revenue and Expenses. Any money collected by the Joint Industry Committee by reason of imposition of fines, assessments, or penalties shall be deposited in a bank bearing the name of the Committee. Said funds may be used to cover the expenses of the Committee in accordance with Section 3 (Rules of Procedure) of this Article, provided, however that the Committee may decide those expenses that shall be paid by the respective representatives to the Committee.

SECTION 8. Matter Involving Non-Association Employer Signatory to This Agreement. In the event a matter is presented to the Joint Industry Committee involving an Employer who is not a member of the Association, but who is signatory to this Agreement or its counterpart, then, and in that event, such Employer, upon receipt of notice by certified mail, may elect to designate another Non-Association Employer to serve as a member of the Joint Industry Committee in lieu of one of the regularly designated representatives.

Such Non-Association Employers shall have the right to present evidence and testimony on his behalf. In the event such Employer fails or refuses to designate a representative to serve as a member of the Committee or fails or refuses to appear at scheduled meetings, then, and in that

event, the Joint Industry Committee, as regularly constituted, may proceed in the same manner as if the Employer were present and represented as herein prescribed.

SECTION 9. Limitation of Liability. No member of the Joint Industry Committee shall be liable to anyone, including parties, Employers, or Employees covered by or signatory to this Agreement as result of decisions or acts made in the performance of his or her duty under this Agreement.

ARTICLE 31

GRIEVANCE PROCEDURE AND ARBITRATION

SECTION 1. Grievance Procedures. When an Employee covered under the terms of this Agreement, or when the Union believes, that an Employer has violated the conditions thereof, the following procedure shall be followed:

Step 1. The Union representative and the Employer or his representative shall attempt to adjust the grievance or dispute promptly.

Step 2. If the grievance or dispute is not satisfactorily adjusted at Step 1 within seven (7) working days after it is received in writing by the Employer, it shall be referred to the Joint Industry Committee. The majority decision of the Joint Industry Committees shall be final and binding. If a member of the Joint Industry Committee is a party to the grievance or dispute, he shall be replaced by an alternate.

If the Joint Industry Committee is unable to render a decision within five (5) working days after concluding its investigation, either party may make a written request to the other party for arbitration within fifteen (15) days thereafter.

SECTION 2. Arbitration. Within three working days after the written request to arbitrate, an authorized representative of the Employer and an authorized representative of the Union shall confer to select an arbitrator.

If the representatives of the Union and the Association are unable to agree on an arbitrator within a three working day period, the arbitrator shall be selected as follows: the American Arbitration Association shall be requested to submit a list of five local arbitrators, from which one arbitrator shall be chosen as follows: the Union and the Association shall each strike two names from said list, each striking alternately, the first to strike to be determined by lot. The arbitrator whose name remains shall serve in the case.

The decision of the arbitrator shall be expressly limited to the terms and provisions of this Agreement and in no event may the terms and provisions of this Agreement be altered, amended, or modified by the arbitrator. All decisions of the arbitrator shall be in writing and a copy thereof shall be submitted to each of the parties hereto. All fees and expenses of the arbitrator shall be borne equally by the Union and the Employer. Each party shall bear the expenses of the presentation of its own case. The decision of the arbitrator shall be final and binding upon the parties. In cases involving suspension or discharge, if the arbitrator finds that a discharge or suspension was improper, such discharge or suspension may be set aside, reduced, or otherwise changed. If the penalty is set aside, reduced, or otherwise changed, the arbitrator may award back pay to compensate the Employee, wholly or partially, for any wages lost because of the penalty. If a back pay award is made, wages received from any other employment, or any sums received as unemployment compensation while the penalty is in effect shall be deducted by the arbitrator in determining the amount of the award.

SECTION 3. No grievance subject to the above proceedings shall be recognized unless called to the attention of the party alleged at fault within thirty working days after the alleged violation occurred.

ARTICLE 32

NO STRIKES AND LOCKOUTS

SECTION 1. During the term of this Agreement, there shall be no lockout by the Employer, nor any strike, sit-down, refusal to work, stoppage of work, slow down, retarding of production or picketing of the Employer on the part of the Union or its representatives, or on the part of an Employee of the Employer, except as provided under Section 2 of this Article.

SECTION 2. Nothing in this Agreement shall require Employees to cross a lawful picket line established in connection with a labor dispute by a Union or Unions affiliated with the AFL-CIO. Refusal on the part of the Employees to cross such a picket line shall not be construed as a violation of this Agreement.

SECTION 3. If an Employer fails to make timely payments to any of the Trust Funds provided for in this Agreement, or if he fails to make timely transmittal of amounts deducted for Union dues, initiation fees, re-admission fees, administrative dues, and assessments, as provided under Article 4 (Payroll Deductions), and so long as either of these conditions continue, it shall not be a violation of this Agreement for the Union to withdraw its members from the performance of work for said Employer and/or to take other economic action against said Employer, including

picketing of the Employer's shop. In each case, the Union shall give written notice to the Employer involved of its intent to withdraw Employees, to picket the shop, and/or to take other economic action against the Employer, and the Employer shall be given five working days from receipt of said notice in which to make full payment. If such full payment is not made within said five-day period, the Union shall then be free to withdraw Employees, to picket the shop, and/or to take other economic action against the Employer and continue said withdrawal, picketing, and/or economic action until full payment is made.

SECTION 4. It is mutually understood and agreed that the Association, any Employer, or the Union shall not be liable for damages caused by the acts or conduct of any individual or group of individuals who are acting or conducting themselves in violation of the terms of this Agreement without authority of the respective party, provided that such action or conduct has not been specifically authorized, participated in, fomented, or condoned by the Association, any Employer, or the Union, as the case may be.

SECTION 5. Employees covered by this agreement shall have the right to respect any legal primary picket line validly established by any bona fide labor organization, and the Union party to this agreement has the right to withdraw employees covered by this agreement whenever the employer party to the agreement is involved in a legitimate primary labor dispute with any bona fide labor organization.

ARTICLE 33 ACCESS OF UNION REPRESENTATIVES

SECTION 1. Union representatives shall have the right, upon reasonable notice to the Employer, to examine the payroll records of the Employer for the purpose of investigating compliance with the terms of this Agreement.

SECTION 2. The representative of the Union shall be allowed access to the shop or to any job of the Employer. This right of access to the Employer's job shall be exercised reasonably so as not to cause Employees to neglect their work or otherwise to interfere with the conduct of the Employer's operations.

ARTICLE 34 SAVINGS CLAUSE

In the event any provision of this Agreement is finally held or determined to be illegal or void by any applicable judgment or decree of a court of competent jurisdiction as being in contravention of any law, ruling or regulation of any governmental authority or agency having jurisdiction of the subject matter of this Agreement, the remainder of the Agreement shall remain in full force and effect unless the parts so found to be void or illegal are wholly and inseparable from the remaining portions of this Agreement. The parties hereto further agree that if and when any provisions of this Agreement is held or determined to be illegal or void, they will promptly enter into negotiations concerning the substance thereof, it being understood that the provisions of Article 32 (No Strikes or Lockouts) shall continue to remain in full force and effect.

ARTICLE 35 DURATION OF AGREEMENT

This Agreement shall be binding upon the respective parties effective March 3, 2024, to and including March 4, 2029, and shall be considered as renewed from year to year thereafter unless either party hereto shall give written notice to the other of its desire to modify, amend, or terminate the same. Any such notice must be given by the party desiring to modify, amend, or terminate the Agreement, at least sixty (60) calendar days prior to the expiration date but not more than ninety (90) calendar days prior to the expiration date. In the event such notice is given, negotiations for a new agreement shall commence within fifteen working days after the date on which such notice is received by the other party hereto. If such notice shall not be given, the Agreement shall be deemed to be renewed automatically for the succeeding year.

ARTICLE 35-A MOST FAVORED NATION CLAUSE

SECTION 1. Advantageous Conditions. Should the Union at any time during the term of this Agreement enter into an agreement with any Contractor or Contractors Association covering work covered by this Agreement which provides terms and conditions more advantageous to such Contractor or to members of said Contractors Association, OR should the Union in the case of any Contractor which is bound by this Agreement agree to any provision enabling the contractor to operate under more advantageous terms and conditions than is provided for in this Agreement then any Contractor party to this Agreement shall be privileged to automatically adopt such advantageous terms and conditions.

SECTION 2. Probationary Employer. Any Employer who has not previously been signatory to an Agreement with this Union may, in writing, request probationary status with the Union after executing this Agreement.

If granted, probationary status shall allow the Employer to have waived certain provisions of this Agreement for no more than three (3) months or one thousand (1000) hours, whichever occurs first. All provisions to be waived shall be detailed in writing stating the commencement and termination dates or maximum hours, as the case may be, a copy of which shall be attached to Exhibit "D" for distribution. It is understood that this is a strict one-time waiver and any subsequent request for a waiver or extension of a waiver shall be denied.

SECTION 3. Project Labor Agreement (PLA). Notwithstanding the above sections, the Union may execute an agreement, commonly known as a Project Labor Agreement ("PLA") which shall be considered as exempt from the above paragraphs provided that the PLA is executed by and between a Contractor or contractors and multiple trade unions in the building and construction trades.

ARTICLE 36 MODIFICATION OF AGREEMENT

This Agreement shall not be modified except by written document signed by the parties hereto.

ARTICLE 37 DOCUMENT CONTAINS ENTIRE AGREEMENT

This Document and any Exhibits or Addenda attached hereto contains all of the covenants, stipulations, and provisions as agreed upon by the parties hereto, and no agent or representative of either party has authority to make, nor shall any of the parties be bound by or be liable for any statement, representation, promise, inducement or agreement not set forth herein.

ARTICLE 38 RESILIENT FLOOR COVERING EXCESS BENEFIT PLAN

The parties hereby agree to create the Resilient Floor Covering Excess Benefit Plan to pay pension benefits in excess of the Section 415 limits applicable to the Resilient Floor Covering Pension Fund. Such plan shall be effective on December 31, 2005.

SECTION 1. The Administrator of the Resilient Floor Covering Pension Fund will, on a monthly basis, determine the amount of Employer contributions to be directed to the Excess Benefit Plan

in the following month. Subject to the limitations in SECTION 2, said amount will be the amount necessary to pay the full amount of benefits payable to retired participants in the Resilient Floor Covering Pension Fund in excess of the benefits permitted under IRC Section 415, increased by the amount necessary to pay payroll taxes and any necessary administrative costs; so that the net amount received by participants in the Excess Benefit Plan is the amount they have earned but cannot receive from the Resilient Floor Covering Pension Fund due to Section 415 limits.

SECTION 2. Prior to the payment of Employer contributions, otherwise payable to the Resilient Floor Covering Pension Fund, the Trust Fund Administrator shall deduct the amount of contributions described in the paragraph above for deposit into the Excess Benefit Plan. Such amount shall not exceed one-half of the Employer contributions to the Resilient Floor Covering Pension Fund. Said monies will thereafter be used to pay the aforementioned amount to the Excess Benefit Plan beneficiaries, and to pay payroll taxes and any necessary administrative costs of the Excess Benefit Plan.

SECTION 3. Benefit payments to each of the Excess Benefit Plan beneficiaries will be first paid from the Resilient Floor Covering Pension Fund in the maximum amount pursuant to IRC Section 415, and then supplemented by the amount determined to be payable to the beneficiary from the Excess Benefit Plan.

SECTION 4. The Excess Benefit Plan shall be administered in accordance with the plan document and amendments thereto creating and establishing same.

SECTION 5. The Employers agree to be bound by all of the terms and provisions of the Excess Benefit Plan, as the same has been or may hereafter be established and amended, and all lawful regulations adopted by the Trustees in accordance therewith.

IN WITNESS WHERE OF, the parties hereto have made and entered in this Agreement on this 3rd day of March 2024.

CARPET LINOLEUM AND SOFT TILE
WORKERS LOCAL UNION 1926 of the
International Union of Painters and Allied Trades
(AFL-CIO)

THE HAWAII FLOORING ASSOCIATION

Dougl
Busin ntative
IUPAT, Carpet Linoleum & Soft Tile
Local Union 1926 AFL-CIO

Executiv
Hawaii Flooring Association

Ryden almoja
Busin ss Manager/Secretary-T easurer
IUPAT District Council 50

Chair
Covered Member Committee

**CARPET LINOLEUM AND SOFT TILE LOCAL UNION 1926 (DISTRICT COUNCIL 50)
HAWAII FLOORING INDUSTRY OF HAWAII - WAGE AND FRINGE BENEFITS
EFFECTIVE MARCH 3, 2024 – MARCH 3, 2029**

**JOURNEYPERSON and WORKING FOREMAN
EXHIBIT "A"**

JOURNEYPERSON

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|----------------|--------------|---------------|---------------|---------|----------|--------------|--------------|--------------------|--------|---------------|----------------|
| Current | 39.77 | 5.91 | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | 2.12 | | 34.18 | 73.95 |
| 03/03/24 | +1.50 41.27 | +.09 6.00 | +.30 10.20 | (-.04) .05 | | | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | | | 34.93 |
| 03/02/25 | +2.00 43.27 | +.25 6.25 | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 2.12 | | 35.18 | 78.45 |
| 03/01/26 | +2.03 45.30 | +.30 6.25 | 10.50 | .05 | 8.61 | 1.85 | 6.25 | .10 | 2.29 | | 35.90 | 81.20 |
| 02/28/27 | +2.35 47.65 | +.45 6.70 | 10.50 | .05 | 8.61 | 2.00 | 6.55 | .10 | 2.29 | | 36.80 | 84.45 |
| 03/05/28 | +2.35 50.00 | +.30 7.00 | 10.50 | .05 | 8.61 | 2.00 | 7.00 | .10 | 2.29 | .25 | 37.80 | 87.80 |

WORKING FOREMAN I (Crew of 5 or more)

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|----------------|--------------|-----------------|-----|---------|----------|-------|-------------|------|--------|---------------|----------------|
| Current | 40.77 | 5.91 | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | 2.12 | | 34.18 | 74.95 |
| 03/03/24 | +.09 44.27 | +.30 6.00 | (-.04) 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 2.12 | | 34.93 | 79.20 |
| 03/02/25 | +2.25 46.27 | 6.25 | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 2.12 | | 35.18 | 81.45 |
| 03/01/26 | +2.30 48.30 | 6.25 | 10.50 | .05 | 8.61 | 1.85 | 6.25 | .10 | 2.29 | | 35.90 | 84.20 |
| 02/28/27 | +2.45 50.65 | 6.70 | 10.50 | .05 | 8.61 | 2.00 | 6.55 | .10 | 2.29 | | 36.80 | 87.45 |
| 03/05/28 | +2.30 53.00 | 7.00 | 10.50 | .05 | 8.61 | 2.00 | 7.00 | .10 | 2.29 | .25 | 37.80 | 90.80 |

| | |
|---|-----|
| MANAGEMENT ADD-ON ITEM: HAWAII FLOORING INDUSTRY IMPROVEMENT FUND | .40 |
|---|-----|

PER DIEM

| EFFECTIVE | |
|-----------|-------|
| Current | 45.00 |
| 03/03/24 | 50.00 |
| 03/02/25 | 55.00 |
| 03/01/26 | 60.00 |
| 02/28/27 | 65.00 |
| 03/05/28 | 70.00 |

Hours worked between 6:00 p.m. – 6:00 a.m. +\$4.00 for journeymen and +\$2.00 for apprentices.
Hours worked on Sundays +\$5.00 per hour premium (See Article 16)

*FLOAT MONEY – Float money must be allocated 180 days in advance, in writing, by agreement between the bargaining parties limited for distribution to the Annuity, Health and Welfare, Trust Administration, Market Recovery, Retiree Health Plan and Apprenticeship and Training Funds only.

A \$.10 cent per hour deduction from pay will be made as of September 1, 2019, and thereafter by the Employer for the Union's Political Action Committee upon receipt of written authorization from the employee to participate. These amounts will be forwarded to the Committee as directed on the authorization.

Dues – Employee dues are generally structured at 5% of wages. The specific amount for any period will be announced by the Union per Article 4, Section 1.

Reference Article 23. No contributions are made on behalf of retirees for the Annuity or Retirement Floorcovering Pension Fund.

CARPET LINOLEUM AND SOFT TILE LOCAL UNION 1926 (DISTRICT COUNCIL 50)
HAWAII FLOORING INDUSTRY OF HAWAII - WAGE AND FRINGE BENEFITS
EFFECTIVE MARCH 3, 2024 – MARCH 3, 2029*APPRENTICES - EXHIBIT A-1 (PAGE 1 OF 2)**
APPRENTICE – STEP 1 (50%) 0001-1000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|--------------|-------|--------------------|-----|--------|---------------|----------------|
| Current | 17.90 | NONE | 9.90 | .09 | 8.61 | 1.70 | NONE | 0.00 | .87 | | 21.17 | 39.07 |
| 03/03/24 | 20.64 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | NONE | (+.04) +.06 .10 | .87 | | 21.68 | 42.32 |
| 03/02/25 | 21.64 | NONE | 10.20 | .05 | 8.61 | 1.85 | NONE | .10 | .87 | | 21.68 | 43.32 |
| 03/01/26 | 22.65 | NONE | +.30 10.50 | .05 | 8.61 | 1.85 | NONE | .10 | .87 | | 21.98 | 44.63 |
| 02/28/27 | 23.83 | NONE | 10.50 | .05 | 8.61 | +.15 2.00 | NONE | .10 | .87 | | 22.13 | 45.96 |
| 03/05/28 | 25.00 | NONE | 10.50 | .05 | 8.61 | 2.00 | NONE | .10 | .87 | .25 | 22.38 | 47.38 |

APPRENTICE – STEP 2 (50%) 1001 – 2000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|--------------|-------|--------------------|-----|--------|---------------|----------------|
| Current | 19.89 | NONE | 9.90 | .09 | 8.61 | 1.70 | NONE | 0.00 | .87 | | 21.17 | 41.06 |
| 03/03/24 | 20.64 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | NONE | (+.04) +.06 .10 | .87 | | 21.68 | 42.32 |
| 03/02/25 | 21.64 | NONE | 10.20 | .05 | 8.61 | 1.85 | NONE | .10 | .87 | | 21.68 | 43.32 |
| 03/01/26 | 22.65 | NONE | +.30 10.50 | .05 | 8.61 | 1.85 | NONE | .10 | .87 | | 21.98 | 44.63 |
| 02/28/27 | 23.83 | NONE | 10.50 | .05 | 8.61 | +.15 2.00 | NONE | .10 | .87 | | 22.13 | 45.96 |
| 03/05/28 | 25.00 | NONE | 10.50 | .05 | 8.61 | 2.00 | NONE | .10 | .87 | .25 | 22.38 | 47.38 |

APPRENTICE – STEP 3 (55%) 2001 – 3000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|--------------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 21.87 | NONE | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | .87 | | 27.02 | 48.89 |
| 03/03/24 | 22.70 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | .87 | | 27.68 | 50.38 |
| 03/02/25 | 23.80 | NONE | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | .87 | | 27.68 | 51.48 |
| 03/01/26 | 24.92 | NONE | +.30 10.50 | .05 | 8.61 | 1.85 | +.25 6.25 | .10 | .87 | | 28.23 | 53.15 |
| 02/28/27 | 26.21 | NONE | 10.50 | .05 | 8.61 | +.15 2.00 | +.30 6.55 | .10 | .87 | | 28.68 | 54.89 |
| 03/05/28 | 27.50 | NONE | 10.50 | .05 | 8.61 | 2.00 | +.45 7.00 | .10 | .87 | .25 | 29.38 | 56.88 |

APPRENTICE – STEP 4 (60%) 3001 – 4000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|--------------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 23.86 | NONE | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | .87 | | 27.02 | 50.88 |
| 03/03/24 | 24.76 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | .87 | | 27.68 | 52.44 |
| 03/02/25 | 25.96 | NONE | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | .87 | | 27.68 | 53.64 |
| 03/01/26 | 27.18 | NONE | +.30 10.50 | .05 | 8.61 | 1.85 | +.25 6.25 | .10 | .87 | | 28.23 | 55.41 |
| 02/28/27 | 28.59 | NONE | 10.50 | .05 | 8.61 | +.15 2.00 | +.30 6.55 | .10 | .87 | | 28.68 | 57.27 |
| 03/05/28 | 30.00 | NONE | 10.50 | .05 | 8.61 | 2.00 | +.45 7.00 | .10 | .87 | .25 | 29.38 | 59.38 |

MANAGEMENT ADD-ON ITEM: HAWAII FLOORING INDUSTRY IMPROVEMENT FUND

.40

*See page 44 for information on Float Money.

**CARPET LINOLEUM AND SOFT TILE LOCAL UNION 1926 (DISTRICT COUNCIL 50)
HAWAII FLOORING INDUSTRY OF HAWAII - WAGE AND FRINGE BENEFITS
EFFECTIVE MARCH 3, 2024 - MARCH 3, 2029**APPRENTICES - EXHIBIT A-1 (PAGE 2 OF 2)**

APPRENTICE - STEP 5 (65%) 4001 - 5000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|--------------|---------------|---------------|---------|--------------|--------------|--------------------|--------------|--------|---------------|----------------|
| Current | 25.85 | 5.91 | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | 1.37 | | 33.43 | 59.28 |
| 03/03/24 | 26.83 | +.09 6.00 | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | 1.37 | | 34.18 | 61.01 |
| 03/02/25 | 28.13 | +.25 6.25 | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 1.37 | | 34.43 | 62.56 |
| 03/01/26 | 29.45 | 6.25 | 10.50 | .05 | 8.61 | 1.85 | 6.25 | .10 | +.17 1.54 | | 35.15 | 64.60 |
| 02/28/27 | 30.97 | +.45 6.70 | 10.50 | .05 | 8.61 | +.15 2.00 | +.30 6.55 | .10 | 1.54 | | 36.05 | 67.02 |
| 03/05/28 | 32.50 | +.30 7.00 | 10.50 | .05 | 8.61 | 2.00 | +.45 7.00 | .10 | 1.54 | .25 | 37.05 | 69.55 |

APPRENTICE - STEP 6 (70%) 5001 - 6000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|--------------|---------------|---------------|---------|--------------|--------------|--------------------|--------------|--------|---------------|----------------|
| Current | 27.84 | +.29 5.91 | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | 1.37 | | 33.43 | 61.27 |
| 03/03/24 | 28.89 | +.09 6.00 | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | 1.37 | | 34.18 | 63.07 |
| 03/02/25 | 30.29 | +.25 6.25 | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 1.37 | | 34.43 | 64.72 |
| 03/01/26 | 31.71 | 6.25 | 10.50 | .05 | 8.61 | 1.85 | 6.25 | .10 | +.17 1.54 | | 35.15 | 66.86 |
| 02/28/27 | 33.36 | +.45 6.70 | 10.50 | .05 | 8.61 | +.15 2.00 | +.30 6.55 | .10 | 1.54 | | 36.05 | 69.41 |
| 03/05/28 | 35.00 | +.30 7.00 | 10.50 | .05 | 8.61 | 2.00 | +.45 7.00 | .10 | 1.54 | .25 | 37.05 | 72.05 |

APPRENTICE - STEP 7 (80%) 6001 - 7000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|--------------|---------------|---------------|---------|--------------|--------------|--------------------|--------------|--------|---------------|----------------|
| Current | 31.82 | +.29 5.91 | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | 1.37 | | 33.43 | 65.25 |
| 03/03/24 | 33.02 | +.09 6.00 | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | 1.37 | | 34.18 | 67.20 |
| 03/02/25 | 34.62 | +.25 6.25 | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 1.37 | | 34.43 | 69.05 |
| 03/01/26 | 36.24 | 6.25 | 10.50 | .05 | 8.61 | 1.85 | 6.25 | .10 | +.17 1.54 | | 35.15 | 71.39 |
| 02/28/27 | 38.12 | +.45 6.70 | 10.50 | .05 | 8.61 | +.15 2.00 | +.30 6.55 | .10 | 1.54 | | 36.05 | 74.17 |
| 03/05/28 | 40.00 | +.30 7.00 | 10.50 | .05 | 8.61 | 2.00 | +.45 7.00 | .10 | 1.54 | .25 | 37.05 | 77.05 |

APPRENTICE - STEP 8 (90%) 7001 - 8000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|----------------|---------------|---------------|---------|--------------|--------------|--------------------|--------------|--------|---------------|----------------|
| Current | 35.79 | (+.29) 5.91 | 9.90 | .09 | 8.61 | 1.70 | 5.85 | 0.00 | 1.37 | | 33.43 | 69.22 |
| 03/03/24 | 37.14 | +.09 6.00 | +.30 10.20 | (-.04) .05 | 8.61 | +.15 1.85 | +.15 6.00 | (+.04) +.06 .10 | 1.37 | | 34.18 | 71.32 |
| 03/02/25 | 38.94 | +.25 6.25 | 10.20 | .05 | 8.61 | 1.85 | 6.00 | .10 | 1.37 | | 34.43 | 73.37 |
| 03/01/26 | 40.77 | 6.25 | 10.50 | .05 | 8.61 | 1.85 | 6.25 | .10 | +.17 1.54 | | 35.15 | 75.92 |
| 02/28/27 | 42.89 | +.45 6.70 | 10.50 | .05 | 8.61 | +.15 2.00 | +.30 6.55 | .10 | 1.54 | | 36.05 | 78.94 |
| 03/05/28 | 45.00 | +.30 7.00 | 10.50 | .05 | 8.61 | 2.00 | +.45 7.00 | .10 | 1.54 | .25 | 37.05 | 82.05 |

MANAGEMENT ADD-ON ITEM: HAWAII FLOORING INDUSTRY IMPROVEMENT FUND .40

*See page 44 for information on Float Money.

**CARPET LINOLEUM AND SOFT TILE LOCAL UNION 1926 (DISTRICT COUNCIL 50)
HAWAII FLOORING INDUSTRY OF HAWAII - WAGE AND FRINGE BENEFITS
EFFECTIVE MARCH 3, 2024 – MARCH 3, 2029 /MATERIAL HANDLERS - EXHIBIT A-2 (PAGE 1 OF 2)**

Material handlers are those employees assigned to load and unload materials and provide warehouse labor not to include the installation of floor covering materials on their surfaces. Where possible such employees should be encouraged to join the Apprenticeship Program.

MATERIAL HANDLER – STEP 1 (35%) 0001-1000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|-------|--------------------|-----|--------|---------------|----------------|
| Current | 13.92 | NONE | 9.90 | .09 | 8.61 | NONE | NONE | 0.00 | .87 | | 19.47 | 33.39 |
| 03/03/24 | 14.44 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | NONE | (+.04) +.06 .10 | .87 | | 19.83 | 34.27 |
| 03/02/25 | 15.14 | NONE | 10.20 | .05 | 8.61 | NONE | NONE | .10 | .87 | | 19.83 | 34.97 |
| 03/01/26 | 15.86 | NONE | +.30 10.50 | .05 | 8.61 | NONE | NONE | .10 | .87 | | 20.13 | 35.99 |
| 02/28/27 | 16.68 | NONE | 10.50 | .05 | 8.61 | NONE | NONE | .10 | .87 | | 20.13 | 36.81 |
| 03/05/28 | 17.50 | NONE | 10.50 | .05 | 8.61 | NONE | NONE | .10 | .87 | .25 | 20.38 | 37.88 |

MATERIAL HANDLER – STEP 2 (40%) 1001 – 2000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|-------|--------------------|-----|--------|---------------|----------------|
| Current | 15.91 | NONE | 9.90 | .09 | 8.61 | NONE | NONE | 0.00 | .87 | | 19.47 | 35.38 |
| 03/03/24 | 16.51 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | NONE | (+.04) +.06 .10 | .87 | | 19.83 | 36.34 |
| 03/02/25 | 17.31 | NONE | 10.20 | .05 | 8.61 | NONE | NONE | .10 | .87 | | 19.83 | 37.14 |
| 03/01/26 | 18.12 | NONE | +.30 10.50 | .05 | 8.61 | NONE | NONE | .10 | .87 | | 20.13 | 38.25 |
| 02/28/27 | 19.06 | NONE | 10.50 | .05 | 8.61 | NONE | NONE | .10 | .87 | | 20.13 | 39.19 |
| 03/05/28 | 20.00 | NONE | 10.50 | .05 | 8.61 | NONE | NONE | .10 | .87 | .25 | 20.38 | 40.38 |

MATERIAL HANDLER – STEP 3 (45%) 2001 – 3000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 17.90 | NONE | 9.90 | .09 | 8.61 | NONE | 3.72 | 0.00 | .87 | | 23.19 | 41.09 |
| 03/03/24 | 18.57 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | +.13 3.85 | (+.04) +.06 .10 | .87 | | 23.68 | 42.25 |
| 03/02/25 | 19.47 | NONE | 10.20 | .05 | 8.61 | NONE | 3.85 | .10 | .87 | | 23.68 | 43.15 |
| 03/01/26 | 20.39 | NONE | +.30 10.50 | .05 | 8.61 | NONE | +.21 4.06 | .10 | .87 | | 24.19 | 44.58 |
| 02/28/27 | 21.44 | NONE | 10.50 | .05 | 8.61 | NONE | +.25 4.31 | .10 | .87 | | 24.44 | 45.88 |
| 03/05/28 | 22.50 | NONE | 10.50 | .05 | 8.61 | NONE | +.37 4.68 | .10 | .87 | .25 | 25.06 | 47.56 |

MATERIAL HANDLER – STEP 4 (50%) 3001 – 4000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 19.89 | NONE | 9.90 | .09 | 8.61 | NONE | 3.72 | 0.00 | .87 | | 23.19 | 43.08 |
| 03/03/24 | 20.64 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | +.13 3.85 | (+.04) +.06 .10 | .87 | | 23.68 | 44.32 |
| | 21.64 | NONE | 10.20 | .05 | 8.61 | NONE | 3.85 | .10 | .87 | | 23.68 | 45.32 |
| 03/01/26 | 22.65 | NONE | +.30 10.50 | .05 | 8.61 | NONE | +.21 4.06 | .10 | .87 | | 24.19 | 46.84 |
| 02/28/27 | 23.83 | NONE | 10.50 | .05 | 8.61 | NONE | +.25 4.31 | .10 | .87 | | 24.44 | 48.27 |
| 03/05/28 | 26.00 | NONE | 10.50 | .05 | 8.61 | NONE | +.37 4.68 | .10 | .87 | .25 | 25.06 | 50.06 |

MANAGEMENT ADD-ON ITEM: HAWAII FLOORING INDUSTRY IMPROVEMENT FUND .40

*See page 44 for information on Float Money.

**CARPET LINOLEUM AND SOFT TILE LOCAL UNION 1926 (DISTRICT COUNCIL 50)
HAWAII FLOORING INDUSTRY OF HAWAII - WAGE AND FRINGE BENEFITS
EFFECTIVE MARCH 3, 2024 – MARCH 3, 2029***MATERIAL HANDLERS - EXHIBIT A-2 (PAGE 2 OF 2)**

MATERIAL HANDLER – STEP 5 (55%) 4001 – 5000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 21.87 | NONE | 9.90 | .09 | 8.61 | NONE | 5.85 | 0.00 | .87 | | 25.32 | 47.19 |
| 03/03/24 | 22.70 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | +.15 6.00 | (+.04) +.06 .10 | .87 | | 25.83 | 48.53 |
| 03/02/25 | 23.80 | NONE | 10.20 | .05 | 8.61 | NONE | 6.00 | .10 | .87 | | 25.83 | 49.63 |
| 03/01/26 | 24.92 | NONE | +.30 10.50 | .05 | 8.61 | NONE | +.25 6.25 | .10 | .87 | | 26.38 | 50.30 |
| 02/28/27 | 26.21 | NONE | 10.50 | .05 | 8.61 | NONE | +.30 6.55 | .10 | .87 | | 26.68 | 52.89 |
| 03/05/28 | 27.50 | NONE | 10.50 | .05 | 8.61 | NONE | +.45 7.00 | .10 | .87 | .25 | 27.38 | 54.88 |

MATERIAL HANDLER – STEP 6 (60%) 5001 – 6000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 23.86 | NONE | 9.90 | .09 | 8.61 | NONE | 5.85 | 0.00 | .87 | | 25.32 | 49.18 |
| 03/03/24 | 24.76 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | +.15 6.00 | (+.04) +.06 .10 | .87 | | 25.83 | 50.59 |
| 03/02/25 | 25.96 | NONE | 10.20 | .05 | 8.61 | NONE | 6.00 | .10 | .87 | | 25.83 | 51.79 |
| 03/01/26 | 27.18 | NONE | +.30 10.50 | .05 | 8.61 | NONE | +.25 6.25 | .10 | .87 | | 26.38 | 53.56 |
| 02/28/27 | 28.59 | NONE | 10.50 | .05 | 8.61 | NONE | +.30 6.55 | .10 | .87 | | 26.68 | 55.27 |
| 03/05/28 | 30.00 | NONE | 10.50 | .05 | 8.61 | NONE | +.45 7.00 | .10 | .87 | .25 | 27.38 | 57.38 |

MATERIAL HANDLER – STEP 7 (65%) 6001 – 7000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|---------|---------------|---------------|---------|----------|--------------|--------------------|-----|--------|---------------|----------------|
| Current | 25.85 | NONE | 9.90 | .09 | 8.61 | NONE | 5.85 | 0.00 | .87 | | 25.32 | 51.17 |
| 03/03/24 | 26.83 | NONE | +.30 10.20 | (-.04) .05 | 8.61 | NONE | +.15 6.00 | (+.04) +.06 .10 | .87 | | 25.83 | 52.66 |
| 03/02/25 | 28.13 | NONE | 10.20 | .05 | 8.61 | NONE | 6.00 | .10 | .87 | | 25.83 | 53.96 |
| 03/01/26 | 29.45 | NONE | +.30 10.50 | .05 | 8.61 | NONE | +.25 6.25 | .10 | .87 | | 26.38 | 55.83 |
| 02/28/27 | 30.97 | NONE | 10.50 | .05 | 8.61 | NONE | +.30 6.55 | .10 | .87 | | 26.68 | 57.65 |
| 03/05/28 | 32.50 | NONE | 10.50 | .05 | 8.61 | NONE | +.45 7.00 | .10 | .87 | .25 | 27.38 | 59.88 |

MATERIAL HANDLER – STEP 8 (70%) 7001 – 8000 HOURS

| EFFECTIVE | WAGES | ANNUITY | H & W | MRF | PENSION | TRAINING | V & H | TRUST ADMIN | RHP | FLOAT* | TOTAL FRINGES | WAGE & FRINGES |
|-----------|-------|--------------|---------------|---------------|---------|----------|--------------|--------------------|------|--------|---------------|----------------|
| Current | 27.84 | 5.91 | 9.90 | .09 | 8.61 | NONE | 5.85 | 0.00 | 1.37 | | 31.73 | 59.57 |
| 03/03/24 | 28.89 | +.09 6.00 | +.30 10.20 | (-.04) .05 | 8.61 | NONE | +.15 6.00 | (+.04) +.06 .10 | 1.37 | | 32.33 | 61.22 |
| 03/02/25 | 30.29 | +.25 6.25 | 10.20 | .05 | 8.61 | NONE | 6.00 | .10 | 1.37 | | 32.58 | 62.87 |
| 03/01/26 | 31.71 | 6.25 | 10.50 | .05 | 8.61 | NONE | 6.25 | .10 | 1.54 | | 33.30 | 65.01 |
| 02/28/27 | 33.36 | +.45 6.70 | 10.50 | .05 | 8.61 | NONE | +.30 6.55 | .10 | 1.54 | | 34.05 | 67.41 |
| 03/05/28 | 35.00 | +.30 7.00 | 10.50 | .05 | 8.61 | NONE | +.45 7.00 | .10 | 1.54 | .25 | 35.05 | 70.05 |

MANAGEMENT ADD-ON ITEM: HAWAII FLOORING INDUSTRY IMPROVEMENT FUND .40

*See page 43 for information on Float Money.

EXHIBIT "B"

ASSIGNMENT OF WAGES TO COVER UNION ADMINISTRATIVE PROCESSING FEE (OR RE-ADMISSION FEE), DUES (Including Administrative Dues) ASSESSMENTS AND REGISTRATION FEES

To: _____
COMPANY NAME (EMPLOYER)

I, the undersigned, hereby assign to the Carpet, Linoleum and Soft Tile Local Union 1926 AFL-CIO (District Council 50) and do hereby authorize you to deduct from wages:

- a) The Union Administrative Processing Fee (or re-admission fee) in the amount as certified to you in writing by the Union.
- b) Union dues in the amount as uniformly required of all members of the Union as certified to you in writing by the Union.
- c) The Union's administrative dues as certified to you in writing by the Union.
- d) Union assessments if and when authorized in accordance with the Union's Constitution and bylaws and all applicable State and Federal laws in the amount(s) as certified to you in writing by the Union.
- e) Union registration fees for new Employees on probation which are payable after the 15th working day in accordance with Article 4, Section 5; and Article 11, Section 2 and I authorize the payment to the Union of the amount(s) so deducted.

This assignment shall be irrevocable until one year from the date below, or until the termination date of the applicable collective bargaining agreement (within the meaning of the Labor-Management Relations Act, 1947), whichever occurs sooner, and shall be automatically renewed, and shall be irrevocable for successive periods of one year each or for the period of each succeeding applicable collective bargaining agreement, whichever shall be shorter, unless at least ten days and not more than twenty days before the expiration of each period of one year or of each applicable collective bargaining agreement, whichever occurs sooner, I give written notice to the Employer of my desire to revoke this assignment, or unless the same shall be automatically canceled when my employment ends or when I cease to be employed in a capacity represented by the bargaining unit.

ASSIGNMENT OF WAGES

There shall be no obligations on the part of the Employer to make any deduction beyond the original term of the collective bargaining agreement existing at the date of this assignment, unless the agreement is extended, or a new agreement has been negotiated containing an authorization for Union deductions as provided in the agreement existing at the date of this assignment.

Employee Signature Date _____

Receipt of foregoing assignment and authorization is acknowledged by:

Employer

Date: _____ By: _____

INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES, DISTRICT COUNCIL 50
CARPET, LINOLEUM AND SOFT TILE, LOCAL UNION 1926, AFL-CIO
EXHIBIT "C"

AUTHORIZATION FOR REPRESENTATION

I, _____, hereby authorize the International Union of Painters and Allied Trades, District Council 50, Local 1926, AFL-CIO (Union) to represent me for the purpose of collective bargaining in matters of wages, hours, and other terms and conditions of employment with my current employer, as well as all other employers whom I may become employed by after this date on all present and future job sites. I further designate the union as the exclusive bargaining representative to act on my behalf with employers and any association of employers.

I understand that this card may be used to obtain recognition from my current or future employer without an election.

This authorization is non-expiring, binding and valid until such time as I revoke it in writing.

REFERRAL AUTHORIZATION

Name of Member: _____

Address: _____ Phone: _____

SSN: _____ DOB: _____

Job Classification: _____ Rate: _____ Hours: _____

Name of Employer: _____

Employer Association: HAWAII FLOORING ASSOCIATION

I authorize to participate in the IUPAT PAC
as of September 1, 2019

I authorize to participate in the Local PAC
as of September 1, 2019

SCHEDULED TESTING

PANEL 5

Date: _____

Time: _____

RESPIRATOR CLEARANCE

Date: _____

Time: _____

SILICA

Date: _____

Time: _____

TRAINING CERTIFICATION

RECURRING

EXPIRES

| | |
|----------------------|--|
| Haz / Lead * | |
| First Aid / CPR * | |
| Fall Protection * | |
| Respirator Clearance | |
| Respirator Fit Test | |
| Aerial Lifts | |
| Forklift V | |
| Forklift VII | |
| Silica | |

NON-EXPIRING

TAKEN

| | |
|-----------------------------|--|
| Confined Space | |
| OSHA 10 Hour | |
| OSHA 30 Hour | |
| Supervisor Training Program | |

ADDITIONAL CRITERIA

Foreperson

Carpet

Hard Surface

Heat Welding

Cove Up Sheet Vinyl

Millwork Baseboard

Gym Floors

nora

Forbo

Armstrong

Previous Employer

Sponsored Applicant

*These are required for job site referral as of September 1, 2019.

Member Signature

Union Representative

Date

EXHIBIT "D"

THE UNDERSIGNED Union and EMPLOYER hereby acknowledge that they have had the opportunity to read and understand the following documents:

1. Master Agreement Covering Floor Covering Trades In the State of Hawaii as executed, effective from March 3, 2024 to and including March 3, 2029
2. Carpet Linoleum and Soft Tile Local Union 1926 Training Fund Trust Agreement established on March 1, 1968, as amended.
3. Carpet Linoleum and Soft Tile Local Union 1926 Health and Welfare Fund Trust Agreement, established on March 1, 1968, as amended.
4. Carpet Linoleum and Soft Tile Local Union 1926 Vacation/Holiday Fund Trust Agreement, established on September 1, 1968, as amended.
5. Carpet Linoleum and Soft Tile Local Union 1926 Annuity Fund Trust Agreement, established on March 1, 1978, as amended.
6. Resilient Floor Covering Pension Fund Trust Agreement, established on December 24, 1958, as amended.
7. Carpet Linoleum and Soft Tile Local Union 1926, Market Recovery Fund Trust Agreement, established on March 2, 1992, as amended.
8. Hawaii Flooring Industry Improvement Fund Trust Agreement, established on August 31, 1981, as amended.
9. Retiree Health Reimbursement Fund Trust Agreement established on February 28, 2021, as amended.

And the undersigned Employer hereby certifies acceptance of and agreement with all terms and conditions as contained in said documents, with all terms and conditions with the intent to be legally binding effective as of _____, to and including March 3, 2029.

From and after the date herein above set forth, the undersigned agree to abide by all the terms and conditions in said documents and any amendments, modifications, changes, extensions and renewals thereto. Any such amendments, modifications, changes, extensions, and renewals made to said documents hereafter shall become effective and shall remain in full force and effect only upon execution by the Union and the Association of the appropriate written agreement, a copy of which (or other notice of such changes) shall be mailed to the Employer's last known address.

INTERNATIONAL UNION OF PAINTERS & ALLIED TRADES,
CARPET LINOLEUM & SOFT
TILE LOCAL UNION 1926, AFL-CIO

Print Entity Name _____

Douglas Kema Jr.
Business Representative
Carpet Linoleum & Soft Tile Local Union 1926 AFL-CIO

By: _____
Authorized Signature _____

Date of Signature _____

Ryden Valmoja
Business Manager/Secretary-Treasurer
IUPAT District Council 50

Print: Name of Above Representative _____

Employer to Sign 4 Copies, With
Distribution As Follows:

Street Address of Above Employer: _____

COPY #1 to Carpet Linoleum and Soft Tile Union
Local 1926
2240 Young Street
Honolulu, Hawaii 96826

State, Zip Code _____

COPY #2 to Group Plan Admin., Inc.
222 South Vineyard St. PH-4
Honolulu, Hawaii 96813

Mailing Address of Employer: _____

COPY #3 to Hawaii Flooring Assn.
1188 Bishop St., Ste. 1003
Honolulu, Hawaii 96813-3304

State, Zip Code _____

COPY #4 to be retained by Employer

EXHIBIT "E"

HOURS AND OVERTIME

(Applies only in the event of a suspension or cancellation per Article 16, Section 7)

Section 1. Workweek: Monday through Saturday, inclusive, shall constitute a standard work week.

Section 2. Workday: Eight consecutive hours, except for a one-half hour lunch period, shall constitute a standard workday.

Section 3. Starting Time: A standard workday shall start not earlier than 6:00 a.m. and not later than 8:30 a.m. unless conditions require other arrangements, which may be made effective by mutual consent of the Employer and the Union.

EXHIBIT "F"

ALCOHOL AND CONTROLLED SUBSTANCE POLICY

Effective February 25, 2001

Company: _____

The above identified Company (hereafter, "Company" or "Employer") and Carpet, Linoleum, and Soft Tile Local Union 1926, AFL-CIO, hereinafter called the "Union") desire to have a workplace that is free of substance abuse (meaning alcohol abuse and illegal drug use) to avoid poor job performance and safety problems associated with substance abuse and to comply with state and federal laws applicable to the Company's workplace. This document sets forth the Company's rules (adopted by the Company under the collective bargaining agreement it has with the Union) for the prevention and monitoring of substance abuse at the Company (hereafter the "Policy"). As the laws and the Company's and the Union's experience with substance abuse change, the Policy will change. The Company and the Union reserve the right to change the Policy at any time. Any change in state or federal law that is mandatory is deemed to modify the Policy accordingly.

TO WHOM DOES THIS POLICY APPLY?

This Policy applies to all persons who apply for employment or re-employment with the Company. It is a condition of employment with Company that applicants pass a screening test for controlled substances before being hired. A job applicant who refuses to take a screening test is considered unqualified for employment and will not be hired.

The Policy also applies to all Employees of the Company, including Drivers who operate commercial motor vehicles in interstate or intrastate commerce. Once hired, all Employees must comply with this Policy. Any Employee who is considered to have refused to submit to any test required by the Policy is subject to discipline including termination of employment.

COMPANY RULES ON ALCOHOL AND DRUG USE

Job applicants and Employees are prohibited from being under the influence of alcohol or any controlled substance during working hours on the Company premises, Company job sites or in Company vehicles.

During or after working hours, the possession, use, manufacture, sale, or transfer of any controlled substance or drug paraphernalia is prohibited on Company premises, on Company job sites, or in Company vehicles, or privately owned vehicle while being used for Company business. The consumption of alcoholic beverages on Company premises or Company job sites is prohibited. The consumption of alcoholic beverages and containers of alcoholic beverages in the driver's compartment of any Company vehicle are prohibited at all times and in privately owned vehicles while being used for Company business. Alcoholic beverages may not be present in any Company vehicle while being used for Company business unless the alcohol is manifested and transported as part of a shipment.

Job applicants and Employees should be aware that the use of hemp oil, hemp beer and other food products derived from Cannabis plants (hemp or marijuana plants) may result in a positive test for marijuana. The Company makes no exception for positive tests that may result from the use of such food products, which means that persons who use such products may fail the screening test for controlled substances.

The use of over-the-counter medications or herbal remedies or the use of a medication prescribed by a licensed medical practitioner in accordance with the medical practitioner's orders is NOT prohibited. To avoid misunderstandings, however, each person who drives a Company vehicle, whether it is a commercial motor vehicle or not, or privately owned vehicle for business use, must inform his or her Alcohol and Controlled Substance Program Coordinator, prior to commencing work for the day, that he or she is taking medications.

Any Employee lawfully using a controlled substance at the workplace, that is, taking prescription drugs in accordance with a physician's or medical practitioner's order, or any herbal remedies while not subject to disciplinary action, may nevertheless be required to leave the workplace, if, in the opinion of the Alcohol and Controlled Substance Coordinator, the consumption of that medication presents a safety hazard or prevents the Employee from being able to properly perform his or her work.

DEFINITIONS

The following terms used in this Policy have the meanings given below, unless otherwise noted. If a term in the list below is defined in any applicable federal statute or the Code of Federal Regulations, any change in the definition is automatically considered a part of the Policy, and the definition below is modified accordingly.

"Accident" means.

(1) Except as provided in paragraph (2) of this definition, an occurrence involving a commercial motor vehicle, or company vehicle, or any privately owned vehicle used for Company business operating on a public or private road or property which results in:

- (i) A fatality.
- (ii) Bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
- (iii) One of more vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other vehicle.

(2) The term "Accident" does not include:

- (i) An occurrence involving only boarding or alighting from a stationary motor vehicle; or
- (ii) An occurrence involving only the loading or unloading of cargo; or

(iii) An occurrence in the course of the operation of a passenger car or a multipurpose passenger vehicle (as defined in 49 CFR Part 571.3) by a motor carrier and is not transporting passengers for hire or hazardous materials of a type and quantity that require the motor vehicle to be marked or placarded in accordance with 49 CFR Part 177.823.

"Alcohol" means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl alcohol.

"Alcohol and Controlled Substance Program Coordinator" means the person designated by the Company to oversee the implementation of the Policy.

"Alcohol Concentration (or Content) or BrAC" for Federal Department of Transportation means the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath test under 49 Code of Federal Regulations Part 382.

"Alcohol Concentration (or Content) or BAC" for other tests means the alcohol in volume of blood expressed in terms of grams of alcohol per 100 milliliters of blood as indicated by a blood alcohol test.

"Alcohol Use" means the consumption of any beverage, mixture, or preparation, including any medication, containing alcohol.

"Breath Alcohol Technician" means an individual who instructs and assists individuals in the alcohol testing process and operates an EBT.

"Commerce" means (1) Any trade, traffic or transportation within the jurisdiction of United States between a place in a State and a place outside of such State, including a place outside of the United States and (2) Trade, traffic, and transportation in the United States which affects any trade, traffic, and transportation described in paragraph (1) of this definition.

"Commercial Motor Vehicle" means a motor vehicle or combination of motor vehicles used in commerce to transport passengers or property if the motor vehicle -

- (1) Has a gross combination weight rating of 11,794 or more kilograms (26,001 or more pounds) inclusive of a towed unit with a gross vehicle weight rating of more than 4,536 kilograms (10,000 pounds); or
- (2) Has a gross combination weight rating of 11,794 or more kilograms (26,001 or more pounds); or
- (3) Is designed to transport 16 or more passengers including the driver; or
- (4) Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act and which require the motor vehicle to be placarded under the Hazardous Materials Regulations (49 CFR Part 172 subpart F).

"Confirmation (or confirmatory) test" means, for alcohol testing, a second test, following a screening test with a result of 0.02 or greater, that provides quantitative data of alcohol concentration and for controlled substances testing means a second analytical procedure to identify the presence of a specific drug or metabolite which is independent of the screening test and which uses a different technique and chemical principle from that of the screening test in order to ensure reliability and accuracy. (Gas chromatography/mass spectrometry (GC/MS) is the only authorized confirmation method for cocaine, marijuana, opiates, amphetamines, and phencyclidine.)

"Consortium" means an entity, including a group or association of employers or contractors, that provides alcohol or controlled substances testing as required by 49 CFR Part 382, or other DOT alcohol or controlled substances testing rules, and that acts on behalf of the employers.

"Controlled Substances" means those substances identified in 49 CFR Part 40.21.

"Disabling damage" means damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs.

(1) Inclusions. Damage to motor vehicles that could have been driven but would have been further damaged if so driven.

(2) Exclusions.

- (i) Damage which can be remedied temporarily at the scene of the accident without special tools or parts.
- (ii) Tire disablement without other damage even if no spare tire is available.
- (iii) Headlamp or taillight damage.
- (iv) Damage to turn signals, horn, or windshield wipers which makes them inoperative.

"DOT Agency" means an agency (or "operating administration") of the United States Department of Transportation administering regulations requiring alcohol and/or drug testing (14 CFR Parts 61, 63, 65, 121, and 135; 49 CFR Parts 199, 219, 382, 653 and 654), in accordance with 49 CFR Part 40.

"Driver" means any person who operates a commercial motor vehicle. This includes, but is not limited to: full time, regularly employed drivers; casual, intermittent or occasional drivers; leased drivers and independent, owner-operator contractors who are either directly employed by or under lease to any employer or who operate a commercial motor vehicle at the direction of or with the consent of an employer.

"Drug" means those substances noted in 49 CFR Part 40.21(a): marijuana, cocaine, opiates, amphetamines (including crystal methamphetamine) and phencyclidine (PCP).

"Drug Paraphernalia" means containers or other objects used, intended for use, or designed for use in storing or concealing illegal drugs, and objects, used, intended for use, or designed for use in consuming, inhaling or otherwise introducing any controlled substance into the human body. This term is not a part of the Department of Transportation regulations.

"Employer" means any person (including the United States, a State, District of Columbia, tribal government, or a political subdivision of a State) who owns or leases a commercial motor vehicle or assigns persons to operate such a vehicle. The term "employer" includes an employer's agents, officers and representatives. In this Policy, "Company" is equivalent to "Employer."

"Evidential Breath Testing (EBT) means a device approved by the National Highway Traffic Safety Administration (NHTSA) for the evidential testing of breath and placed on NHTSA's Conforming Products List of Evidential Breath Measurement Devices" (CPL), and "identified on the CPL as conforming with the model specifications available from the National Highway Traffic Safety Administration, Office of Alcohol and State Programs."

"Licensed medical practitioner" means a person who is licensed, certified, or registered, in accordance with applicable Federal, State, local, or foreign laws and regulations, to prescribe controlled substances and other drugs.

"Medical Review Officer (MRO)" means a licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by an employer's drug testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with his or her medical history and any other relevant biomedical information.

The phrase, "Performing (a safety-sensitive function)," means a driver is considered to be performing a safety-sensitive function during any period in which he or she is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions.

The phrase, "Refuse to submit (to an alcohol or controlled substances test)" for drivers means that a driver (1) fails to provide adequate breath for testing as required by 49 CFR Part 40, without a valid medical explanation after he or she has received notice of the requirement for breath testing in accordance with the provisions of 49 CFR Part 382, (2) fails to provide adequate urine sample for controlled substances testing as required by 49 CFR Part 40, without a genuine inability to provide a specimen (as determined by a medical evaluation), after he or she has received notice of requirement for urine testing in accordance with the provisions of 49 CFR Part 382, or (3) engages in conduct that clearly obstructs the testing process.

The phrase, "Refuse to submit (to an alcohol or controlled substances test)" for all Employees other than drivers means that an Employee (1) fails or refuses to provide blood for testing, (2) fails to provide adequate urine sample for controlled substances testing, without a genuine inability to provide a specimen (as determined by a medical evaluation), after he or she has received notice of requirement for urine testing, or (3) engages in conduct that clearly obstructs the testing process.

"Safety-sensitive function" means all time from the time a driver begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work. Safety-sensitive functions shall include:

- (1) All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer.
- (2) All time inspecting equipment as required by 49 CFR Parts 392.7 and 392.8 or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time.
- (3) All time spent at the driving controls of a commercial motor vehicle in operation.
- (4) All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth (a berth conforming to the requirements of 49 CFR Part 393.76);
- (5) All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the commercial motor vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and
- (6) All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle.

"Screening test (also known as initial test)" means, in alcohol testing, an analytical procedure to determine whether an Employee may have a prohibited concentration of alcohol in his or her system and in controlled substance testing, means an immunoassay screen to eliminate "negative" urine specimens from further consideration.

"Substance Abuse Professional (SAP)" means a licensed physician (Medical Doctor or Doctor of Osteopathy), or a licensed or certified psychologist, social worker, Employee assistance professional, or addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission) with the knowledge of and clinical experience in the diagnosis and treatment of alcohol and controlled substances-related disorders.

PROHIBITIONS FOR JOB APPLICANTS

The Company will not hire any applicant who refuses to take a screening test or who tests positive for any controlled substance.

PROHIBITIONS FOR EMPLOYEES WHO DRIVE FOR THE COMPANY

Drivers are subject to discipline, including termination of employment for violating the prohibitions below. The term "driver" refers to both persons who drive commercial motor vehicles as previously defined in the Policy, AND to any Employees who at any time drive any Company vehicle or privately owned vehicle while used for Company business.

1. Alcohol concentration. No person who drives a privately owned vehicle for Company business as part of his or her employment shall report for duty or remain on duty requiring the performance of safety-sensitive functions while having a blood alcohol concentration of 0.02 or greater. If the Company has actual knowledge that a driver has a blood alcohol concentration of 0.02 or greater, that driver shall be prohibited from performing or continuing to perform safety-sensitive functions.

No Driver of a Company owned commercial motor vehicle shall report for duty or remain on duty requiring the performance of safety-sensitive functions while having a breath alcohol concentration of 0.02 or greater. If the Company has actual knowledge that a driver has a breath alcohol concentration of 0.02 or greater, that driver shall be prohibited from performing or continuing to perform safety-sensitive functions.

2. Alcohol possession. No driver shall be on duty or operate a commercial motor vehicle or a Company vehicle or a privately owned vehicle while being used for Company business while the driver possesses alcohol nor shall any driver possess alcohol on Company premises or a Company job site unless the alcohol is manifested and transported as part of a shipment. If the Company has actual

knowledge that a driver possesses unmanifested alcohol, that driver shall NOT be permitted to drive or continue to drive any vehicle for Company business.

3. On-duty use. No driver shall use alcohol while performing safety-sensitive functions or while driving any Company vehicle or driving a privately owned vehicle on Company business. If the Company has actual knowledge that a driver is using alcohol while performing safety-sensitive functions, the driver shall NOT be permitted to perform or continue to perform safety-sensitive functions.
4. Pre-duty use. No driver shall perform safety-sensitive functions or drive any Company vehicle, or a privately owned vehicle used for Company business within four hours after using alcohol. If the Company has actual knowledge that a driver has used alcohol within four hours of coming on-duty, the driver shall not be permitted to perform or continue to perform safety-sensitive functions.
5. Use following an Accident. No driver who is required to take a post-accident alcohol test shall use alcohol for eight hours following an accident, or until he or she undergoes a post-accident alcohol test, whichever occurs first.
6. Refusal to submit to the required Alcohol or Controlled Substances test. No driver shall refuse to submit to a post-accident alcohol or controlled substances test, a random alcohol or controlled substances test, a reasonable suspicion alcohol or controlled substances test, a return-to-duty alcohol or controlled substances test, or a follow-up alcohol or controlled substances test. If the Company has actual knowledge that a driver has refused to submit to such tests, the driver shall not be permitted to perform or continue to be performing Safety-sensitive functions.
7. Controlled substances use. (A) No driver shall report for duty or remain on duty when the Employee uses any controlled substance, except when the use is pursuant to the instructions of a licensed medical practitioner who has advised the Employee that the substance will not adversely affect the driver's ability to safely operate a Commercial Motor Vehicle, a Company vehicle or a privately owned vehicle used for Company business. (B) If the Company has actual knowledge that a driver has used a controlled substance, the driver shall not be permitted to remain on duty. (C) A driver must inform the Company, or the Alcohol and Controlled Substance Program Coordinator of any drugs prescribed for his or her use by a licensed medical practitioner.
8. Controlled substances testing. No driver shall report for duty, remain on duty, or perform a safety-sensitive function, if the driver tests positive for controlled substances. If the Company has actual knowledge that a driver has tested positive for controlled substances, the driver shall not be permitted to perform or continue to perform safety-sensitive functions.

PROHIBITIONS FOR ALL OTHER EMPLOYEES OF THE COMPANY

An Employee is subject to discipline, including termination of employment, for violating the prohibitions.

1. Alcohol concentration. No Employee shall report for work or remain at work while having a blood alcohol concentration of 0.08 or greater. If the Company has actual knowledge that an Employee has a blood alcohol concentration of 0.08 or greater, that Employee shall not be permitted to remain on duty.
2. Alcohol possession. Alcohol is not permitted on Company premises or Company's job sites unless the alcohol is manifested and transported as part of a shipment the Company is making or storing. If the Company has actual knowledge that an Employee possesses unmanifested alcohol, that Employee shall not be permitted to remain at work.
3. Use at Work. No Employee shall use alcohol while on the Company's premises or Company's job sites. If the Company has actual knowledge that an Employee is using alcohol while on the job, that Employee shall not be permitted to remain at work.
4. Use following an Accident. No Employee who is required to take a post-accident alcohol test shall use alcohol for eight hours following an accident, or until he or she undergoes a post-accident alcohol test, whichever occurs first.
5. Refusal to submit to a required Alcohol or Controlled Substances test. No Employee shall refuse to submit to a post-accident alcohol or controlled substances test, a random alcohol or controlled substances test, a reasonable suspicion alcohol or controlled substances test, a return-to-duty alcohol or controlled substances test, or a follow-up alcohol or controlled substances test.
6. Controlled substances use.
 - (A) No Employee shall report for work or remain at work when the Employee uses any controlled substance, except when the use is pursuant to the instructions and prescription of a licensed medical practitioner who has advised the Employee that the substance will not adversely affect the Employee's ability to perform his or her job.
 - (B) Once at work, if the Company has actual knowledge that an Employee has used a controlled substance other than under prescription from a licensed medical practitioner, the Employee shall not be permitted to remain at work.
 - (C) An Employee must inform the Company, or the Alcohol and Controlled Substance Program Coordinator of any controlled substances prescribed for his or her use by a licensed medical practitioner.
7. Controlled substances testing. No Employee shall report for work or remain at work if the Employee tests positive for controlled substances. If the Company has actual knowledge that an Employee has tested positive for controlled substances, the Employee shall not be permitted to remain at work.

TESTING

All applicants for employment with the Company and all persons currently employed by the Company are subject to alcohol and controlled substance testing in accordance with this Policy. For current Employees, it is a condition of continued employment that Employees submit to tests for alcohol and controlled substances pursuant to this policy.

**KINDS OF TESTS
PRE-EMPLOYMENT OR CHANGE OF JOB FUNCTION**

All applicants for employment are required to submit to a urine test for controlled substances as a condition of being considered for a job. No applicant will be hired unless his or her controlled substance test result is negative.

Any Employee whose job changes to include the performance of safety-sensitive function or who will be a Driver is required to undergo testing for controlled substances prior to beginning new work and may not begin any duty performing safety-sensitive functions unless the test results are negative.

EXCEPTION TO PRE-EMPLOYMENT TESTING:

A controlled substance test is not required if:

(1) the applicant participated in a drug testing program that meets the requirements of 49 CFR Part 382 within the previous 30 days; and while participating in that program, either

- (i) Was tested for controlled substances within the past 6 months (from the date of the date of application with the Company) or
- (ii) Participated in a random controlled substances testing program for the previous 12 months (from the date of application with the Company); and

(2) Within six months prior to the date of the application, the applicant has not violated 49 CFR Part 382, or the controlled substance use rules of another federal DOT agency.

PERIODIC TESTING

Periodic, routine, or intermittent testing shall be conducted at different times and at different intervals for all Employees on the project to determine the use of any controlled substances prohibited by this policy.

REASONABLE SUSPICION

Reasonable suspicion as grounds for a screening test means that the Company reasonably and in good faith believes that the actions, appearance, or conduct of an Employee suggest the use or being under the influence of alcohol or a controlled substance, even if the belief turns out to be incorrect.

An Employee's supervisor may recommend to the Company's Alcohol and Controlled Substance Program Coordinator that an Employee who is under reasonable suspicion be required to submit to testing. Before making a recommendation, the supervisor or Program Coordinator will complete a reasonable suspicion form, documenting the behavior constituting reasonable suspicion. The Company shall require an Employee to submit to an alcohol or controlled substance test, or tests for both, if the Company has reasonable suspicion that the Employee has violated any of the alcohol and drug use prohibitions described in the Policy that apply to the Employee and his or her job functions.

POST-ACCIDENT

Vehicle Accident:

Federal rules require that each surviving Driver of a commercial motor vehicle involved in an accident be tested for alcohol and controlled substances if (1) the accident involved the loss of human life; or (2) the Driver receives a citation under State or local law for a moving traffic violation arising from the accident, if the accident involved: (a) bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or (b) one or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

The Company believes, however, that its policies, the safety of its Employees, and the safety of the public, are better served by requiring tests after every vehicle accident and for every person on the vehicle. Therefore, it is the policy of the Company that after any accident involving a Company vehicle, including a commercial motor vehicle or privately owned vehicle used for Company business, as soon as practical after the accident, each Employee who was on the vehicle that was involved in the accident shall submit to testing for alcohol and controlled substances.

The alcohol test shall be administered within eight hours after the accident. The controlled substance test shall be administered within 32 hours after the accident. An Employee who is subject to post-accident testing shall remain readily available for these tests or shall be deemed to have refused to submit to testing.

Breath or blood tests for alcohol and urine tests for controlled substances conducted by Federal, State, or local officials having independent authority for the tests may be substituted for post-accident tests conducted by the Company, if the accident involved a fatality. An Employee who is required to be tested under this part of the Policy is required to authorize the release or deliver the results of such testing to the Company on request. Failure to release or deliver the test results to the Company is considered a refusal to be tested and is grounds for discipline including termination of employment.

All Other Accidents:

In order to provide a safer workplace, it is the policy of the Company that an Employee involved in an accident on Company premises or a Company job site, which results in bodily injury requiring immediate medical attention or which results in property damage of \$5000.00 or more, is required to submit to post accident testing for alcohol and controlled substances as described above.

RANDOM

A testing schedule for random tests will be fixed by the Company. The Company will use a scientifically valid method to select Employees at random, to be tested for controlled substances or alcohol or both. An Employee may be tested more than once in a calendar year because the testing schedule and the names of the Employees are selected at random for this kind of testing.

Each Employee who has been notified that he or she has been selected for a random alcohol or controlled substances test must go to the test site immediately. If the Employee is performing a safety-sensitive function at the time of notification, the Employee shall stop the performance of the safety-sensitive function and go to the testing site as soon as reasonably possible.

RETURN-TO-DUTY

Performance of Safety Sensitive Functions

An Employee who, after violating the alcohol prohibitions of this Policy, is to return to duty that requires the performance of a safety-sensitive function or driving any Company vehicle or a privately owned vehicle used for Company business, will be given a screening test for alcohol. The Employee will not be allowed to return to duty unless the test indicates an alcohol concentration of less than 0.02.

An Employee returning to duty requiring the performance of a safety-sensitive function or driving any Company vehicle or a privately owned vehicle used for Company business after violating the controlled substances prohibitions of this Policy will be given a screening test for controlled substances. The Employee will not be allowed to return to duty unless the test results indicate a verified negative for controlled substances.

All Other Job Descriptions and Work for The Company

Those Employees who violate the Company alcohol prohibitions and who are to return to duty not involving safety sensitive functions are also required to take an alcohol screening test. No Employee will be allowed to return to duty unless the test indicates an alcohol concentration of less than 0.02.

Those Employees who violate the Company prohibitions on controlled substance use and who are to return to duty not involving safety sensitive functions are also required to take a screening test for controlled substances. The Employee will not be allowed to return to duty unless the test results indicate a verified negative for controlled substances.

All Employees

The Company may require an Employee returning to duty to undergo tests for alcohol or controlled substances or both if a substance abuse professional determines that Return-to-Duty tests for both alcohol and controlled substances are necessary for that particular Employee.

FOLLOW-UP TESTING

If a Substance Abuse Professional determines that an Employee needs help for alcohol or drug abuse or both, that Employee shall be subject to unannounced follow-up alcohol or controlled substances testing or both as directed by a Substance Abuse Professional. The Employee shall be subject to not less than six tests in the first 12 months following the Employee's return-to-duty date. Follow-up testing shall not continue for more than 60 months from the date the Employee's returns to duty. The Substance Abuse Professional may terminate the requirement for follow-up testing at any time after the first six tests have been administered, if the Substance Abuse Professional determines that testing is no longer necessary.

TESTING PROCEDURES

It is a condition of continued employment that Employees submit to tests for alcohol and controlled substances pursuant to this policy. All alcohol and controlled substance testing conducted pursuant to this policy is deemed to be consensual testing by the Employee or applicant. The Company has the right to test for alcohol or controlled substances or both under this Policy.

Employees are advised that over-the-counter medications, herbal remedies, or prescribed drugs may result in positive controlled substances test results. For this reason, the Company's medical review officer will need your assistance in identifying which medications, herbal remedies, or drugs you were taking at the time of specimen collection or testing and have been taken within the thirty days prior to the time of specimen collection or testing.

Employees should also know that the use of hemp oil, hemp beer or other food products derived from the Cannabis family of plants (such as hemp and marijuana) may result in a positive test for marijuana. The Company makes no exception for positive tests that may result from the use of such foodstuffs, which means that Employees who use such products may fail a test for controlled substances.

The Company has selected Reliable Drug Testing Services, Inc. (RDTs) and its designated facilities to collect and conduct its alcohol and controlled substance testing. Employees and job applicants subject to testing pursuant to this policy are to provide any or all of urine, breath, or blood specimens at the collection site. Prior to testing, Employees and job applicants are required to sign a form consenting to submit to alcohol and controlled substance testing, to provide the necessary urine, breath, and blood specimens, and to release the test results to the Company and its medical review officer.

Unless an Employee is advised otherwise in writing in advance by the Company, controlled substance testing involves urinalysis for the following: marijuana, cocaine, opiates, amphetamines (including crystal methamphetamine), and phencyclidine (PCP).

The results of controlled substances tests are reviewed and verified by the Company's medical review officer (MRO). All questions regarding the accuracy or validity of positive test results are to be directed only to the Company's medical review officer. An Employee or applicant may obtain the name and telephone number of the Company's medical review officer by calling the Company.

Alcohol testing is done by breath analysis administered by a BAT using an EBT, except in post-accident testing, where a blood test may be substituted under certain circumstances. If the initial breath alcohol test is equal to or greater than 0.02, the Employee will be asked to take a confirmation test after 15 minutes. If the confirmation test is equal to or greater than 0.02, the BAT will contact the Company's Alcohol and Substance Abuse Coordinator for instructions.

In alcohol testing, if an Employee is unable, or alleges that he or she is unable to provide an amount of breath sufficient to permit a valid breath test because of a medical condition, the BAT shall instruct the Employee to attempt to provide an adequate amount of breath. The Company's Alcohol and Substance Abuse Program Coordinator will be immediately informed by the BAT if the Employee:

- (1) Refuses to make the attempt, or
- (2) Attempts and fails to provide an adequate amount of breath.

If the Employee attempts and fails to provide an adequate amount of breath, the Company's Alcohol and Substance Abuse Program Coordinator will direct the Employee to obtain, as soon as practical after the attempted provision of breath, an evaluation from a licensed physician who is acceptable to the Company concerning the Employee's medical ability to provide an adequate amount of breath.

If the physician determines, in his or her reasonable medical judgment, that a medical condition has, or with a high degree of probability, could have, precluded the Employee from providing an adequate amount of breath, the Employee's failure to provide an adequate amount of breath shall not be deemed a refusal to take a test.

If the physician determines, in his or her reasonable medical judgment, that a medical condition does not preclude the Employee from providing an adequate amount of breath, the Employee's failure to provide an adequate amount of breath shall be deemed a refusal to take a test.

For All Other Employees

Alcohol testing is done by blood analysis. If the initial blood alcohol test is equal to or greater than 0.08, the Employee will contact the Company's Alcohol and Substance Abuse Coordinator for instructions.

TEST RESULTS

For controlled substance tests, a positive result means that the measured amount of a controlled substance in the urine of a job applicant or an Employee is above the levels set forth in 49 CFR Part 40.29. For an Employee who drives a Company vehicle, including commercial motor vehicle, or a privately owned vehicle used for Company business, a positive alcohol result means that the alcohol concentration of the applicant or Employee is 0.02 or greater. For all other Employees, a positive test result is an alcohol concentration of 0.08 or greater.

For controlled substance tests that are positive, the applicant or Employee who drives a privately owned vehicle used for Company business or a Company vehicle other than a commercial motor vehicle, may request in writing that a reanalysis of the original specimen at either the same laboratory or at another state or NIDA certified laboratory within seventy-two hours of the notification of the positive test result.

For controlled substance tests that are positive, the applicant or Employee who drives a Company owned commercial motor vehicle may request in writing a test of the split specimen at another NIDA certified laboratory within seventy-two hours of the notification of the positive test result.

For all Employees, the action required by the DOT regulations or Company policy, including removal from safety-sensitive positions or disciplinary action is not delayed pending the result of the testing of either the reanalysis of the original specimen or the test of the split specimen whichever is applicable. The MRO may consider legitimate explanation(s) for an applicant's or Employee's failure to timely contact the MRO and order testing of either the reanalysis of the original specimen or the test of the split specimen whichever is applicable. The cost of this test is the sole responsibility of the applicant or the Employee. If the result of the reanalysis or the analysis of the split specimen is negative, the Company shall reimburse the Employee for the cost of the second test.

Under certain circumstances, no reanalysis or test of a split specimen is permitted. If a urine sample is determined to be adulterated or substituted, the test result is "Test Not Performed," which is equivalent to a refusal to test. No reanalysis or split- specimen test is permitted if the first test results indicate that a specimen has been adulterated or substituted. A sample is considered adulterated or substituted if it has certain characteristics (as specified in the MRO rules) that are inconsistent with normal human urine.

DISCIPLINE

For Job Applicants

Applicants for employment with the Company who test positive for controlled substances shall not be considered further for employment. An applicant for employment who refuses to undergo testing, refuses to consent to tests, fails to provide a specimen within a reasonable time, fails to keep a scheduled appointment to provide a specimen, or adulterates a specimen, or substitutes a specimen either with another person's urine or any other liquid among other actions, is deemed unqualified for and will not be considered for employment with the Company.

Test results that indicate "Test Not Performed" and the reason given is "Specimen Adulterated" or "Specimen Substituted" are considered refusals to test. An applicant with such a test result is deemed unqualified and will not be considered for employment.

For All Employees

Employees subject to reasonable suspicion or post-accident tests will be suspended indefinitely without pay from the time of the test until the time they are informed of the test results. If the test results are negative, the Employee will be paid for the period of suspension.

Refusal to Test or Cooperate in Testing

An Employee who refuses to cooperate in testing for alcohol and controlled substances under this Policy is considered insubordinate and is subject to disciplinary action, including termination of employment. An Employee may be considered to have refused to cooperate in many ways. Some examples of refusing to cooperate are: refusing to be tested, refusing to give consent to the tests or the release of test information, failing to provide a specimen within a reasonable time, failing to keep a scheduled appointment to provide a specimen, and adulterating a specimen, including drinking large amounts of liquids, with the result that the urine specimen has very low specific gravity or creatinine level, and substituting a specimen either with another person's urine or any other liquid.

Test results that indicate "Test Not Performed" and the reason given is "Specimen Adulterated" or "Specimen Substituted" are considered refusals to test. Such test results are therefore equivalent to insubordination and constitute grounds for disciplinary action, including termination of employment.

For the first refusal to test or to cooperate, an Employee shall be suspended without pay for two weeks and may not use vacation or sick leave in lieu of suspension.

For the second refusal to test or to cooperate, an Employee shall be suspended without pay for four weeks and may not use vacation or sick leave in lieu of suspension.

For the third refusal to test or to cooperate, the employment of an Employee will be terminated.

See the next sections for specific discipline for other alcohol and controlled substances test results, depending on employment duties.

For Employees who Drive Company Vehicles

An Employee who drives a Company vehicle, including a commercial motor vehicle, or a privately owned vehicle used for Company business, who is found to have an alcohol concentration of 0.02 or greater or who has a positive test result for controlled substances, or who violates the alcohol and drug use prohibitions of this Policy, is subject to the disciplinary action described below.

First Positive Result

If an Employee who has previously refused to cooperate in testing under this Policy is later required to be tested and the test results are 0.04 or greater for alcohol or positive for controlled substances or both, the employment of that person shall be terminated.

An Employee whose test results are 0.02 or greater but less than 0.04 for alcohol will be immediately removed from duty for 24 hours.

An Employee whose test results are 0.04 or greater for alcohol or positive for controlled substances will be suspended without pay for two weeks, and he or she may not use vacation or sick leave days in lieu of the suspension. He or she will also be given information about alcohol and controlled substance abuse, including the names, addresses, and telephone numbers of substance abuse professionals and counseling and treatment programs.

In addition to being suspended for two weeks without pay, an Employee whose test results are 0.04 or greater for alcohol or who tests positive for controlled substances shall be evaluated by a substance abuse professional to determine if the Employee needs help in resolving his or her substance abuse problems. The cost of evaluation is the sole responsibility of the Employee.

No Employee may return to work unless he or she takes a return-to-duty alcohol or controlled substance test, or both if the suspension was for both, within 30 days of the date of the first test and the results of the return-to-duty test or tests are negative. Only one return-to-duty test is permitted within the 30-day period. An Employee must contact the Company to arrange for this return-to-duty test. The return-to-duty test specimen must be collected at one of the Company's authorized collection sites and the returned test be administered by one of the Company's agents. The return to duty test shall be paid for by the Company.

If the return-to-duty test is positive or if the Employee declines to be tested, his or her employment with the Company will be terminated. Test results that indicate "Test not performed" and the reason given is "Specimen Adulterated" or "Specimen Substituted" are equivalent to a refusal to test. An Employee with such a test result shall be terminated. An Employee who returns to active employment status after a negative test is subject to follow-up testing as described in this policy.

Second Positive Result

The employment of an Employee who drives a Company owned commercial motor vehicle, whose alcohol test results are 0.02 or greater but less than 0.04 more than twice in any six-month period shall be suspended for four weeks, during which he or she may not use vacation or sick leave days in lieu of suspension.

An Employee who drives a Company owned commercial motor vehicle, whose test results are 0.04 or greater for alcohol or positive for controlled substances will be suspended without pay for four weeks, and he or she may not use vacation or sick leave days in lieu of the suspension. He or she will also be given information about alcohol and controlled substance abuse, including the names, addresses, and telephone numbers of substance abuse professionals and counseling and treatment programs.

In addition to being suspended for four weeks without pay, an Employee who drives a Company owned commercial motor vehicle, whose test results are 0.04 or greater for alcohol or who tests positive for controlled substances must be evaluated by a substance abuse professional to determine if the Employee needs help in resolving his or her substance abuse problems. The cost of evaluation is the sole responsibility of the Employee.

No Employee may return to work unless he or she takes a return-to-duty alcohol or controlled substance test, or both if the suspension was for both, within 30 days of the date of the first test and the results of the return-to-duty test or tests are negative. Only one return-to-duty test is permitted within the 30-day period. An Employee must contact the Company to arrange for this return-to-duty test. The return-to-duty test specimen must be collected at one of the Company's authorized collection sites and the returned test be administered by one of the Company's agents. The return to duty test shall be paid for by the Company.

If the return-to-duty test is positive or if the Employee declines to be tested, his or her employment with the Company will be terminated. Test results that indicate "Test not performed" and the reason given is "Specimen Adulterated" or "Specimen Substituted" are equivalent to a refusal to test. An Employee with such a test result shall be terminated. An Employee who returns to active employment status after a negative test is subject to follow-up testing as described above.

Third Offense

The employment of an Employee who drives a Company owned commercial motor vehicle, with two previous positive test results for controlled substances or alcohol test results of equal to or greater than 0.04 concentration shall be terminated if the Employee later tests positive for controlled substances or has an alcohol test result of 0.04 concentration or greater. The Employee will not be eligible for re-employment by the Company for a period of three years, unless the Employee can establish through objective evidence that he or she is no longer a current alcohol or drug abuser whose use of alcohol or controlled substance prevents such Employee from doing his or her job or would constitute a threat to property or the safety of others.

For Employees Who Do Not Drive Company Vehicles

An Employee who is found to have an alcohol concentration of 0.08 or greater or who has a positive test result for controlled substances, or who has multiple alcohol test results equal to or greater than 0.02 but less than 0.08, or who violates the alcohol and drug use prohibitions of this Policy, is subject to the disciplinary action described below.

First Positive Result

If an Employee who has previously refused to cooperate in testing under this Policy is later required to be tested and the test results are 0.08 or greater for alcohol or positive for controlled substances or both, the employment of that person shall be terminated.

An Employee whose test results are 0.08 or greater for alcohol or positive for controlled substances will be suspended without pay for two weeks, and he or she may not use vacation or sick leave days in lieu of the suspension. He or she will also be given information about alcohol and controlled substance abuse, including the names, addresses, and telephone numbers of substance abuse professionals and counseling and treatment programs.

In addition to being suspended for two weeks without pay, an Employee whose test results are 0.08 or greater for alcohol or who tests positive for controlled substances shall be evaluated by a substance abuse professional to determine if the Employee needs help in resolving his or her substance abuse problems. The cost of evaluation is the sole responsibility of the Employee.

No Employee may return to work unless he or she takes a return-to-duty alcohol or controlled substance test, or both if the suspension was for both, within 30 days of the date of the first test and the results of the return-to-duty test or tests are negative. Only one return-to-duty test is permitted within the 30-day period. An Employee must contact the Company to arrange for this return-to-duty test. The return-to-duty test specimen must be collected at one of the Company's authorized collection sites and the returned test be administered by one of the Company's agents. The return to duty test shall be paid for by the Company.

If the return-to-duty test is positive or if the Employee declines to be tested, his or her employment with the Company will be terminated. Test results that indicate "Test not performed" and the reason given is "Specimen Adulterated" or "Specimen Substituted" are equivalent to a refusal to test. An Employee with such a test result shall be terminated. An Employee who returns to active employment status after a negative test is subject to follow-up testing as described under Follow-up testing.

Second Positive Result

The employment of an Employee whose alcohol test results are 0.08 or greater more than twice in any six-month period shall be suspended for four weeks, during which he or she may not use vacation or sick leave days in lieu of suspension.

An Employee whose test results are 0.08 or greater for alcohol or positive for controlled substances will be suspended without pay for four weeks, and he or she may not use vacation or sick leave days in lieu of the suspension. He or she will also be given information about alcohol and controlled substance abuse, including the names, addresses, and telephone numbers of substance abuse professionals and counseling and treatment programs.

In addition to being suspended for four weeks without pay, an Employee whose test results are 0.08 or greater for alcohol or who tests positive for controlled substances must be evaluated by a substance abuse professional to determine if the Employee needs help in resolving his or her substance abuse problems. The cost of evaluation is the sole responsibility of the Employee.

No Employee may return to work unless he or she takes a return-to-duty alcohol or controlled substance test, or both if the suspension was for both, within 30 days of the date of the first test and the results of the return-to-duty test or tests are negative. Only one return-to-duty test is permitted within the 30-day period. An Employee must contact the Company to arrange for this return-to-duty test. The return-to-duty test specimen must be collected at one of the Company's authorized collection sites and the returned test be administered by one of the Company's agents. The return to duty test shall be paid for by the Company.

If the return-to-duty test is positive or if the Employee declines to be tested, his or her employment with the Company will be terminated. Test results that indicate "Test not performed" and the reason given is "Specimen Adulterated" or "Specimen Substituted" are equivalent to a refusal to test. An Employee with such a test result shall be terminated. An Employee who returns to active employment status after a negative test is subject to follow-up testing as described above.

Third Offense

The employment of an Employee with two previous positive test results for controlled substances or alcohol test results of equal to or greater than 0.08 shall be terminated if the Employee later tests positive for controlled substances or has an alcohol test result of 0.08 or greater. The Employee will not be eligible for re-employment by the Company for a period of three years, unless the Employee can establish through objective evidence that he or she is no longer a current alcohol or drug abuser whose use of alcohol or controlled substance prevents such Employee from doing his or her job or would constitute a threat to property or the safety of others.

EMPLOYEE REHABILITATION

The Company encourages its Employees to learn about the causes, symptoms, and treatment of alcohol and controlled substance abuse. Employees with drug or alcohol problems should contact the Company's Alcohol and Substance Program Coordinator for information about substance abuse rehabilitation programs. Employee inquiries and requests are kept confidential.

The Company will not continue to employ any Employee who will not get help for his or her alcohol or controlled substance problems or both, who does not comply with all the terms and conditions of a rehabilitation program (including attendance requirements), or who leaves a rehabilitation program before completion. The employment of such Employees will be terminated.

An Employee who has violated the Company's rules against the use, sale, manufacture, transfer or possession of alcoholic beverages, controlled substances, or drug paraphernalia while on the job, on the Company's premises, or in its vehicles is NOT eligible for rehabilitation assistance.

An Employee (but not an applicant for employment or re-employment) who requests assistance before an alcohol or controlled substance test is required under this Policy may enroll in a rehabilitation program, subject to the restrictions below, and will not be subject to discipline unless that Employee violates the Policy or another Company policy or rule.

In its discretion, the Company may authorize up to three months of unpaid personal leave for an Employee or allow the Employee to use vacation or sick leave to obtain treatment for his or her substance abuse problem.

Rehabilitation, treatment, and the associated costs are the sole responsibility of the Employee. Rehabilitation may be a covered benefit under the Company medical plan and Employees should contact the plan administrator about benefits for substance abuse rehabilitation. Employees must pay for any expenses that are not covered by the Company medical plan.

It is the Employee's responsibility to see that the Company receives written certification of 1) his or her successful completion of the rehabilitation program and 2) negative test results for alcohol or controlled substances (or both, if that was the problem). If the Employee successfully completes the rehabilitation program within the time arranged with the Company, he or she may return to work after the Company receives the program and test certifications. The Company does not guarantee any Employee that his or her former position will be available. If the position the Employee held prior to the leave is available, the Employee may resume that position.

An Employee who returns to work after successfully completing a rehabilitation program is subject to follow-up testing as described in this policy.

The employment of an Employee who does not successfully complete the rehabilitation program in which he or she enrolled the first time may be terminated. At the sole discretion of the Company, he or she may apply for re-employment after successfully completing a rehabilitation program and providing proof to the satisfaction of the Company. An Employee will be re-hired only if a suitable position is available and will receive no credit for any past service.

CONFIDENTIALITY

The Company intends to implement and administer the Policy, its alcohol and Controlled substance testing procedures, and its search procedures as privately as is practical. The results of the tests conducted under the Policy will be treated as confidential information but may be released to prospective employers with the written permission of an applicant or Employee.