

AGREEMENT

between

**Architectural Contractors
Trade Association (ACT)**

and the

**Painters' and Tapers'
District Council 1M
Warren, Michigan**

**Effective Date
June 1, 2018 through May 31, 2022**



**ARCHITECTURAL CONTRACTORS TRADE
ASSOCIATION**

ARCHITECTURAL CONTRACTORS TRADE ASSOCIATION

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DRYWALL ARTICLES OF AGREEMENT

No.: _____

THIS AGREEMENT, made and entered into this _____ day of _____ by _____ and _____ between _____ Party of

the First Part, hereinafter called the Employer, and negotiated in his behalf by the Architectural Contractors Trade Association (ACT), hereinafter called the Association, and the Painters' District Council 1M of the International Union of Painters and Allied Trades (AFL-CIO) Party of the Second Part, hereinafter called the Union, whose jurisdiction area shall be as follows: all of Wayne, Oakland, Macomb, Monroe, Lenawee, Washtenaw, Jackson, Hillsdale counties and a part of Livingston County, East of the city limits of Howell directly north to Genessee County line and south to Washtenaw County line, and such other areas which shall become part of the jurisdictional area of the Union while this Agreement is in effect.

WITNESSETH: THAT WHEREAS, the parties hereto desire to cooperate in establishing and maintaining proper and suitable conditions in the drywall, painting, paperhanging and decorating industry, which will tend to secure uniform and equitable terms of employment, and conditions of labor satisfactory to employer and employee, and to insure stabilization of the industry along proper and ethical lines of conduct and relations between employer and employees.

NOW, THEREFORE, in consideration of the premises, mutual covenants and promises herein contained, the parties mutually agree as follows, to wit:

ARTICLE I Definitions

SECTION 1. Employer: The term "Employer" shall include all individuals, co-partnerships or corporations engaged in the Drywall Taping Industry employing one or more employees.

SECTION 2. Employee: The term "Employee" shall include all journeymen, foremen, or any employee who acts in the capacity of foreman, supervising the men directly on the job and apprentices as hereinafter set forth.

SECTION 3. Traveling Expenses: There shall be no traveling expenses in Wayne, Oakland, Macomb, Washtenaw and Livingston Counties, except as provided under Article VI of this Agreement.

SECTION 4. Legal Holidays: For the purpose of this contract, legal holidays shall include New Year's Day, Memorial Day, Independence Day, Thanksgiving Day, Christmas Day and Labor Day. Any employee may individually elect to observe Martin Luther King Day and shall be allowed the day off without compensation. In no event shall work be performed on Labor Day.

SECTION 5. Base Rate: The term "Base Rate" shall be the scales herein specified without the addition of overtime or double time rates.

SECTION 6. Term of Agreement: "The Term of Agreement shall be from June 1, 2018 through May 31, 2022."

SECTION 7. The Union shall have jurisdiction over all taping, finishing, sanding and texturing of all residences, buildings, structures, commercial buildings and industrial plants.

SECTION 8. Association: Architectural Contractors Trade Association (ACT).

SECTION 9. Residential: The term Residential shall mean a permanent place of residence, such as a single home, a condominium, or apartment complex including hotels, motels, convalescent homes, medical centers and other such commercial businesses, can be performed under 1-1-1 language.

The above does not apply to prevailing wage or PLA, NMA and GPA projects.

SECTION 10. Special agreements for maintenance on buildings may be given special consideration by the Joint Trade Board and/or Secretary-Treasurer under the following conditions to recapture work union contractors are not presently doing. Shopping centers, restaurants, strip stores, medical and dental renovations of residential classifications (hospitals exempt).

SECTION 11. Prevailing Wage: The Employer can pay the most recently published prevailing wage rates in counties where the DC1M contract prevails. Such rates will automatically be set at the applicable prevailing wage rate as they are published by the Federal Government, or the State of Michigan, so long as they maintain and publish such rates. The forgoing shall not apply in counties, **outside the jurisdiction in this Agreement**, in which the DC1M wage rate does not prevail.

The employers shall submit to the Association Office and the District Council for all work to be performed under this section prior to commencement. Failure to do so relinquishes Market Recovery Relief.

This work can be done through the following ratio: a commercial member, a residential member, apprentice, pre-apprentice. The ratio shall remain one to one to one.

Union members will not be required to work for a Residential/Specialty Maintenance Agreements and will not be subject to termination or be disqualified from unemployment benefits.

ARTICLE II

Flexibility to Modify Agreement To Expand Or Recover Work

The terms and conditions of this Agreement may be modified to lower the wage and benefit package or to eliminate or modify the provisions of the Agreement by the Business manager/Secretary-Treasurer of the Union. This power may be used by the BM/ST for the purposes of organizing, recovering market share, maintaining or entering a particular market segment, and/or for entering into maintenance agreements.

ARTICLE III Union Shop

SECTION 1. The employer agrees that for the duration of this Agreement, he will require all employees hired by him to be members in good standing, or to become members in good standing of the International Union of Painters and Allied Trades (AFL-CIO) after the seventh (7th) day following the beginning of their employment or the effective date of this Agreement, whichever is the later, and to remain members in good standing thereafter, for the duration of their employment. A member in good standing is an individual who has met all obligations of union membership including the obligation to pay only such fees and dues which are necessary to support the union's representative activities such as collective bargaining, grievance adjustments and administration of this agreement. Upon written notification from the Union an employee not in compliance shall have his employment terminated within 48 hours of such notification. It is expressly understood and agreed that the Employer shall have entire freedom of selectivity in hiring, providing there shall be no discrimination on the part of the Employer against any employee or applicant for employment because of his union membership, union activity or because of his non-membership in any union or because of race, creed, color, sex or age. The Parties agree that the Union Security Clause will not be enforced by either party until it is determined by repeal, vote of the General public, or a Court of Competent Jurisdiction. The Union will hold harmless and indemnify the Company due to any loss suffered due to the company's enforcement of this Article III and or Article IV.

If, during the term of this Agreement, the National Labor Relations Act shall be amended by Congress in such manner as to reduce the time within which an employee may be required to acquire Union membership, such reduced time limit shall become immediately effective, instead of and without regard to anything else contained in this Agreement.

Subject to the provisions of paragraph 1 of Section 1, employees hired outside of the territorial jurisdiction of the Union to perform work outside of its jurisdiction and within the jurisdiction of another local union of International Union of Painters and Allied Trades (AFL-CIO), shall be deemed to have complied with the provisions of this Article by acquiring and retaining membership in the local union in whose jurisdiction such employees perform said

work.

Whenever the Employer is engaged in work outside the geographical jurisdiction of the Union, he agrees to employ not less than fifty (50) percent of the men employed on such work from among 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: any others shall be employed only from the contractor's home area. The Employer further agrees that when he is engaged in work outside the geographical jurisdiction of the Union he will comply with all of the lawful clauses of the collective bargaining agreement in effect in said or other jurisdiction and executed by the Employers the industry and the local unions in that jurisdiction, included, but not limited to, the provisions dealing with wages, hours, working conditions, and all fringe benefits therein provided, including all provisions relating to the settlement of grievances, provided, however, 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 (employees) shall be entitled to receive the wages and conditions effective in either the home or outside jurisdiction, whichever are more favorable to such employee (employees).

SECTION 2. The Employer shall not recognize or otherwise aid, promote, or finance any competing labor organization, employee representation plan, co-partnership between himself and his employees or any other group which hinders, or interferes with collective bargaining between the Employer and the Union.

SECTION 3. This Agreement shall be binding upon and inure to the benefit of present and future employees of the Employer, the Union and its successors, and the Employer and his successors.

SECTION 4. Employees covered by this agreement shall, during the life hereof, have the right to respect any legal picket line validly established by a bona fide labor organization, and the Employer agrees that the Union party to this agreement has the right to withdraw employees subject to this agreement, from the job site or sites where the Employer has a labor dispute, whenever the Employer, party to this agreement, is involved in a legitimate primary labor dispute with any bona fide labor organization.

SECTION 5. All new employees not affiliated with the Union, those on a clearance card, shall be required to register in person at

the District Council office, previous to commencing work. The employee shall receive a registration slip which he is to deposit with the shop or job steward.

SECTION 6. Anyone hired as a journeyman drywall finisher after June 1, 2011, who has not been employed by a contributing contractor for a 12-month period preceding his employment, shall be required to complete a one year training program developed by the Apprentice Committee. Employee's starting pay shall start at 85% of the journeyman rate.

Employer must have employee pre-register at District Council 1M and Apprenticeship School before starting work.

ARTICLE IV CHECK-OFF/ADMINISTRATIVE DUES

SECTION 1. When the Employer performs a job within the jurisdiction of a District Council or Local Union whose by-laws contain a provision for administrative dues the employer shall check-off from the wages of all employees covered by this Agreement and employed on that job administrative dues in the amount stated in that District Council's or Local Union's by-laws, and shall remit that amount to that District "Council or Local Union.

SECTION 2. If the by-laws of the District Council or Local Union in whose jurisdiction the work is being performed contain no provision for administrative dues, the employer shall check-off from the wages of all employees who are members of Local Unions outside said jurisdiction administrative dues in the amount stated in the by-laws of each employee's "home" District Council or Local Union, and remit that amount to the proper District Council or Local Union.

SECTION 3. The District Council or Local Union will notify the Employer in writing of the amount of administrative dues specified in the by-laws.

SECTION 4. On or before the 20th day of each month, the Employer will remit to the appropriate District Council or Local Union the entire amount due and owing as to each employee for the month previous.

SECTION 5. The obligation of the Employer under this Article shall apply only as to employees who have voluntarily signed a valid dues deduction authorization form. On or before the 20th day of each month, the Employer will submit it to IUPAT and to the appropriate District Council or Local Union, a list of all employees covered by this Agreement who have not signed a dues deduction authorization form together with the number of hours worked by each such employee during the month previous.

ARTICLE V

Journeyman Wage Rates - Commercial

SECTION 1.

Effective June 4, 2018 through May 31, 2019 the minimum hourly wage is \$29.25.

Effective the first full pay period commencing on or after June 1, 2019 through May 31, 2020 (\$1.40) increase to be allocated to wages or Fringes, with \$.25 being allocated to the health and welfare fund.

Effective the first full pay period commencing on or after June 1, 2020, through May 31, 2021, (\$1.30) increase to be allocated to wages or Fringes.

Effective the first full pay period commencing on or after June 1, 2021, through May 31, 2022 (\$1.15) increase to be allocated to wages or Fringes.

There shall be a Management and Labor Advisory Committee, consisting of all the trustees of the welfare, pension, apprentice and journeymen training and vacation funds, which shall meet annually to discuss and recommend the allocation of the increase among wages and fringe benefits.

- (A) When there are four (4) or more employees on the job one (1) man shall be designated as a chieftain or foreman and shall be paid One Dollar Seventy Five Cents (\$1.75) - per hour in addition to regular wages.
- (B) Fifty Cents (\$0.50) per hour in addition to the regular wages shall be paid to all journeymen

spraying texture in accordance with Article XIV, Section 18.

- (C) Overtime Rate: Refer to Article VII, Hours.
- (D) Night Rate: Two Dollar (\$2.00) per hour night shift in addition to regular wages in accordance with Article V, Section 1, & Article VII, Section 7.

Journeyman Wage Rates - Residential

SECTION 2.

Effective June 5, 2018 through May 31, 2019 the minimum hourly wage is \$24.96.

Effective the first full pay period commencing on or June 1, 2019, through May 31, 2020, \$1.40 increase to be allocated to wages or Fringes, with \$.25 being allocated to the health and welfare fund.

Effective the first full pay period commencing on or after June 1, 2020, through May 31, 2021 \$1.30 increase to be allocated to wages or Fringes.

Effective the first full pay period commencing on or after June 1, 2021, through May 31, 2022 \$1.15 increase to be allocated to wages or Fringes.

Fringe Benefit Contribution Rate For Commercial Drywall

SECTION 3. Effective June 5, 2018 through May 31, 2019, each Commercial Employer shall contribute monthly or weekly or at such other intervals as shall be required by the Trustees to Painters Union Deposit Fund, in accordance with Article XX hereof, the sum of (\$18.91) Eighteen dollars and ninety-one cents each hour worked during that month or other interval by all employees employed by him and covered by this agreement to pay for Insurance, Pension, Vacation, Apprentice Training and Journeymen Upgrading, Industry Advancement, FTI Fund and Labor Management Fund.

Insurance \$6.45- Pension \$9.36 - Vacation \$2.50
App. Program \$0.30 - Indus. Adv. \$0.15
L.M. Fund \$0.05 FTI Fund \$0.10 - Total \$18.91

SECTION 4. Effective June 5, 2018, each Employer shall contribute monthly or weekly or at such other intervals as shall be required by the Trustees, to Painters Union Deposit Fund, in accordance with Article XX hereof, the sum of five (\$.05) cents for each hour worked during that month or other intervals by all employees employed by him and covered by this Agreement to pay for participation in the Labor Management Cooperation Fund created and operated under an Agreement and Declaration of Trust between the International Union of Painters and Allied Trades and The Architectural Contractors Trade Association (ACT). This Agreement to contribute shall continue until May 31, 2019. However, prior to, June 1, 2019 or June 1, 2020, or June 1, 2021 the parties to this Agreement may mutually agree to terminate this contribution for the ensuing year.

Fringe Benefit Contribution Rate For Residential Drywall

SECTION 5. Effective June 5, 2018 through May 31, 2019, each Residential Employer shall contribute monthly or weekly or at such other intervals as shall be required by the Trustees to Painters Union Deposit Fund, in accordance with Article XX hereof, the sum of (\$18.91) Eighteen dollars and ninety one cents for each hour worked during that month or other interval by all employees employed by him and covered by this agreement to pay for Insurance, Pension, Vacation, apprentice training and Journeymen upgrading and industry advancement.

Insurance \$6.45- Pension \$9.36- Vacation \$2.50
App. Program \$0.30 - Indus. Adv. \$0.15
L.M. Fund \$0.05 FTI Fund \$0.10 - Total \$18.91

SECTION 5 a. Schools-Kindergarten through 12th grade will be given the above residential rate to recapture market share. Residential rates can be used on Assisted Living projects upon request, with reasonable notification provided the Carpenter Trades are also under dispensation rates on said Project.

SECTION 6. Beginning June 1, 2018 and continuing through May 31, 2022 the foregoing commercial and residential rate of contributions may be increased to an amount as shall be allocated by vote of membership prior to June 1 of each year and may be applied to the Fringe Benefit Package.

INCENTIVE PAY PROVISIONS: Every Employer signatory to this Agreement employing journeymen tapers on wood frame residential construction consisting of no more than three (3) stories, shall compensate such journeymen on the basis of the following Incentive Pay Standards:

(A) Schedule A is as follows:

Tape Coat 780 sq. ft. = 1 hr. base pay
Bed Coat 780 sq. ft. = 1 hr. base pay
Finish Coat 780 sq. ft. = 1 hr. base pay

Under Schedule A, the journeyman's pay shall be determined by dividing the total 10 number of square feet of board in each house or unit taped by the journeyman by the

number of feet specified in Schedule A as the equivalent of one hour of base pay. The resulting quotient shall be the number of hours for which the journeyman shall be paid at the applicable hourly rate of pay.

(B) Time spent by a journeyman in sanding and touch-up is not included in Schedule A. Time spent by a journeyman performing sanding or touch-up shall be paid for by the Employer at not less than the minimal hourly journeymen wage rate of pay and fringe benefit contributions for each hour worked.

(C) The number of hours for which the Employer shall make fringe benefit contributions on each journeyman who works under this Section 4 of this Agreement shall be calculated as follows: The Employer shall pay fringe benefit contributions for every hour for which he pays the journeyman, not to exceed 40 hours per week, unless the journeyman has worked overtime specifically scheduled by the Employer, which is understood to be more than eight (8) hours worked on any day, Monday through Friday or any work on Saturday, Sunday or a Legal Holiday; in which case, the Employer shall also contribute for the actual overtime hours worked.

(D) All other work performed under this Section 7 shall be paid for at the applicable hourly base rate of pay and fringe benefit contributions for each hour worked.

(E) Whenever a journeyman employed under this Section 7 performs scheduled overtime work, his rate of pay shall be adjusted to insure that the journeyman shall be paid not less than the appropriate overtime hourly base rate of pay for all overtime worked.

(F) Any employee employed as an apprentice pursuant to this Agreement shall be paid only by the hour as specified elsewhere in this Agreement and shall not be subject to the provisions of this Section 7, irrespective of the type of work he is employed to perform.

(G) Any journeyman taper employed under this Section 7 shall be responsible to provide the approved necessary tools to perform the tape, bed and finish coat operation.

Whenever the Employer provides the approved necessary 11 tools to the journeyman and charges the journeyman for providing such tools, the charge shall not be deducted from the footage calculations used to compute the pay of the journeyman under this Section 7.

(H) The Union and the Associations agree that this Section 7 may be changed by mutual agreement, but any dispute which arises between the Union and the Employer concerning the meaning, interpretation or application of this Section 7 shall not be subject to nor submitted to arbitration and this Section 7 shall remain in effect until May 31, 2022.

(I) In no event shall any of the provisions of terms of this Section 7, diminish the role of the Union as the exclusive collective bargaining representative of the employees covered by this agreement.

ARTICLE IV Pay Day

SECTION 1. (a) The Employer agrees to maintain a weekly pay day not later than Friday between the hours of 8:00 A.M. and 4:30 P.M. The Employee shall not retain or "hold back" more than four (4) days' wages. All overtime work shall be paid for on the regular pay day. Payment of wages shall be on jobs or by mail. If by mail must be postmarked (2) two days prior to regular scheduled pay day. Each employee shall receive with his pay envelope or check a written memorandum showing date of payment, dates of pay period, hours worked in pay period, number of overtime hours worked, total wages earned including vacation pay, expense money reimbursed, all other special payments, federal, state and city income tax withheld, F.I.C.A. taxes withheld, amount of vacation pay to be deposited in Vacation Fund, and all other deductions.

Employers may pay Employees by Direct Deposit for hours worked, including overtime. Employees may occasionally request a paper copy (in lieu of email) of a specific pay stub. It is understood that Employers reserve the right to go electronic and totally "paperless" as an acceptable means of payroll document delivery.

Upon request by District Council 1M Representative, an employee will be required to show his payroll stub.

SECTION 1. (b) All checks issued by out of State Contractors

for work performed shall be drawn from banks located within the State of Michigan, or by certified check.

SECTION 2. As partial compensation for the serious hardship caused to any employee who is not paid, or who is not fully paid, on any pay day, as provided for in this Article, the Employer agrees to pay the sum of \$10.00 to each such employee for each day following the pay day that he is not paid or not fully paid. For the purposes of this Section computation shall begin with the pay day itself and shall not include the day of which payment, as required, is finally made.

ARTICLE VII

Hours

SECTION 1. Eight hours shall constitute a day's work to be performed between the hours of 8:00AM and 4:30PM. Any eight hours may be worked at the discretion of the Employer from 8:00 am to 5:30 pm, in which case, all work after 5:30 pm shall be deemed overtime. No overtime work, after the quitting time above set forth, shall be allowed except in case of emergency, and then only when a special permit covering such emergency work has been obtained from the Business Manager/Secretary-Treasurer of the District Council. Where job conditions require, the Employer may commence work as early as 6:00AM.

SECTION 1a. The Employer may establish a four (4) ten hour shift exclusive of the thirty minute unpaid lunch period at the straight time wage rate. The starting time shall be between 7:00 am and 8:00 am. Forty hours per week shall constitute a week's work Monday through Thursday. In the event a job is down due to weather conditions, holiday or other conditions beyond the control of the Employer, then Friday may, at the option of the Employer, be worked as a make-up day at the straight time wage rate.

SECTION 2. All time worked over and above eight (8) hours in any one day shall be deemed overtime. Overtime work, as above defined, shall be paid for at premium rates. On Monday through Friday, the ninth (9th) and tenth (10th) hours, and eight (8) hours on Saturday, of work shall be paid for at time and one-half the applicable rates. All overtime work in excess of the foregoing, all work performed on Legal Holidays, and all work performed on Sundays, shall be paid for at double the applicable rate.

SECTION 3. Shift rate: Any work performed in excess of eight (8) hours on the night shift shall be paid for in accordance with the provisions of Section 2 of this Article V.

SECTION 4. Upon request by District Council 1M Business Representative, members will be required to show their payroll stubs. If member fails to comply, may be subject to fine by District Council Trial Board.

SECTION 5. The Employer shall attempt to provide and schedule eight (8) hours work for employees on each scheduled work day. Any complaint that the Employer is failing to do this, or that there is an indication that the Employer is not paying hourly wages as herein provided shall be submitted to the Joint Committee for its determination.

SECTION 6. In order to maintain more substantial employment in the industry the parties agree that where employment by an Employer creates a pattern of less than 24 hours of work per calendar week any employee so affected may be laid off.

SECTION 7. Any eight (8) hour shift started at noon or later shall be deemed as a night shift. All night shift work shall be construed as work done during the period which begins at 12:00 noon of any day and which ends at 8:00 a.m. of the following day. A night differential of Two Dollars (\$2.00) shall be added to the applicable wage rate as set out in Article V. Section 1, and the resulting sum shall be the employee's night shift rate.

SECTION 8. Any Employer requiring Employees to clock in by phone or other type of time keeper will provide a company supplied device for the Employee for the purpose.

ARTICLE VIII
Transportation and Travel Expenses

SECTION 1. The Employer shall pay the transportation costs of Employees required to go outside of the jurisdiction of this Agreement. For all time consumed in traveling to and returning from out of Town Jobs, the Employer shall pay the Employee at the agreed base rate. When an Employee is required to remain out of town until a job is completed, the Employer shall pay his room and board at a reasonable rate. When the job requires the Employee to

remain out of town on the week-end, he shall be paid room and board for Saturday and Sunday, plus \$40.00 per day per diem.

SECTION 1a. When working outside of the jurisdiction of this Agreement the Employee may be paid the current rate within the State of Michigan of the local jurisdiction with full District Council 1M benefits.

SECTION 2. The Employer shall pay traveling expenses to employees traveling to and from any job outside of Wayne, Oakland, Macomb, Washtenaw and Livingston Counties. As reflected by the Internal Revenue Service mileage chart.

SECTION 3. Time consumed traveling between jobs within working hours shall be treated as working time and paid for as such.

ARTICLE IX Payable Time

SECTION 1. Employees called to the Employer's shop or job, but not put to work, shall receive at least a half day's pay, weather conditions excepted. An employee will be eligible for two (2) hour show up pay if weather related.

SECTION 2. The Employer shall pay at least two (2) hours' pay to newly hired employees who are laid off for cause during their **first day of work**.

SECTION 3. Any employee spraying during any portion of a four-hour period shall receive proper time for personal clean-up before starting another job, the same as if he had worked the full period.

SECTION 4. **Night Rate/Transition Pay:** Employee to be paid \$100 transition pay when the Employee is transitioned, by Employer, to days and loses 1 day in between transition.

ARTICLE X Discharge and Layoff

SECTION 1. Employees discharged or laid off shall be paid immediately, and the steward on the job must be notified of such

action before the discharge or layoff becomes effective. Employees who quit shall be required to wait until the next regular pay day for their pay, unless the Employer chooses to pay them prior to the regular pay day. Discharged employees may be paid off at the Employer's established office, in which event the employees shall be entitled to an additional two (2) hours pay.

SECTION 2. Employees who start work at 8:00 a.m. shall not be discharged before noon; and employees who start work at 12:30 p.m. shall not be discharged before 4:30 p.m. However, the employees laid off shall be notified at least Sixty (60) minutes prior to layoff. This shall not apply to newly hired men.

ARTICLE XI Trade Practices

SECTION 1. The Employer agrees that he will not SUBLET OR SUB-CONTRACT to any of its Employees, or to any other individual or business entity of any type not signatory to this Agreement by contract or otherwise. Under no circumstances will the Employer employ persons other than journeymen or apprentice tapers, to do any class of preparatory or other kind of work which is under the jurisdiction of this Union.

SECTION 2. Journeymen shall be prohibited from soliciting or contracting work.

SECTION 3. No contract or agreement between the Employer and any individual employee, or between the Employer and any representative of the Union, under which the terms, rates, hours or conditions of employment are less favorable to employees than those herein specified, shall have any force or effect. No modification of this contract shall have any effect unless such modification shall have been signed by the Employer and the Union and executed under the seal of the District Council. Acceptance by any individual employee (or group of employees) of a sum of money from the Employer as wages which is less than that to which he is entitled under the terms of this contract, shall not constitute a waiver of his claim to the remainder of his wages, notwithstanding that such employee shall have signed a check or receipt as "payment in full", and such acceptance shall not be treated as full pay for work performed.

SECTION 4. Where a journeyman becomes or is an Employer,

the name of such Journeyman Employer shall be recorded with the Secretary of the District Council. Where such journeyman has been so engaged as an Employer, signatory to this Agreement, and thereafter returns to work as an employee journeyman, his contract with the Union shall automatically be cancelled and he shall not be eligible to again become a signatory to a Union contract for a period of one year from date of cancellation. Where two (2) or more journeymen become Employers, as co-partners, as a corporation, or under a joint venture, not more than one (1) shall work at the trade and they shall employ not less than a number of journeymen equal to the number of journeymen who are associated together as Employers. If an Employer violates this Section the Union may place a qualified outside shop steward on his job or the Union may cancel his contract.

SECTION 5. The Employer shall provide a pass to enable the Union's representative to enter all industrial and commercial jobs whenever possible, which pass shall always be at the entrance.

SECTION 6. The Union agrees that it will not sign a collective bargaining agreement with any Employer or contractor unless he establishes that he is qualified by background, experience, and financially able to carry out the duties and responsibilities of a taping contractor as contained herein, and unless he maintains a regularly constituted and properly supervised drywall facility.

SECTION 7. The Employer shall post in all work or shop boxes, the name of the insurance agency or company under which the Employer is insured, and a list of medical clinics and doctors to which an employee can go or be sent for treatment in case of an accident.

SECTION 8. The Employer or his supervisor is required to report any accident or injury of any employee, to the Painters District Council No. 1M, within twenty-four hours of said accident or injury, if such accident or injury involves the hospitalization of the employee, provided the Employer has been notified of such injury.

ARTICLE XII

Insurance

SECTION 1. The Employer shall, at all times carry Workers Compensation Insurance and shall exhibit proof of such coverage to the Union on demand. To be, in compliance to this section all signatories to this agreement will also furnish to the union through their insurance agents or company a CERTIFICATE OF INSURANCE showing policy of Workmen's Compensation Coverage for each calendar year and from year to year thereafter.

SECTION 2. The Employer shall, regardless of the number of employees in his employ, become and remain a subject Employer under the terms of the Michigan Employment Security Act, and shall exhibit proof of such coverage to the Union on demand.

ARTICLE XIII

Stewards

SECTION 1. The District Council 1M shall have the right to appoint Shop and Job Stewards from among the employees of an Employer, signatory to this Agreement, and the names of such stewards shall be made known to their Employers. No steward so installed shall be discharged, laid off or transferred from a job without the consent of the District Council.

SECTION 2. The duties of stewards shall be to see that the provisions of this Agreement are observed by both parties hereto, and that the Constitution of the Union and By-laws of the Painters' District Council 1M are observed by the membership.

SECTION 3. It is agreed that all stewards shall receive an equal share of regular and overtime work when qualified for that particular type of work.

SECTION 4. Employer agrees that where there is a direct violation of the contract on the job, the Union may place an outside steward on that job if the steward is qualified for that type of work.

SECTION 5. The Employer shall notify the steward of all lay-offs, discharges and hiring within a reasonable time, which shall not exceed twenty-four hours.

SECTION 6. The Union shall have the right to place the shop steward on any job site of the Employer that the Union shall deem necessary to enforce the terms and conditions of this contract. However, before placing the steward on a particular job site, the Union shall first contact the Employer and request that the steward be placed on the job designated by the Union

SECTION 7. The Employer shall issue to the shop steward at the end of each weekly payroll period a complete list of employees listing on a daily basis all their hours worked for the week.

SECTION 8. The Union shall place a qualified outside shop steward on the job of any new Employer.

SECTION 9. Failure to follow Article XIV, Section 26 will result in automatic placement of outside Steward.

ARTICLE XIV

General Provisions

SECTION 1. The Employer agrees to furnish the District Council and/or the Steward with locations of all jobs upon request.

SECTION 2. The Employer agrees to furnish drinking water facilities and sanitary cups on all jobs, and sufficient clean sanitary rags for personal clean up.

SECTION 3. Employees, when engaged as tapers, shall furnish personal hand tools.

SECTION 4. No employees will be required to take time off to cancel overtime worked.

SECTION 5. Employees scheduled to a job shall be paid for "dead time", such as waiting for supplies, equipment, repairs, or other work to be completed at their regular rate of pay.

SECTION 6. No employee shall report for work at the shop earlier than thirty (30) minutes before starting time or at the job earlier than fifteen (15) minutes before starting time. When men come after starting time they shall be started at the next half hour or hour.

SECTION 7. The Union and its representatives shall not transfer or attempt to transfer an employee from one Employer to another Employer without the consent of the Employer; and the Employer shall not transfer an employee from one Employer to another Employer without the consent of the District Council.

SECTION 8. During the months of November through April, no employee, as defined in the Agreement, shall work more than forty (40) hours in any regular payroll week while there are qualified men unemployed; however, the District Council shall issue permits to any Employer requesting same.

SECTION 9. Violations of this contract on the part of individual employees shall not be chargeable to the Union except for such action which have been duly authorized by the Union. The Union agrees to take disciplinary action under the terms of its Constitution and By-laws, against members alleged to have violated this contract, upon complaint made by the Employer.

The Employer agrees that he is responsible for the carrying out of the obligations of this contract.

SECTION 10.

(a) The Employer agrees that all tapers be allowed five (5) minutes for cleaning up at noon and ten (10) minutes at quitting time at the shop or box.

(b) All employees to be granted a coffee break in the morning and in the afternoon near their work station, not to exceed ten (10) minutes for each four (4) hour period.

SECTION 11. All Employer's equipment hauling trucks shall have his name or firm name displayed or painted on such vehicles in letters not less than two (2) inches in height.

SECTION 12. Where suitable facilities are not available to the employee, Employer agrees to furnish shanty for changing of clothing.

SECTION 13. No employee shall be required to transport more than three (3) bags of dry compound or two (2) cans of ready mix compound.

SECTION 14.

(a) The Employer must provide proper safety masks to all tapers and the same will be worn at all times when sanding is being done.

(b) All dry wall taping materials shall be free of asbestos or other dangerous ingredients.

SECTION 15. Any evidence of piece work or lump sum payments shall be submitted to the Joint Committee for its determination. However, the Joint Committee is authorized and empowered to establish work standards which, if unanimously adopted by the Joint Committee, shall be binding upon all parties for the duration of this Agreement.

SECTION 16. New tools and equipment of the industry must be approved by the Drywall Joint Committee consisting of four (4) representatives from the Union and four (4) from Architectural Contractors Trade Association (ACT). No employee shall be permitted to use said new tools and equipment until approved by this Committee.

SECTION 17. The spraying of texture materials such as

Aristex, Bestex, will be allowed on dry wall taped ceilings, dry wall furnace rooms, masonry or poured concrete basement walls in residential areas and commercial buildings, dry wall in service rooms of commercial buildings and apartment houses. Spray of texture materials on exposed electrical heating elements on ceiling areas of residential and commercial structures will also be allowed. Drywall finishing work will include, but not be limited to the preparation or leveling of any surfaces or substrate which is to receive a coating, finish and/or wall covering; this will include all levels.

SECTION 18. (a) Job standards shall be established as follows:

- (1) In all living areas preparation shall be taped, covered and finish coated prior to spray texturing.
- (2) All other area preparation shall be taped only prior to spray texturing.
- (3) Concrete surfaces shall be spray textured only.
- (4) Violation of job standards shall be considered a violation of the Collective Bargaining Agreement.
- (5) All spraying equipment must be provided at the expense of the contractor.
- (6) It shall be required that two (2) employees be involved in the operation of spray equipment.
- (7) Employees who are operators of machine tools and spray equipment, shall be allowed a rest period near their work station of twenty (20) minutes every morning and afternoon which shall include any coffee break as per Article 12 Section 10(b).

SECTION 19. All Employers contracting for dry wall work shall have a written contract with the builder.

SECTION 20. Employees required to prepare time cards shall indicate thereon only the number of hours worked each day and the jobs upon which they worked those hours.

SECTION 21. Scaffolding will be provided by the Employer where same is necessary. However, scaffolding herein shall not include benches which are commonly used by tapers.

SECTION 22. Employees shall not be scheduled to work on

any job site where suitable water facilities are not available.

SECTION 23. Employees shall not be permitted to tape, sand or otherwise finish any drywall construction in a garage, family room or sunroom before the concrete floor shall have been poured therein.

SECTION 24. Employees shall not be permitted to tape, sand or finish where flooring, trim or cabinets have been delivered within the structure under construction, but have not yet been affixed or installed to their permanent position. Nor shall employee be permitted to tape or finish where trim or cabinets have been affixed or installed in their permanent position without a permit from the Painters District Council 1M.

SECTION 25. The following machine tools have been approved for use by the parties hereto:

1. Corner applicator with shoe and two (2) inch and three (3) inch corner finisher.
2. Flat applicator - four (4) inches.
3. Seven (7) inch, ten (10) inch, and twelve (12) inch hand finishers.
4. Comer roller.
5. Hand pump.
6. Nail spotter.
7. Laminating spreader.
8. Banjo.
9. Bazooka (furnished by Employer only) with regards to Section 26.

SECTION 26. The Bazooka is to be used by permit only, issued by Painters District Council 1M, prior to start of job. Bazooka to be furnished and paid for by the Employer. Bazooka Operators and men who follow the Bazooka operators will be District Council 1M Journeymen or registered Apprentices according to ratio. Failure to follow the above rules regarding the Bazooka will subject Contractor to automatic placement of outside steward. Employer or Employees found in violation of these articles will be subject to fines as determined by the Drywall Joint Committee.

Only those machine tools set forth in this Section shall be used by employees under this Agreement unless any other tools are approved by the Drywall Joint Committee, as provided for in Section 16 of this Article.

All tools as listed in this section must be provided by the contractor.

SECTION 27. No employee will lease, rent or furnish the contractor with equipment.

SECTION 28. The contractor shall be responsible to furnish adequate parking for all jobs. Such parking shall be within a reasonable distance of the job site, and shall be at no cost to the Employee. Reimbursement will be paid within a week after submission of approved receipts.

SECTION 29. Union and Management agrees, that all employers must be properly attired in clean white painters overalls when the job requires such apparel and changed at least once a week.

SECTION 30. **Drug Usage.** In the interest of safety: intoxication, possession, consumption or use of alcoholic beverages or illegal drugs is not permitted on jobsites or while driving a company vehicle. The Union agrees to abide by the substance abuse program approved by the labor-management committee known as Management and Unions Serving Together (M.U.S.T.), or any other M.U.S.T. agreement jointly amended.

SECTION 31. Labor Management Forum-new language

There is hereby established a Labor/Management Forum, which shall be comprised of an equal number representing the Union and the Association, for the purpose of reviewing on at least an annual basis (or as needed) basic problems, market share discussions and/or issues confronting the industry and developing resolutions for same.

ARTICLE XV
Training Program and Drywall Industry
Apprentice Standards

SECTION 1. PURPOSE: To provide the industry with adequately trained employees whenever necessary in order to insure the proper workmanship and quality of work expected in the industry.

SECTION 2. JOINT DRYWALL APPRENTICESHIP COMMITTEE: There shall be a FTI of the Great Lakes Committee consisting of four (4) representatives from management, who are signatory to the Agreement and contributing to the FTI of the Great Lakes Fund; and four (4) representatives from labor. The Union shall appoint all of the labor representatives to the Committee and Architectural Contractors Trade Association (ACT) shall appoint all of the management representatives. This Committee shall be responsible for the execution of this program and shall govern all areas of training and shall meet not less than once each quarter on a date decided by the Committee members.

SECTION 2A. TRAINING MERGER. In the event of the Boards of Trustees of the existing apprentice and journeyman training funds, metropolitan Detroit Painting and Drywall Industries Apprentice Training and Journeyman Upgrading Trust fund and finishing Trades Institute of the Great Lakes determine it is prudent to merge (merged Fund) and take action to do so, the Employers covered by this Agreement will make all future apprentice and training fund contributions required under this Agreement to the merged fund provided the merged fund is: 1) established under an agreement and declaration of trust and shall be subject to all requirements of law; 2) the administration thereof will be by trustees, an equal number of whom will be designated by the Union and the representative of contributing Employers; and 3) the Employers covered by this Agreement receive no less than sixty (60) days prior notice to direct contributions to the merged fund.

SECTION 3. JOB DESCRIPTION - TAPER: A finisher of drywall, wallboard or sheetrock. The work consists of:

- a. applying tape to seams and angles of the board;
- b. imbedding the tape with a top coat of drywall cement, covering the beads and spotting the nails;

- c. applying a finish coat of drywall cement to the seams, angles, beads, and nails so as to blend in with the board;
- d. preparing the board for painting by sanding and spotting or touching-up the imperfections;
- e. applying all texture, acoustical or decorative materials to the board and other ceiling structures.

SECTION 4. PLACEMENT OF APPRENTICES: The District Council will endeavor to place one (1) apprentice in every shop employing three (3) or more journeymen and to place one (1) apprentice for each additional three (3) journeymen in shops having more than three (3) journeymen employees.

SECTION 5. QUALIFICATIONS TO BE AN APPRENTICE: An apprentice shall be a person who has passed his eighteenth (18th) birthday and must be physically able to perform the work required of the trade and meet such other qualifications as shall be established by the FTI Great Lakes Apprenticeship Committee.

SECTION 6. TERM OF APPRENTICESHIP: The term of apprenticeship shall be for a period of three (3) years or approximately 4000 hours, 144 hours of which shall be required classroom instruction per year.

SECTION 7. TRAINING CONTENT: The principal work experience and training shall be as set forth by the National Apprenticeship and Training Standard as agreed by the IUPAT (International Union of Painters & Allied Trades) and the IAWCC/CDCI (tools approved as per working agreement), unless otherwise amended by the FTI Great Lakes Apprenticeship Committee.

In the interest of safety, all Apprentices covered by this Agreement shall have satisfactorily completed the MUST Safety Program Requirements upon graduation. The Apprenticeship school, on school days, shall provide training necessary to meet this requirement.

The Training/Apprenticeship Fund shall provide all required training for all District Council 1M members, including safety programs and safety modules.

SECTION 8. WAGES: Apprentices shall be paid a percentage of the journeymen minimum hourly wage rate as follows:

Level 1 - 60% min. 0-750 hours

Level 2 - 65% 751-1,500 hours

Level 3 - 75% min. 1,501-3000 hours

Level 4 – 90% min. 3,001-4500 hours (until certificate of graduation is granted)

The Helmets to Hard Hats program will be recognized as an apprentice for the purposes of calculating the Apprentice/Journeymen ratio.

- A. May be subject to change per training merger language and approval of new standards.
- B. Contractors will pay for at least two (2) hours of classroom session, every other week, for those apprentices in their employ who attend school. Apprentices will be required to fill out attendance cards, signed by the school instructor, and sent to the contractor before any payments are made. All raises will be given in regard to classroom attendance.

SECTION 9. PRE-APPRENTICE: The Employer can hire and utilize the services of pre-apprentices. To do so, the pre-apprentice must first be registered with the Union before going to the job site; and it is agreed that the employment of the pre-apprentice may not extend beyond one hundred twenty (120) working days or nine hundred sixty hours (960) whichever is reached first from registration.

During the foregoing one hundred twenty (120) working days or nine hundred sixty hours (960) whichever is reached first, the Employer will compensate the pre-apprentice at a minimum of 50% of the base journeyman rate plus contribute full hourly vacation pay. At the conclusion of the hundred twenty (120) working days or nine hundred sixty hours (960) whichever is reached first, the Employer will pay full fringe benefits and enroll the individual in the Apprentice Program.

The Employer may hire as many as one (1) new pre-apprentice for every three (3) journeymen working and one registered apprentice, one hundred forty (140) hours per month based upon previous month's fringe benefit report.

Employers doing schools or residential work may apply for a variance of the 1 to 4 pre-apprentice ratio with the Business Manager pre-approval.

Pre-apprentices will be required to attend school once per month.

Employers delinquent more than thirty (30) days on their fringe benefits do not qualify for pre-apprentices.

This Section 9 will not be applied to NMA, PLA, GPA and/or Labor Harmony Jobs.

SECTION 10. REGULATIONS APPLICABLE TO APPRENTICES:

The following regulations shall apply to apprentices:

- A. An apprentice making application must appear before the FTI Great Lakes Apprenticeship Committee for approval and applicable testing.
- B. There shall be a probationary period of thirty (30) days for all apprentices.
- C. Violation of this Article by either an Employer or an apprentice shall subject either or both to penalty.
- D. Every consideration shall be given the apprentice in case of a slack period so that the apprentice may get his just share of work.
- E. There shall be no new apprentice applicants hired while there are apprentices unemployed.
- F. Safety practices and procedures shall be stressed during the entire training period, and no apprentice shall be allowed to work alone on a job site at any time.

SECTION 11. DISPUTE BETWEEN EMPLOYER AND APPRENTICE: In case of a difference between an Employer or an apprentice, either of them shall have the right to appeal to the FTI Great Lakes Apprenticeship Committee.

SECTION 12. TRUST FUND: There is hereby created a Trust Fund, to be known as FTI of the Great Lakes Trust Fund hereinafter

referred to as "Apprentice Training Fund." The Apprentice Training Fund shall be administered by the Trustees of Painters Union Deposit Fund, pursuant to a Trust Agreement adopted by the parties hereto.

SECTION 13. Journeymen Upgrade Training: The Union and Management recognize the importance of journeyman training and upgrade training for all drywall finishers, and agrees to fully cooperate with employers in their concerted effort to provide a highly skilled workforce in which to compete in the market place.

The Union and Employer agree to promote and expect a minimum of 16 hours of instruction per calendar year of upgrade training. The Joint Apprentice Board and input from the Labor Management Forum group will determine the classes that qualify for this upgrade training.

ARTICLE XVI Protection of Industry Standards

The parties agree that certain conditions now prevailing in the dry wall taping industry are beneficial to the growth of the industry and to maintaining high production and wage standards with optimum quality of product. Also, certain other conditions not now prevailing would likewise be beneficial and the parties hereto should strive to achieve their realization.

The following conditions are deemed by the parties to be necessary for maintenance and growth of the dry wall taping industry:

- a) There shall be a standard and uniform labor agreement embodying the terms and conditions of employment of tapers by all employees in the dry wall taping industry to the extent permitted by law. In the event that the Union enters into a labor agreement more favorable than the terms and conditions of this Agreement, then the parties to this Agreement may, at their option, have such more favorable conditions immediately apply to them.
- b) Written agreements are required between builders and sub-contractors in the dry wall taping industry and there

must be compliance with these agreements by builders and sub-contractors.

- c) Contracting and sub-contractors of dry wall taping work to be done at the site of construction shall be done by contractors and sub- contractors having written agreements with the Union.
- d) There shall be permanent and continuous heating, as approved by MIOSHA Construction Standards part 7 and 18, in all jobs commencing November 1 and ending April 15 of each year, except in special circumstances the Business Manager/Secretary Treasurer or his designee of the Union may issue a permit for temporary heating subject to review by the Joint Committee.
- e) The parties to this Agreement may, if upon investigation they find any of the above conditions lacking, breached or infringed upon, publicize the matter by advertising to the general public, including but not limited to hand billing, newspaper add, patrolling and by word of mouth.
- f) The Union for its members and others working in the industry and the Architectural Contractors Trade Association (ACT) for their members pledge mutual support for the publicity of the other regarding the omitted, breached or infringed condition.
- g) The Associations agree they will not guarantee any work performed contrary to industry conditions as enumerated above.
- h) The Union agrees it will not knowingly permit work to be done by its members contrary to industry conditions.
- i) Should either party fail to perform their mutual promises as stated above, other considerations in this contract to their benefit shall, upon written notification by the other party be forfeited and cancelled, subject to review under Grievance Procedure of this Agreement.
- j) In order to expand the market for the services of the dry wall industry, to improve the technical and business skills of Employers, to stabilize and improve Employer-Union relations and to improve the training and employment

opportunities for employees, the Employers, signatories hereto, agree to promote programs of industry education, training, research, promotion and administration of collective bargaining agreements as shall be determined by the Trustees of the Dry Wall Employers Industry Advancement Funds which shall be created as hereinafter provided.

There are hereby created one (1) industry promotion fund to be known as the Architectural Contractors Industry Advancement Fund (IAF) which shall be administered by Employer Trustees under a written declaration of trust. The Architectural Contractors Trade Association shall appoint the Employer Trustees to administer the IAF. The Employer signatory hereto agrees to be bound by the trust agreement to which they are contributing to and all subsequent amendments to them, including any rules and regulations lawfully adopted by the Trustees of said funds. The Trustees of such Funds shall be responsible for the lawful operation of the Funds as required by law.

The Employers signatory hereto and the Painter's District Council 1M both recognize, stipulate and agree that the Board of Trustees of their respective industry promotion funds are third party beneficiaries of this Collective Bargaining Agreement, pursuant to Michigan law.

ARTICLE XVII

Maintenance of Conditions and Record Keeping

SECTION 1. It is to the interest of all parties to this Agreement that its terms be strictly adhered to by payment to employees of not less than the minimum wages herein prescribed, overtime at the rates and for the hours herein prescribed, and by the observance of all the restrictions, regulations, rules, practices and any and all other provisions. The parties agree that failure to so adhere to the contract harms the employees by depriving them of benefits to which they are entitled; harms fair Employers by subjecting them to unfair competition; and harms the public by undermining the standards of the drywall industry.

SECTION 2. The Union agrees that in no event shall it sign any contract or permit any taping to be done by Union Tapers in the areas covered by this Agreement at a wage scale lower than set up in this Agreement. The Union will not countenance violation of this Agreement by an Employer signatory hereto and it will diligently enforce this agreement.

SECTION 3. Each Employer signatory hereto shall prepare and keep accurate and complete payroll records with respect to all employees covered by this Agreement. These records must show the name, address and social security number of each employee; his work classification, his rate of pay, the daily number of hours worked by him, the weekly number of hours worked by him; and with respect to his weekly pay, the date of payment, the dates of the pay period, the hours worked in the pay period, the number of overtime hours worked, the total wages earned, including vacation pay, expense money reimbursed, all other special payments, federal, state and city income tax withheld, F.I.C.A. taxes withheld, the amount of vacation pay to be deposited in the Vacation Fund, and all other deductions. These records shall be preserved for a minimum of three (3) years after the periods which they cover.

The promise of each Employer to prepare and keep the foregoing listed records is a substantial consideration requested by and given to the Union in return for its becoming party to this Agreement, and the failure of any Employer to accurately prepare and keep the foregoing list of records is a substantial breach of this Agreement, for which breach the Union may claim any appropriate legal or equitable remedy, including, but not limited to, the right to cancel this Agreement.

ARTICLE XVIII

State Laws

SECTION 1. All Employers signatory to this Agreement must comply with the applicable laws of the State of Michigan governing State licenses.

SECTION 2. All Employers signatory to this Agreement shall present for inspection such State licenses or application for the same.

SECTION 3. In the event any Employer filing application for such license is refused the same by the State of Michigan, for whatever reason, this Agreement shall become null and void as to such Employer. Thereupon, within five (5) days from said date of rejection of license the Union men working for any such Employer shall be withdrawn.

SECTION 4. The Union reserves the right to enforce the State of Michigan General Safety Rules and Regulations for the construction industry.

SECTION 5. In the event any portions of the Underlying Agreement, as herein extended, is declared to be or becomes inoperative under State or Federal law, the balance of the Underlying Agreement shall remain in full force and effect, and the parties hereto agree to meet and renegotiate the inoperative portion of the Underlying Agreement, if requested by either party. That part of the Underlying Agreement which is declared to be in contradiction of said applicable laws shall be suspended in operation, solely within the limits to which said applicable laws are in effect and such suspension shall not affect the operation of any such provisions covered by the Underlying Agreement to which said law is not applicable, nor shall it affect the remainder of the provisions of the Underlying Agreement within the limits to which law is applicable.

ARTICLE XIX

Numbering of Agreements

SECTION 1. All Agreements executed between the Employer and the Union shall bear a consecutive serial number and be signed in duplicate.

ARTICLE XX

Painters Union Deposit and Other Trust Funds

SECTION 1. In addition to all other payments required by this Agreement, each Employer shall contribute monthly, or weekly, or at such other intervals as shall be required by the Trustees, on forms provided by the Trustees of Painters Union Deposit Fund, that amount of money shown in Article III, Section 3 and 4 hereof, as the Total Fringe Benefit Package, for each hour worked during that month or other interval by all employees employed by him and covered by this Agreement, to a fund known as the Painters Union Deposit Fund, which shall be a collection fund for the purpose of centralizing the payments required of Employers and which shall be administered by the Trustees of Painters Union Insurance Fund, who shall be the Trustees of Painters Union Deposit Fund. An Employer shall not be required to make his contributions more frequently than monthly except as a result of an express decision of the Trustees to that effect.

The Trustees of the Painter's Union Deposit Fund, monthly,

shall pay over from the Painter's Union Deposit Fund, to each Painter's Union Insurance Fund, Painter's Union Pension Fund, Painter's Union Vacation Fund, Metropolitan Detroit Painting Industry Apprentice Training and Journeymen Upgrading Trust Fund and the Architectural Contractors Industry Advancement Fund, that portion of the total monthly receipts of the Painter's Union Deposit Fund equivalent to a fraction of which the numerator is the amount of hourly contributions to the respective Funds, as set forth in Article III, Section 3 and 5 (Fringe Benefit Package) and of which the denominator is the total of the hourly fringe benefit contribution. However, it is further agreed between the Employer signatory hereto and Painter's District Council 1M that no money contributed to the industry advancement funds, pursuant to this Agreement, shall be paid to the industry advancement fund entitled thereto from the Painter's Union Deposit Fund until the Trust Agreement creating such industry advancement fund has been drafted and agreed upon by the Associations involved.

Should the health insurance provisions contained in this Agreement and/or Health Welfare Trust's Plan design cause the Employer to become subject to a penalty, fine, or other assessable payment under the Patient Protection and Affordable care Act or any related law or regulation, the Company's obligation to the Health and Welfare Trust will immediately cease. Employer will give 60 days' notice prior to meeting to bargain over a solution that does not increase the total cost to the Employer. In such event any contributions that would otherwise be owed to the Health & Welfare Trust shall be held in escrow and the no strike provision contained in this Agreement shall apply.

Each Employer agrees to add to each employee's weekly gross earnings the amount of the Vacation Fund contribution payable for that employee for that week, prior to the withholding of any taxes, and the computation of withholding shall be based upon the sum of gross earnings plus Vacation Fund contributions. The purpose of this requirement is to arrange that, when the employee draws his vacation pay from the Vacation Fund, the vacation pay shall be net to the employee, with all taxes paid.

The Painters Union Insurance Fund, the Painters Union Pension Fund, the Painters Union Vacation Fund, and the Metropolitan Detroit Painting Industry Apprentice Training and Journeyman Upgrading Trust Fund, shall be separate and distinct Funds which shall never be co-mingled and whose identities shall always remain separate and which shall be administered under separate trust

agreements. However, the Trustees of these Funds may be the same Trustees, and further, each trust agreement must contain the following provisions:

- A. There shall be ten (10) Trustees, five (5) of whom shall be appointed by the Union, four (4) of whom shall be appointed by the Michigan Alliance of Union Painting Contractors (MAUPC), and one (1) of whom shall be appointed by Architectural Contractors Trade Association, Inc., and each Employer Trustee shall be an Employer as defined in Article 1, Sec. 1, hereof or the full time Association Executive Director. (Not Legal Counsel).
- B. The Trustees shall serve at the will of the Union or Employers which appointed said Trustees and shall serve without compensation except as provided in the By-Laws of the Trust Agreement.
- C. All dividends accumulated under any insurance policy purchased by the Trustees, and any other dividends, interest, or other accretions of any kind or nature whatsoever under any of the Trust Funds, shall be returned and added to the respective Trust Funds and shall be used only for the purpose as specified in each Trust Agreement.
- D. The Trustees shall have sole discretion to manage the Trust Fund for the purpose of which it was created.

SECTION 2. Each Employer, signatory to this Agreement, hereby authorizes and empower any accountant selected by the Trustees of any said Funds to make regular audits of the

Employer's payroll records to ascertain whether the Employer has complied with the requirements of this agreement. Each Employer, signatory to this Agreement, hereby further authorizes and empowers any accountant selected by the Trustees of any said Funds to have access to, and to inspect any and all books, records, accounts, ledgers, and records of original entry, for the purpose of determining whether or not the Employer has conformed with the provisions of this Agreement. Such inspection shall be made only on an express order of the Board of Trustees. Whenever it has been determined that an Employer has violated Article IX, Section 1, hereof, by the payment of bonus payments or any other form of

compensation to an Employee or Employees of the Employer, or to any other individual or business entity of any type not a signatory to this Agreement, on a regular or periodic basis, such Employer agrees that the Trustees of Painters Union Deposit Fund may convert the bonus payments to an hourly rate of pay to establish the number of hours for which contributions shall be made to the Painters Union Deposit Fund by such Employer.

SECTION 3. The Association, the Union and all Employers signatory to this Agreement agree that the damages which will result from the failure of an Employer to pay his fringe benefit contributions on time, or in the correct amount, are difficult to calculate with any certainty and, therefore, any Employer who fails to make payments to the funds, in accordance with this Agreement, shall pay as liquidated damages, in addition to the contribution due, as follows:

- Delinquency for 1 to 15 days - 5 % of monthly contribution
- Delinquency for 15 to 30 days - 10% of monthly contribution
- Delinquency for 30 to 45 days - 20% of monthly contribution

After an Employer has been in default for 46 or more consecutive days, he shall not be permitted to contribute to the Funds until he has (1) paid all past due contributions plus all assessed liquidated damages: (2) has posted a \$20,000.00 cash bond to guarantee his payment of future contributions, when they become due: and (3) has complied with all other conditions reasonably and lawfully imposed by the Trustees.

In the event that any Employer is in default, the Trustees may demand an assignment of accounts receivable from such Employer in an amount necessary to protect the Fund.

After the 46th day, any Employer in default may have his contract cancelled and, if it is cancelled, the Employer shall not be permitted to have his contract reinstated unless (1) he has satisfied any and all outstanding claims of his employees to benefits arising out of this Agreement; (2) has paid the monthly payments and liquidated damages to date; (3) has posted a \$20,000.00 cash bond; and (4) has complied with any other reasonable conditions imposed on him by the Trustees.

SECTION 4. All liquidated damages levied by virtue of Section 4, shall be distributed to the Trustees of the Painters Union

Insurance Fund, the Painters Union Pension Fund, the Painters Union Vacation Fund, and Metropolitan Detroit Painting Industry Apprentice Training and Journeymen Upgrading Trust Fund in the same ratio and proportion as all receipts of Painters Union Deposit Fund are distributed.

SECTION 5. Whenever an employee covered by this Agreement is employed anywhere in the United States by such Employer, the Employer is required to make the payments called for by Article XX of the Collective Bargaining Agreement. The Union agrees that the Employer is entitled to inquire from all prospective employees by any legal inquiry whether or not such prospective employee is a member of a Union affiliated with Painters District Council 1M.

SECTION 6. The parties hereto agree that it is their desire to make sure that the Funds referred to in this Article XX receive all the contributions due them and it is the further desire of the parties hereto that all Employers signatory hereto be accorded fair and equal treatment with respect to the inclusion of their employees under these Funds. Accordingly, it is agreed that any Employer which is a corporation, at the time when it executes this Agreement, will furnish to the Union and to the Trustees of Painters Union Deposit Fund, a list, naming every stockholder, corporate officer, or salaried employee who performs work of the kind and character which is performed by persons who are included in the definition of Employee as set forth in Article I, Section 2 of this Agreement. Such stockholder, corporate officer or salaried employee is referred to in this Agreement as "Principal". The Employer (Corporation) will then contribute on each such listed Principal for forty (40) hours per week, fifty-two (52) weeks per year, to Painters Union Pension Fund at the hourly rate of pension contribution specified in this Agreement. The Employer (Corporation) shall also pay each month on each such listed Principal to Painters Union Insurance Fund the monthly contribution rate specified by the Trustees of Painters Union Insurance Fund for the self-paying contractor. The Employer (Corporation) shall not contribute to Painters Union Vacation Fund for any such listed Principal.

Whenever a change occurs by which any of the listed Principals ceases to work as an Employee within the definition set forth in Article I, Section 2, or by which any person who was not listed becomes a Principal, the Employer (Corporation), within ten days of

such change, will notify the Union and the Trustees of Painters Union Deposit Fund of such change. Failure to comply with the provisions of this Section shall constitute a material breach of this Agreement for which breach the Union may, at its election, terminate this Agreement and also sue the Employer (Corporation) for damages, both compensatory and punitive.

SECTION 7. Employer contributions for industry advancement purposes shall be distributed as follows:

- (a) Contributions from members of the Architectural Contractors Trade Association (ACT) shall be paid to the Architectural Contractors Industry Advancement Fund (IAF).
- (b) Contributions from Employers not members of the Architectural Contractors Trade Association (ACT) will be sent to the ACT Industry Advancement Fund.

It shall be the obligation of the above named Associations to provide the Trustees of Painters Union Deposit Fund with a current list of members so as to enable the Trustees to make the above provided distributions.

SECTION 8: If and when Management and Labor mutually agree to contribute to Management and Unions Serving Together (MUST) then this contract may be opened exclusively for the purpose of funding such program.

SECTION 9. If and when Management and Labor mutually agree to contribute to an "Industry Wide Drug Testing Program" then this contract may be opened exclusively for the purpose of funding such program.

SECTION 10. During the term of this Agreement, the Union will reallocate money from the existing package to the Pension Fund contribution to satisfy the Pension Fund contribution increases required by the Rehabilitation Plan, if needed, as presently written or as modified during the term of this Agreement.

SECTION 11. The parties recognize that the health care insurance plan may become subject to an excise tax on high cost employer sponsored health coverage (a.k.a. "Cadillac Tax") under the Affordable Care Act. If the union or the employer receives

notice that the health insurance plan will become subject to the tax or has become subject to the tax, the parties agree that they will work through the Health and Welfare Fund to modify the plan as necessary to avoid the Cadillac Tax.

ARTICLE XXI

Performance Bond for New Employers

SECTION 1. Any Employer who was not a signatory to the prior collective bargaining Agreement, in good standing, or whose agreement with the Union has been cancelled for failure to comply with its terms, or whose bond was returned before one year had elapsed from the date of its posting or any Employer which incorporated after May 31, 2003 shall deposit with the Trustees of the Painters Union Deposit Fund in the sum of \$20,000 in cash or in a negotiable U.S. Bond made payable to bearer, as security that the Employer will meet, all monetary obligations required of him by this Agreement, whether involving wages directly or other benefits.

SECTION 2. The Employer agrees that the foregoing \$20,000 shall be deposited with said Trustees under a document authorizing them to immediately apply the security deposited against any delinquency which the Employer permits to occur and against any penalty occurring by reason of the delinquency and the Employer agrees to furnish promptly additional security of like kind so that the security deposited shall never be less than \$20,000.

SECTION 3. Said \$20,000.00 or any unused portion thereof shall be returned to the Employer within ninety (90) days of the happening of any of the following conditions:

- A. The completion of twenty-four (24) successive months of operation without any delinquency or violation of this Agreement.
- B. Cancellation of this Agreement, provided that if a new Agreement be entered into between such Employer and the Union, after the cancellation, the deposit shall be retained or a new bond posted for at least twenty-four (24) successive months as provided in paragraph A above.
- C. Upon the termination of this Agreement by its own terms,

or upon cancellation by either Employer or Union.

ARTICLE XXII

Grievances

SECTION 1. During the term of this Agreement, whenever a dispute arises between the Union and an Employer concerning the carrying out of this Agreement or whenever it is charged that an Employer has violated, is violating, or is about to violate this Agreement, the procedure set forth in the balance of this Article XX shall be followed.

- A. There is hereby created a Joint Committee, to consist of six (6) members, two (2) to be appointed by the Union and two (2) to be appointed by each Association, and each Association member shall be an employer as defined in Article I Section 1 hereof. The Union and the Association shall each also appoint alternate members, who shall be entitled to attend all meeting of the Joint Committee, but without voice or vote unless replacing a regular member, in which case the alternate shall have full power to act as though he was regular member of the Joint Committee. The Union and the Association shall each certify in writing the names of their regular or alternate, shall continue in office until the Union or Association which appointed him shall replace him or until he resigns or becomes unable to serve. A new appointment by the Union or the Association shall become effective when received in writing by either the chairman or secretary of the Joint Committee, to whichever the communication is directed.

- B. The Joint Committee shall elect from among its members a chairman and a secretary. The chairman and the secretary shall not both be representatives of the Union or the Associations. The Joint Committee shall hold regular meetings at times and a place established by the Joint Committee. Special meetings may be held at other times at the call of both the chairman and secretary. Three (3) members of the Joint Committee shall constitute a quorum for any meeting, as long as the Union and the Associations are each represented by one (1) member. In the event members are absent, the remaining Union and Association representatives shall possess an equal number of votes. On all questions,

motions or matters to be decided, the representatives of the Union and the Association shall vote individually. The Joint Committee may establish by-laws and rules of procedure for itself.

- C. Whenever a grievance or dispute arises under this Agreement, or whenever it is charged that an Employer has violated, is violating, or is about to violate this Agreement, both the Employer and a Business Representative of the Union shall attempt to settle the grievance or dispute or terminate the alleged violation of this Agreement. If the Employer and the Business Representative of the Union are unable to resolve the dispute or alleged violation, then the matter shall be reduced to writing in the form of a grievance and referred to the Joint Committee to be handled as hereinafter set forth.
- D. A grievance is a written dispute claim or complaint arising under and during the term of this Agreement and is filed by either authorized Union representative of or an employer in the bargaining unit.
- E. Whenever a grievance is referred to the Joint Committee, in accordance with B of this Section, the Joint Committee is empowered to adjust such grievance, and in doing so, shall interpret this Agreement so as to give force and effect to the intent, purpose and meaning of this Agreement. All decisions of the Joint Committee shall be consistent with all prevailing and applicable federal and state laws. The decisions shall be final and binding on all parties to this Agreement except for the right to an arbitration hearing as provided herein. Arbitration is only applicable if the Committee cannot agree upon a decision. In every case involving spray violations, if the Joint Committee determines that the Employer is guilty and that the Employer shall pay damages, the damages shall not be less than \$75.00. When a grievance is decided, the Employer shall be notified by a letter of the terms of settlement. If the decision requires that the Employer pay damages, he shall pay the same within fifteen (15) days of the date of the letter of notification.
- F. In the disposition of matters referred to it, the Joint Committee shall have authority to investigate the matter,

to bring in all parties concerned and to hear all the evidence concerning the case. No Association representative to the Joint Committee shall participate as a Joint Committee member in any case in which he or his Employer is involved, either directly or indirectly, nor shall any Employer signatory to this Agreement act as a member of the Joint Committee in any case in which he or one of his employees is directly or indirectly involved. No Union representative to the Joint Committee shall participate as a Joint Committee member in any case in which he is directly involved. After hearing all the evidence and thoroughly investigating the case, the Joint Committee shall decide how the case shall be disposed of and shall have the power to assess damages or take any other disciplinary actions which it deems appropriate. This decision shall be final and binding on all parties to this Agreement and to the hearing, except that, for good cause shown to it within thirty (30) days after it renders its decision, the Joint Committee may review and alter its decision.

- G. In the event the Joint Committee cannot agree upon a disposition of the case, the case may be appealed to an impartial arbitrator. In the event the parties cannot agree upon the selection of an impartial arbitrator, such impartial arbitrator shall be appointed by the American Arbitration Association by any means customarily used by it, and the arbitration shall be conducted under the labor arbitration rules of the American Arbitration Association. The impartial arbitrator shall determine the issue, hear the case as soon as it is practicable, and render a prompt decision, and his decision shall be final and binding upon all parties. There shall be no appeal from such decision.
- H. All signatories to this Agreement hereby authorize and empower a certified public accountant selected by the Joint Committee to have access to any records, books, accounts, ledgers, and records of original entry, to inspect them for the purpose of determining whether or not any Employer, party to this Agreement, has complied with the provisions of this Agreement. Such inspection shall be made, only on an order of the Joint Committee and under the supervision of the Joint Committee.
- I. This Article XXII shall not apply to disputes arising

between the Union and an Employer concerning Article XX hereof.

SECTION 2. In the event of a decision by an impartial arbitrator or the Joint Committee that any Employer has violated the Agreement, in a case where money damages is an appropriate sanction, the Employer shall be assessed damages in accordance with the following schedule:

- A. Performance of work on Saturdays, Sundays or Holidays without a permit: An amount not to exceed double the amount of a day's pay for the first employee involved in such violation, and an amount not to exceed a day's pay for each additional employee involved in such violation. A day's pay shall include the fringe benefit contribution as well as the wage.
- B. In cases involving other violations, the damages shall be assessed by the Joint Committee in the exercise of their discretion and judgment.
- C. Upon an Employer party to this Agreement having violated this contract three (3) times in any one (1) year, such violations may result in cancellation of that Employer's Agreement.

SECTION 3. The cost of arbitration and the arbitrator shall be borne equally by the Union and the Employer. Should either party utilize the services of an attorney or other representative in the process of arbitration, the costs of such services shall be borne by the parties utilizing them.

SECTION 4. The Union will not stop any job except in the case of direct violation of the Articles of Agreement and then only that portion of the job shall be stopped which is involved in the violation, and the jobs will be stopped only upon the authorization and approval of the Secretary of the District Council. In the event that the job is stopped, the Union shall give notice to the Employer in writing within twenty-four (24) hours and a meeting shall be scheduled as provided in the first Section of this Article. In the event that it shall be determined either by the Joint Committee or the impartial arbitrator that the Union has stopped a job where there is no direct violation then the Union and/or its representatives shall be subject to payment of damages assessed by the arbitrator

in an amount which shall be appropriate under all the circumstances.

SECTION 5. Any Employer or the Union subjected to assessment of damages by the impartial arbitrator shall be notified in writing by the impartial arbitrator of such decision immediately. Said Employer or Union shall make payment within sixty (60) days of the date of notice. If said damages are not paid within said sixty (60) days, the failure to do so on the part of the Employer shall be considered a material breach of the Articles of Agreement, and said Articles of Agreement shall be subject to cancellation by the District Council.

SECTION 6. When damages have been assessed against the Union for violation of the Articles of Agreement, the impartial arbitrator shall notify the Union of such assessment immediately, and the Union shall enforce payment of such damages in conformity with its Constitution and By- Laws. In the event that the Union is responsible for the violation of the Agreement by one of its representatives, it shall be the duty of the Union to comply with the decision of the impartial arbitrator forthwith.

SECTION 7. The Joint Committee shall have the power to request and the Union shall install an outside steward at any job site that has had a violation of this Agreement. The Joint Committee shall have the power to request and the Union shall install an outside shop steward in any shop which has had over two violations during the period of one year in the event that the Union has not appointed a shop steward in that shop.

SECTION 8. When a complaint against contractor or journeyman has been lodged with the Painters District Council or the Joint Committee, the business representative or the Painters District Council shall investigate the Complaint and report his findings and actions to the Joint Committee. If the Union fails to carry out its responsibilities hereunder, it shall be subject to disciplinary action by the Joint Committee.

SECTION 9. An employee having any complaint on wages, travel expenses, or premium rates, or any other complaint of violation of the working agreement, must bring such complaint to the attention of his employer and Painters District Council 1M as soon as possible, but no later than 21 days from the date of the violation.

No employer shall be required to pay back wages, travel

expense, premium rates or any other employee benefits under the working agreement excepting fringe benefit contributions, prior to 21 days to the filing of a complaint by an employee with his employer and Painters District Council 1M, as provided above.

ARTICLE XXIII

Vacations and Pensions

SECTION 1. Vacations and Pensions shall be provided for all employees in accordance with the terms and conditions of certain Trust Agreements which have been executed between the parties hereto.

SECTION 2. A summary of such Vacation and Pension benefits shall be furnished to Employers signatory to this Agreement and any Employer shall have the right to examine and inspect the basic Trust Agreements relating thereto.

ARTICLE XXII
Termination

SECTION 1. The terms of this Agreement shall be from June 1, 2018 through May 31, 2022 and from year to year thereafter unless either party desires a change, in which case it is to notify the opposite party in writing at least sixty (60) days prior to May 31, 2022 or sixty (60) days prior to the anniversary date of any extension thereof.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 5th day of June, 2018.

PAINTERS DISTRICT COUNCIL 1M
Robert Gonzalez, Business Manager/Secretary-Treasurer

Signature

Date

ARCHITECTURAL CONTRACTORS TRADE ASSOCIATION
Garrett Wickham, President of ACT

Signature

Date

ARTICLE XXIII

SECTION 1. The terms of this Agreement shall be from June 1, 2018 through May 31, 2022 and from year to year thereafter unless either party desires a change, in which case it is to notify the opposite party in writing at least sixty (60) days prior to May 31, 2022 or sixty (60) days prior to the anniversary date of any extension thereof.

IN WITNESS WHEREOF, the parties agree to the terms of this agreement and the Memorandum of Understanding Adopting Rehabilitation Plan for Painter Union Pension Fund Incorporated herein; and the parties hereto have set their hands and seals this _____ day of _____.

Name of Employer (please print)	Business Phone
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Address of Company Shop	Email Address
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State License	M.U.C.C. No.	Workmen's Compensation & Policy No.
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Is Employer a sole Proprietorship Partnership or Corporation

If partnership, give names of partners; if Corporation, give names of officers and State of Incorporation.

Name (print)	Phone
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President Partner	Fax #:
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Street	City and State (Zip)
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Vice-President Partner	
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Street	City and State (Zip)
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Secretary-Treasurer
Partner

Street	City and State (Zip)
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State of Incorporation

Signed: For District Council 1M Title	Signed: For Employer Title
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The Union reserves the right to cancel this Agreement if any of the above statements is false.

In consideration of the execution of this collective bargaining agreement by Painters District Council 1M, the undersigned (and each of us) hereby agrees to guaranty and to be personally liable for the wages and all other payments required by the terms of this collective bargaining agreement, as long as any of the undersigned, maintains any ownership or management interest in the _____ Co., signatory to this collective bargaining agreement.

The undersigned, and each of us, further understands that this collective bargaining agreement between Painters District Council 1M and _____ Co. is not transferable and will be cancelled by Painters District Council 1M as soon as any significant ownership or management interest in the _____ Co., occurs, unless prior approval of the District Council is obtained.

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

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