



HIGH PERFORMANCE

HIGH VALUE

Northern California Drywall Finishers Master Agreement

Between

District Council 16

& The

Wall And Ceiling Alliance

July 1, 2011 – June 30, 2014

TABLE OF CONTENTS

| Article | Article # | Page |
|--|--------------------------|-------------|
| Bargaining Parties & Geographical Jurisdiction | Article 1 | 1 |
| Designated Days Off | Article 9, Section 7(a) | 20 |
| Drywall Finisher Apprentices & JATC | Article 7 | 10 |
| Dues Check-Off | Article 14, Section 1 | 33 |
| Employees & Hiring Practices | Article 6 | 8 |
| Employers | Article 5 | 4 |
| Grievance & Arbitration | Article 12 | 23 |
| Holidays | Article 9, Section 7 | 20 |
| IUPAT Finishing Trades Institute | Article 14, Section 3 | 35 |
| IUPAT Labor Management Cooperation Initiative | Article 14, Section 4 | 35 |
| Job Registration | Article 5, Section 18 | 7 |
| Overtime | Article 8, Section 9 | 15 |
| Painting – Spray Texture | Article 5, Section 2 & 3 | 4 |
| Parking and Bridge Tolls | Article 8, Section 13 | 17 |
| Pay Day | Article 8, Section 17 | 18 |
| Payments to the Trust Fund | Article 13 | 25 |
| Period of Agreement | Article 15 | 36 |
| Picket Lines | Article 5, Section 12 | 6 |
| Preservation of Work Clause | Article 4 | 3 |
| Safety | Article 8, Section 22 | 18 |
| Scope of Work | Article 3 | 2 |
| Separability & Savings Clause | Article 2 | 1 |
| Stewards | Article 10 | 21 |
| Travel Expense | Article 8, Section 12 | 16 |
| Violations | Article 11 | 22 |
| Wages & Payment of Same | Article 8 | 11 |
| Work Preservation Fund | Article 14, Section 2 | 34 |
| Working Conditions | Article 9 | 19 |
| Working Hours | Article 9, Section 1 | 19 |

ARTICLE 1

This Agreement is made and entered into the first day of July 2011 by and between District Council 16 of the International Union of Painters and Allied Trades AFL-CIO, hereinafter referred to as the "Union", acting as the exclusive collective bargaining representative of employee members of said Union or who hereafter become members thereof and the Wall And Ceiling Alliance, acting as the exclusive bargaining representative of employer members of said association or who hereafter become members thereof and other associations of employers and individual employers who are signatory to this Agreement or any copy thereof and are regularly engaged in the Drywall Taping and Finishing business all hereinafter referred to as the "Employer".

The Employer recognizes, acknowledges and agrees that it has satisfied itself that the Union represents a majority of its employees employed to perform bargaining unit work and that the Union is that collective bargaining representative for such employees. The Employer specifically agrees that the Union has demonstrated its majority status and it has properly established a collective bargaining relationship within the meaning of Section 9(a) of the National Labor Relations Act by this Agreement and/or by the execution of previous Agreements.

The jurisdiction of this Agreement covers the following Counties: Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Kings, Lake, Lassen, Madera, Mariposa, Marin, Mendocino, Merced, Modoc, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba.

The Wall And Ceiling Alliance will include in their Bylaws a paragraph binding all Members of any category performing work covered under the Scope of Work described in this Agreement to the terms and conditions of this Agreement. These Bylaws and any amendments shall be filed with the Union.

ARTICLE 2

SEPARABILITY AND SAVINGS CLAUSE

If any Section, paragraph or Article of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Section, paragraph or Article should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or the application of such Section, paragraph or Article to person or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained shall not be affected thereby. In the event that any Section, paragraph or Article is held invalid or enforcement of or compliance with any Section, paragraph or Article has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of either party, for the purpose of arriving at a mutually satisfactory replacement for such Section,

paragraph or Article, during the period of invalidity or restraint. If the parties do not agree within a period of sixty (60) days on a mutually satisfactory replacement, either party shall be permitted all legal or economic recourse in support of its demands notwithstanding any provisions in this Agreement to the contrary.

It is understood and agreed that at such times as existing Federal Laws containing restriction on the form of union recognition and union security provision may be amended so as to make legal conditions and requirements other than those contained in this Agreement, then and in that event, either party to this Agreement may upon thirty (30) days notice in writing, given to the other party, reopen Article 6 of this Agreement for the purpose of negotiating changes in these Articles.

ARTICLE 3 **SCOPE OF WORK**

Section 1. The Scope of Work covered by this Agreement shall include but not be limited to all work operations after the initial unloading of the Drywall Finishers material on the jobsite, including distributions to the point of application.

Section 2. Work or services pertaining to the preparation, spotting, painting, detailing, taping, floating, sanding and finishing of interior and/or exterior gypsum, drywall, thinwall, concrete, sheet, wood or plaster surfaces. Skimming/priming or sealing as pertaining to achieving a level 5 finish.

Section 3. Work or services pertaining to the application or type of surface on which materials are applied, including but not limited to texture and simulated acoustic material of all types and the application of radiant heat fill and steel fire proofing materials.

Section 4. Work or services pertaining to the installation of protective coverings and masking prior to the application of finish materials.

Section 5. Caulking and/or application of fire stopping material between sheetrock walls and/or ceilings and adjoining walls, penetrations, ceilings and floors of other materials.

Section 6. The operation and care of all taping tools and texturing equipment used in the finishing and texturing of drywall and other surfaces including brushes, rollers, spray texturing equipment, miscellaneous hand, mechanical and power tools, and the operation and maintenance of compressors required in the finishing and texturing of such surfaces.

Section 7. No limitations shall be placed on the work covered by this Agreement by reasons of the surface type of material, or purpose for which the material used is designed or intended.

Section 8. Nothing herein is intended to conflict with or violate any State or Federal law.

Section 9. The clean-up of all material and debris occasioned by any job operation at the site of construction, alteration, or repair undertaken by the Employer signatory hereto, whether such operation occurs on the interior or exterior of a building structure.

Section 10. Employers who are signatory parties to this Agreement, who do work that is not covered by this Agreement but is covered by the Scope of Work Clause in the respective Painters Agreement of District Council 16, shall be covered by the Scope of Work Clause in the respective Painter's Agreements.

ARTICLE 4

PRESERVATION OF WORK CLAUSE

Section 1. 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.

Section 2. All charges of violations of Section 1 of this Article 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 Adjustment Board or Arbitrator 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 Adjustment Board or Arbitrator shall be able also to provide any other appropriate remedies, whether provided by law or this Agreement. The Union shall enforce a decision of the Joint Adjustment Board or Arbitrator under this Article only through arbitral, judicial, or governmental, for example, the National Labor Relations Board channels.

Section 3. 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 institute legal action to enforce an award by an Arbitrator or the Joint Adjustment Board 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 4. Both the Wall And Ceiling Alliance (WACA) and the Union parties to this Agreement recognize the necessity of assuring the competitive position of the parties within the

industry during the term of this Agreement. Consistent with that recognition, both WACA and the Union will continually monitor the effectiveness of this Agreement and will endeavor, by mutual agreement, to initiate such modifications to this Agreement, during its term, as may be necessary to assure work opportunities for the employees and maintain or improve the competitive position of the individual employers. To that end, either WACA or the Union may request in writing that the parties meet to address specific concerns and address contract modifications. If either party makes such a request, it is agreed that the parties will meet within two weeks and endeavor to achieve mutually agreeable Agreement modifications necessary to assure work opportunities for the employees and maintain or improve the competitive position of the individual employers.

ARTICLE 5

EMPLOYERS

Section 1. Employers signatory to this Agreement shall possess a California State License Classification C-9, C-33, or C-61. The Employer shall not do business covered under the Scope of Work herein under any other name than that name in which the Employer holds a California State License.

- (a) Each Employer may designate no more than two (2) owners, partners or persons holding a proprietary interest in the business as Owner Members of the Union. Owner Members may perform work covered by this Agreement and the Employer shall not make active hourly Trust Fund contributions on behalf of Owner Members. Owner Members shall become and remain members in good standing of the Union as Owner Members.

Section 2. Painting:

Drywall Contractors who do painting will be covered under the terms of the District Council Painters Agreement where the work is being performed. It is understood that the Union will continue their organizing efforts including production and maintenance, and Agreements will be signed with Employers in said fields, establishing terms and conditions for production and maintenance drywall finishing.

- (a) Employers signed to this Agreement who do painting work must follow the use of tool regulations as per the Painting Agreement of the area where the work is being performed.

Section 3. Spray Texture:

- (a) After taping patterns may be sprayed, provided the texture is of sufficient hardness that paint can be applied.
- (b) Acoustic type texture may be sprayed on ceiling and drop ceiling areas.

Section 4. Employers signatory hereto doing production and maintenance taping will be requested to execute Agreements relating to said work, and any work done will be covered by the terms of such executed Agreements (if none, by this Agreement).

Section 5. The Employer shall permit duly accredited representatives of the Union to visit his shop or job at any time where work is being performed in order to determine whether the shop or job is being conducted in accordance with this Agreement.

Section 6. The Employer shall have a duly issued and effective State Contractor's License, shall carry Workers Compensation Insurance, and shall comply with all Federal, State and Municipal Laws pertaining to the Drywall Industry and all health and safety regulations and rules of the State and Municipal Departments, Commission and Health Officers including the rules and regulations of the Industrial Accident Commission.

Section 7. The Employer warrants, asserts, and agrees that this document is executed by him/her with full authority to represent and bind any firm, partnership, corporation or association of which he/she is a partner, officer, representative or member.

Section 8. If this Agreement is signed by a member of a partnership, it shall apply to them and each of them individually. In the event of a dissolution or termination of said partnership or in the event of a merger, consolidation or other legal change whatsoever, with respect to employer, any obligations hereunder shall be binding upon any assignee, successor, legal representatives or lessee of such Employer.

Section 9. After this Agreement takes effect any Employer may become a party hereto if the Agreement is executed by him/her. This Agreement shall take effect as to such new contracting party at such time as said party signs such Agreement.

Section 10. No Employer shall work with the tools on any job of drywall finishing or any other type of work covered by this Agreement unless the Employer shall have in its employ at least one (1) journeyman. With respect to any such job requiring overtime work, no Employer shall work with the tools unless a journeyman shall actually work with the Employer on such work.

Section 11. Employers signatory to this Agreement who subcontracts bargaining unit work to another Employer signatory to this Agreement shall be held additionally responsible for delinquent payments of wages and/or fringe benefits.

- (a) All jobs must be registered by the prime contractor listing the subcontractor. The job must also be registered by the subcontractor.
- (b) An Employer shall not subcontract the labor part of a contract to an employee or journeyman.
- (c) An Employer signatory to this Agreement may not hire as an employee anyone who is signatory to this Agreement.

Section 12. Work Stoppages:

There shall be no stoppage of work either by strike or lockout by the parties hereto, except as provided for elsewhere in the Agreement.

- (a) 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.
- (b) It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action, in the event an employee refuses to enter upon any property involved in a lawful primary labor dispute, or refuses to go through or work behind any lawful primary picket line of the Union party to this Agreement, and including lawful primary picket lines at the Employer's own place of business or jobs.
- (c) Furthermore, recognizing the "special problems" in the construction industry based upon the close relationship between contractors and subcontractors at the jobsite of the construction, alteration, painting, or repair of a building, structure, or other such work and the friction that is created when union and non-union employees are required to work side-by-side, it shall not be a violation of this Agreement and it shall not be a cause for disciplinary action or discharge in the event an employee refuses to enter upon any such construction site where non-union employees are employed and which would require the employee to work "shoulder-to-shoulder" or alongside the non-union employee or employees, or refuses to remain on such a jobsite when non-union employees are engaged in such construction on the jobsite. This clause shall apply only to jobsites where the Union's members are working, whether it be on a construction site of the Employer or at any other jobsite.

Section 13. It shall be a violation of this Agreement for the Employer or the Employer's agent to establish production quotas or piece work systems.

Section 14. The Employer shall not subcontract any work covered by this Agreement to be done at the site of construction, alteration, or repair of a building, structure or other work:

- (a) To any other individual Employer who works with the tools of the trade involved;
or
- (b) To any individual or firm who is not a party to this Collective Bargaining Agreement.

Section 15. The Employer party hereto shall, when engaged in work outside the geographic 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 geographic 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 as to employees employed by such Employer from within the geographic 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, and fringe benefit contributions on behalf of such employees shall be made solely to their home funds in accordance with their governing documents. 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.

Section 16. The bargaining parties expressly agree that the San Francisco Paid Sick Leave Ordinance shall not apply to employees covered by the Northern California Drywall Finishers Master Agreement.

Section 17. Should the Union enter into a contract with any individual Employer, which is more favorable than this contract, then any Employer who establishes and operates in the same manner shall be eligible to apply for and receive the same contract. In the event a more favorable contract as above set forth is limited to a particular geographical area covered by this contract, then, and in that event, the paragraph shall apply only to work being performed in said geographical area. This clause shall not be applicable to work under project agreements or with respect to work existing in newly organized shops at the time such shops are organized. All signatory Employers will be notified within thirty (30) days in writing of any contracts signed.

- (a) For the purpose of organizing, District Council 16 may enter into an addendum to this Agreement using terms and conditions outside our Master Agreement allowing a new Employer to complete previously signed contracts or work in progress. Work in progress must comply with prevailing wage laws. Any Agreement entered into between Building Trades Councils and property owners, builders and developers must comply with the existing Master Agreement. All new work and contracts entered into after initial signing of the Master Agreement or addendum must be installed under the full terms and conditions of the Master Agreement.
- (b) The above addendum shall have a duration period of no longer than eighteen (18) months and shall only be offered to Employers with a business address in the geographical area covered by the Union.

Section 18. The Employer shall register all drywall taping jobs that are greater than four hundred eighty (480) hours to the central office of District Council 16 on forms provided.

Section 19. In accordance with the requirements of the Occupational Safety and Health Act of 1970, it shall be the exclusive responsibility of the Employer to ensure the safety of its employees and compliance by them with any safety rules contained herein or established by the Employer. Nothing in this Agreement will make the Union liable to any employees or to any other persons in the event that work-related disease, sickness, death, injury or accident occurs.

- (a) The Employer will not engage in any litigation against the Union, or a subrogation theory, contribution theory, or otherwise, so as to obtain a monetary judgment from it in connection with any work related disease, sickness, death, injury, or accident.

ARTICLE 6

EMPLOYEES AND HIRING PRACTICES

Section 1. 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 2. The Employer shall call the Union when any additional Drywall Finishers are needed, and the Union agrees to refer Drywall Finishers to the Employer within twenty-four (24) hours, if available. If the Union is unable to furnish qualified Drywall Finishers to the Employer within forty-eight (48) hours after the Employer calls for them, the Employer shall be free to procure Drywall Finishers from any other source. However, the Employer shall require the Drywall Finishers so procured to present a work referral from the Union prior to putting the Drywall Finishers to work.

Section 3. Notwithstanding the above, Drywall Finishers in good standing with the Union may seek their own job and the Employer may have referred to it any applicant (who is registered on the Unions out of work list) by submitting a request by name to the Union.

Section 4. The Employer shall require each new employee to present a written referral from the Union prior to putting the new employee to work.

- (a) Any employee initially presenting their referral to the Employer and fails to provide proper governmental documentation or fails the Employers initial employment drug test shall not be eligible for show-up pay.

Section 5. When the Union, employee and Employer agree to reclassify an employee, the Employer shall require the employee to present a written referral from the Union prior to putting the employee to work at the new classification.

Section 6. In the event the Employer fails to comply with these hiring procedures, the Union may utilize the dispute settlement or arbitration procedures set forth in this Agreement and may resort to such economic and legal remedies as it sees fit with respect to such Employer. Any economic action taken will not be considered a violation of this Agreement.

Section 7. Seven Day Clause: Workers employed by the Employer for a period of thirty (30) working days continuously or accumulatively within the unit covered by this Agreement, and any workers working for any one (1) Employer on or after the thirtieth (30th) day following the date of his employment or the effective date of this Agreement, whichever is later, shall as a condition of employment become members of the Union by tendering full and uniform fees in effect, and all workers accepted into membership shall thereafter maintain their continuous good standing in the Union as a condition of employment by paying regular dues. In the event that a worker fails to tender the required fees or dues in accordance with this Section, the Union shall notify the Employer in writing and the Employer shall discharge the worker within forty-eight (48) hours (Saturday, Sunday and holidays excepted). Notwithstanding anything to the contrary in this Article it is agreed that the thirty (30) day period referred to in this Section shall be reduced to seven (7) days for all employees of an Employer engaged primarily in the building and construction industry, so that such employees will be required as a condition of employment to become members of the Union after the seventh (7th) day following the beginning of such employment or the effective date of this Agreement whichever is later, and all such employees accepted into membership shall thereafter maintain their continuous good standing in the Union as a condition of employment.

Section 8. No person who holds a C-33, C-61 or C-9 license pertaining to the drywall industry, shall be eligible to qualify as, or shall be considered to be, a worker for placement on any list for hiring as provided in this Article, inasmuch as no person may concurrently and simultaneously qualify both as an Employer and an employee.

Section 9. Any employee who is discharged due to his/her activity in reporting violations of this Agreement, shall report the same to the District Council and if after investigation, said charges are substantiated either by agreement or through the Grievance and Arbitration process, the employee shall be returned to employment and receive retroactive pay from the date of dismissal.

Section 10. It shall not be a violation of this Agreement for employees to refuse to pass through or work behind a legitimate picket line recognized by the Building and Construction Trades Council in the area where the work is being performed.

Section 11. No employee shall work for any signatory Employer who has failed, neglected or refused to pay his/her employees the wages including Trust Fund Benefits or other compensation provided for in this Agreement. The District Council or Local Union may take such economic action, by strike, picket line or boycott, as it may see fit, against any Employer so failing, neglecting or refusing to pay his/her employees the wages or other compensation provided for in this Agreement.

Section 12. No employee may be transferred from an individual Employer's payroll to another individual Employer's payroll except in accordance with this Article.

Section 13. Whenever the Employer requests a worker who is not a member of the Union, he/she shall do so in writing on a form provided by the Union. It shall be the obligation of the Employer to see that the provisions of this Article 6 are carried out by the Employee. Upon failure to comply, the Employer shall become liable to the Union for fees and dues lost to the Union. Payments by the Employer for fees and dues lost will be paid to the Local Union where the violation occurred.

Whenever a worker, who is not a Union member, is employed without a referral slip from the Union, the Employer shall become liable for the full fees to the Union.

ARTICLE 7

DRYWALL FINISHER APPRENTICES & JATC

Section 1. In the territorial jurisdiction of the Union there is established one (1) Drywall Finisher Joint Apprenticeship and Training Committee of eight (8) members of whom four (4) shall be appointed by the Union and three (3) shall be appointed by the Wall And Ceiling Alliance. The Committee shall oversee the journeyman and apprenticeship training system under the control of the Trustees of the District Council 16 Northern California Journeyman & Apprentice Training Trust Fund. The term Apprenticeship Training shall be in accordance with Standards approved by the California Division of Apprenticeship Standards. The parties to this Agreement shall bind the Drywall Finishers Joint Apprenticeship and Training Committee and sub-committees to the strict enforcement of this Section. In the case of any dissatisfaction between a contractor and an apprentice regarding any decision of the Drywall Finishers Joint Apprenticeship and Training Committee it shall be the duty of the parties involved to appeal the matter to the Division of Apprenticeship Standards, State of California. The Drywall Finishers Joint Apprenticeship and Training Committee shall be empowered to exercise disciplinary action when apprentices or contractors refuse to comply with said rules and regulations.

Section 2. First year apprentices shall be steadily employed unless circumstances prevail which are beyond the control of the Employer.

Section 3. No Employer shall be permitted to employ more than one (1) Apprentice to each three (3) Journeyman Tapers or fraction thereof. Employers with three (3) or more employees shall employ one (1) Apprentice Taper and may employ no more than one (1) additional Apprentice Taper per each three (3) additional Journeyman Tapers thereafter.

Section 4. The Employer may employ Drywall Finishing Apprentices provided that:

- (a) The apprentice shall not be less than eighteen (18) years of age
- (b) The apprentice shall first register with the Union and the California Department of Apprenticeship Standards

- (c) The Employer shall sign the prescribed Training Agreement with the Drywall Finishers Joint Apprenticeship and Training Committee.
- (d) The Employer shall employ the Apprentice for a training period of thirty-six (36) consecutive months, unless circumstances prevail that are beyond the control of the Employer.

Section 5. Apprentices must be rotated on all phases of taping operations. Under no circumstance shall Apprentices be used exclusively for nail spotting, sanding or texturing.

Section 6. During the first nine (9) months of training, the Apprentice shall have supervision.

Section 7. No Apprentice shall be allowed to drop his or her Apprenticeship Card and take out or apply for a Journeyman Card from the Union.

Section 8. No Apprentice shall be assigned out-of-area work that will interfere or prohibit the apprentice from attending school classes or appearing before the Drywall Finishers Joint Apprenticeship and Training Committee after due notice has been given.

Section 9. Drywall Finishers who have worked non-union jobs may be placed in the Apprenticeship Program at any period of Apprenticeship upon mutual agreement between the Union, Employer and employee.

ARTICLE 8

WAGES AND PAYMENT OF SAME

Section 1. Journeyman Rate:

- (a) The rate of pay for Journeyman Drywall Finishers working under this Agreement shall be pursuant to Wage Schedule A (attached) and the Total Package Wage shall be increased by one dollar and fifty cents (\$1.50) per hour on January 1, of each year of this Agreement and/or any extensions thereof.

- (b) The one dollar and fifty cent (\$1.50) per hour increase required each January 1 of this Agreement shall first be utilized to pay the forty-five cent (\$0.45) per hour deficit reduction contribution required by the Bay Area Painters & Tapers Pension Plan, Preferred Rehabilitation Schedule, pursuant to Article 13, Section 2 (a). Secondly, the one dollar and fifty cent (\$1.50) per hour increase required each January 1 of this Agreement shall be utilized to cover any hourly cost increase in Health & Welfare. Any remaining annual increase amount that was not utilized to fund Pension and/or Health & Welfare shall be allocated to wages unless the annual hours worked and/or reported to the Bay Area Painters & Tapers Pension Plan under this Agreement, the preceding year (July 1 through June 30), were less than 1,940,000. In the event that the previous year's hours worked and/or reported to the Bay Area Painters & Tapers Pension Plan under this Agreement are less than 1,940,000, the remainder of the increase required each January 1 of this Agreement, that was not utilized to fund Pension and/or Health & Welfare, shall be deferred and held in deferment until such time as the previous year's hours exceed 1,940,000. In the event that the previous year's hours meet or exceed 1,940,000, any amounts being held in deferment shall be added to the increase due that January 1 and those amounts in excess of any required to fund the Pension and/or Health & Welfare that year shall be applied to the Taxable Net Wages. In the event that money remains in deferment at the time this Agreement expires, this agreement shall automatically extend for one more year.
- (1) On the January 1 in which the money being held in deferral is released to be allocated to wages as defined above equals or exceeds three dollars (\$3.00), then the deferral money shall be split equally and paid over the immediate and following January 1.

Section 2. Job Foreman Rate:

- (a) The duties and responsibilities of the Job Foreman may include handling the company paperwork on the job, assigning and supervising work, maintaining performance requirements, conducting liaison with the general contractor's or owner's representative, maintaining communications with his company and maintain safe working conditions and practices throughout the course of the job. They shall also be permitted to perform during working hours certain Union duties such as: job notification and determining if all work covered by this Agreement is to be performed by members of the Unions party to this Agreement. Further, it shall be the duty of the Job Foreman to return the Employer's unused material and equipment to the Employer.
- (b) When three (3) or more employees covered under this Agreement are on a job of four (4) days' duration or more, one (1) Journeyman Drywall Finisher in good standing with the Union shall be designated as the Job Foreman for the duration of the job.

- (c) The Job Foreman shall receive two dollars (\$2.00) per hour above the Journeyman Drywall Finisher Taxable Net Wage.
- (d) Job Foreman shall be required to attend and satisfactorily complete at least sixteen (16) hours of STAR Program Training annually of which at least eight (8) hours shall be Supervisor Certification Training. Effective July 1, 2013 any Job Foreman who has failed to attend and/or satisfactorily complete their annual sixteen (16) hours of STAR Program Training and/or eight (8) hours of Supervisor Certification Training, during the preceding STAR training year ending June 30, shall no longer be eligible to act as a Job Foreman for any Employer until such time as he or she completes the required training.

Section 3. General Foreman Rate:

- (a) The General Foreman's responsibilities may include coordinating and directing all field work as well as overseeing the duties of the Job Foreman, assigning jobs to crews and individuals, maintaining discipline and enforcing regulations and policies as directed by the Employer especially in regards to the promotion of safety. The General Foreman shall oversee the training and job assignments of apprentices and insofar as possible, give the apprentice the program recommended by the Drywall Finishers Joint Apprenticeship and Training Committee. The General Foreman shall, whenever possible, devise new methods of operation that will benefit both the Employer and employees. In accepting authority, the General Foreman will also accept responsibility.
- (b) All shops employing twenty (20) or more employees covered by this Agreement will designate one (1) working Journeyman, in good standing with the Union, as their General Foreman.
- (c) The General Foreman shall receive four dollars (\$4.00) per hour above the Journeyman Drywall Finisher Taxable Net Wage.
- (d) General Foreman shall be required to attend and satisfactorily complete at least sixteen (16) hours of STAR Program Training annually of which at least eight (8) hours shall be Supervisor Certification Training. Effective July 1, 2013 any General Foreman who has failed to attend and/or satisfactorily complete their annual sixteen (16) hours of STAR Program Training and/or eight (8) hours of Supervisor Certification Training, during the preceding STAR training year ending June 30, shall no longer be eligible to act as a General Foreman for any Employer until such time as he or she completes the required training.

Section 4. Apprentice Rate:

- (a) Apprentices shall be paid a progressive increasing scale of Taxable Net Wages based upon their respective percentage of Journeypersons Taxable Net Wage as follows:

| | |
|------------------------|-----|
| First Six Months..... | 45% |
| Second Six Months..... | 55% |
| Third Six Months..... | 60% |
| Fourth Six Months..... | 70% |
| Fifth Six Months..... | 80% |
| Sixth Six Months..... | 90% |

- (b) Full fringe benefit contributions shall be made on behalf of all Apprentices with the exception of Pension, Annuity and Vacation/Holiday; such contributions shall be based on their respective percentage of Journeyman contributions.
- (c) No Apprentice shall suffer a reduction in Taxable Net Wages as a result of the implementation of this Agreement.

Section 5. New Applicants Rate:

- (a) New Applicants shall be paid a progressive increasing scale of Taxable Net Wages based upon their respective percentage of Journeyperson Taxable Net Wage as follows:

| | |
|------------------|-----|
| First Year..... | 70% |
| Second Year..... | 80% |
| Third Year..... | 90% |

- (b) Full fringe benefit contributions shall be made on behalf of all New Applicants with the exception of Pension, Annuity and Vacation/Holiday; such contributions shall be based on their respective percentage of Journeyman contributions.
- (c) New Applicants cannot replace Journeypersons.
- (d) In no case shall a New Applicant be allowed to work on prevailing wage projects.
- (e) No New Applicant shall suffer a reduction in Taxable Net Wages as a result of the implementation of this Agreement.

Section 6. Pre-Apprentice Rate:

- (a) Pre-Apprentices shall be paid an hourly Taxable Net Wage based upon thirty-five percent (35%) of the Journeyperson Drywall Taxable Net Wage.
- (b) Full fringe benefit contributions shall be made on behalf of all Pre-Apprentices with the exception of Pension, Annuity and Vacation/Holiday. Pre-Apprentices shall have no contributions made on their behalf towards Pension, Annuity and Vacation/Holiday during their term of Pre-Apprenticeship.
- (c) The Pre- Apprenticeship term shall last for no longer than six (6) months.

- (d) The entire Pre-Apprenticeship term shall be considered probationary and employment may be discontinued at any time at the sole discretion of the employer.
- (e) In no case shall Pre-Apprentices be allowed to work on prevailing wage projects.

Section 7. Clean-up Person Rate:

- (a) Clean-up Persons shall be paid an hourly Taxable Net Wage based upon forty percent (40%) of the Journeyman Drywall Finisher Taxable Net Wage plus full Health & Welfare and full Union Dues.
- (b) Employees working under the terms of this Section shall be confined to performing work not normally performed by Journeyperson Drywall Finishers and/or Apprentices working under the terms of this Agreement.
- (c) This classification shall be limited to clean-up, erection of interior OSHA approved scaffold, masking, warehouse work, truck and forklift driving and stocking of taping materials. Any phase of gypsum wallboard finishing is prohibited.
- (d) If the Employer wishes to move an employee working under this Section to actual gypsum wallboard finishing as an Apprentice, the Employer shall have the employee make regular application to the Drywall Finishers Joint Apprenticeship and Training Committee and be covered under all the terms of the California State Apprenticeship Agreement. If an employee who is not eligible for apprenticeship is used in any manner other than as a clean-up person, he/she shall be paid Journeyperson Drywall Finisher wages including all fringe benefits.

Section 8. Shop Person Rate:

- (a) Shop Persons shall be paid at thirty percent (30%) of the Journeyman's Taxable Net Wage plus full Health & Welfare and full Union Dues.
- (b) There shall be permitted no more than one (1) shop person per Employer.
- (c) Duties: truck repair and maintenance, tool repair and maintenance, transport materials to jobsite, an all-around gopher. Cannot perform any work covered under the scope of this Agreement.

Section 9. Overtime Payments:

All overtime shall be paid at the rate of one and one-half (1 1/2) times the employees Taxable Net Wage except all hours worked in excess of twelve (12) hours in one (1) day, Sundays and all Holidays listed in Article 9, Section 7, which shall be paid at the rate of double time. If work is performed on Designated Days Off, wages will be paid at one and one-half (1 1/2) times the employees Taxable Net Wage. No overtime work shall be performed without a permit from the

Local Union in the area where the work is being performed. Copies of overtime checks shall be mailed to the Local Union issuing the overtime permit, when requested by the Union.

- (a) If inclement weather forces a job to be shut down during the regular work week, Monday through Friday, then the Employer can work his crew on Saturday at Straight Time. A Saturday straight time day will only apply if inclement weather forces a job to shut down during the regular current work week (Monday through Friday). The Employer can work only that crew which is already on the jobsite at the time that inclement weather forced the shutdown. In order to qualify to receive a Saturday straight time permit, the Employer must contact the Local Union, supply the Union with jobsite information, date of inclement weather and name of employees.

Section 10. Handicapped workers whose earnings capacity is limited because of age, physical disability or other infirmity, may be employed at a wage below minimum upon approval of the Union but they shall not be employed for a Taxable Net Wage less than seventy-five percent (75%) of the Journeyperson hourly Taxable Net Wage. Said workers need not be employed unless requested by Employers.

Section 11. Subsistence and Expense:

Employees shall be paid seventy-five dollars (\$75.00) a day, or reasonable room and board, which ever is higher, seven (7) days a week for such a period as he/she is required to live away from his/her place of residence. Such maintenance shall not be considered wages and shall be paid by separate check. In addition, they shall receive the negotiated rate of pay and fringe benefits.

Section 12. Travel Expense:

Regular Employees of the Employer whom are required to jobsite report more than fifty (50) miles from the point of dispatch (employee's home, individual employer's shop or Union Dispatch Office) as determined by the individual Employer, shall receive Wages and Benefits for all time spent traveling beyond fifty (50) miles from the point of dispatch to the jobsite and return. Employees reporting in their private vehicles to a jobsite more than fifty (50) miles from the point of dispatch, shall also receive mileage at the current IRS rate per mile for all miles traveled outside of the fifty (50) miles (mileage and drive time is to be based on Microsoft MapPoint 2004 or latest available version). Mileage will be paid on a per vehicle basis. This system is based on employees reporting to their jobsite at their regular start time and working on the job until their regular quitting time. Travel from jobsite to jobsite in a private vehicle shall be considered as hours worked and mileage will be reimbursed at the current IRS rate per mile. All travel commencing after reporting to the Employers shop to and from the jobsite will be considered as hours worked and use of the employee's vehicle will be reimbursed at the current IRS rate per mile.

- (a) The following Travel Time Calculation Sheet shall be used in conjunction with Microsoft MapPoint in order to determine Travel Reimbursement and Fringe Benefits contributions. Microsoft MapPoint setting for Driving Speeds shall be; Interstate Highways – 65 mph, Limited Access Highways – 60 mph, Other Highways – 50 mph, Arterial Roads – 35 mph, Streets – 20 mph.

Travel Time Calculation Sheet (Formulas)

| Employee Name | From: | Starting Address | | |
|---|--------------|--|--|---|
| | To: | Destination Address | | |
| | | Minutes | Miles | Minutes Per Mile |
| Actual Commute (One Way) | | (Enter minutes as per MapPoint) | (Enter miles as per MapPoint) | Calculation = (Minutes ÷ Miles) |
| Adjusted Commute (One Way) | | Calculation = (Adjusted Commute Miles x Minutes Per Mile) | Calculation = (Actual Commute Miles – 50) | |
| Round Trip | | Calculation = (Adjusted Commute Minutes x 2) | Calculation = (Adjusted Commute Miles x 2) | |
| Daily Travel Time/Mileage Reimbursement: | | Calculation = (Round Trip Minutes rounded to the nearest ¼ hour) | Calculation = (Round Trip Miles x \$0.505) | |

Travel Time Calculation Sheet (Example)

| John Doe | From: | 123 Any Street, Oakland, CA | | |
|---|--------------|---|----------------|-------------------------|
| | To: | 456 Main Street, Morgan Hill, CA | | |
| | | Minutes | Miles | Minutes Per Mile |
| Actual Commute (One Way) | | 81.00 | 62.80 | 1.29 |
| Adjusted Commute (One Way) | | 16.51 | 12.80 | |
| Round Trip | | 33.02 | 25.60 | |
| Daily Travel Time/Mileage Reimbursement: | | 2/4 | \$12.93 | |

Section 13. All parking and bridge tolls to be paid by the Employer, whenever employees use same. Receipts for parking must be turned in to the Employer for reimbursement on a weekly basis. All reimbursements for parking are to be paid weekly and in full at time of lay-off or termination.

Section 14. Semi-annual and/or annual bonuses shall be permitted under the Agreement without the payment of fringe benefits on same.

Section 15. All wages shall be due and payable either in lawful currency or negotiable check, together with a receipt or check stub showing the employee's and Employer's name, rate of pay, dates and hours worked, all deductions made and amounts due. Said payments shall conform with all the provisions pertaining to the employees as required by Federal and State Laws. Violations of this clause shall be deemed sufficient reason for removal of employees by the Union Representative and said removed employees shall be paid waiting time as per Section 19 of this Article. Wage claims and claims for payment of Fringe Benefit contributions need not be submitted to grievance or arbitration but may be submitted by the Union directly to the Labor Commissioner of the State of California for adjudication.

Section 16. Employers giving checks to employees which are returned as non-negotiable shall be subject to the same penalties as are provided in Section 15.

Section 17. Wages earned shall be due and payable on the last day of each regular work week on the job at quitting time and shall include all wages earned up to and including Tuesday night: except that by application to the Union, an Employer may obtain special permission to include on their payroll only such wages as were earned up to and including Sunday night. This exception, which must first be approved by the Union, is intended to be allowed only in those instances where the preparation of large and/or scattered job payrolls cannot reasonably be accomplished in time to meet the Tuesday night provision. The Employer may utilize an electronic deposit payroll service when authorized to do so by the individual employee. When a holiday falls on Friday, all wages earned up to and including Tuesday night shall be due and payable on Thursday on the job at quitting time.

Section 18. Employees laid off or discharged must be paid in full on the job at the time of dismissal.

Section 19. If the Employer fails to pay his/her employees within the stipulated time, he/she shall pay any employee who waits for payment, such waiting time, including Designated Days Off, Saturdays, Sundays and holidays, at a rate of straight time, at eight (8) hours per day.

Section 20. The refunding of wages earned (commonly referred to as "kick-back") by an employee or the acceptance of said refund or kick-back by an Employer as defined herein shall constitute a distinct and separate violation of this Agreement and shall necessitate such action as is hereinafter stipulated under the Article covering Violations. This Article shall be in addition to any right occurring under Sections 221 and 225 of the Labor Code which makes kick-backs punishable by fine and imprisonment.

Section 21. Validity and Applicability Clause:

If any provision of this Article is declared invalid or the applicability thereof to any person, circumstance or thing is held invalid, the validity of the remainder of this Article and/or the applicability thereof to any other person, circumstances or thing, shall not be affected thereby.

Section 22. Safety:

The Employer shall provide and maintain safe working conditions for employees, and abide by all the safety rules of the State, Municipal Departments, Commissions and Health Officers.

Employees shall comply with and put forth their best effort to augment safety requirements at all times. NOTE: This Section also applies to Federal Davis-Bacon work or State of California Prevailing Wage work providing that it is approved by the contracting agency (State or Federal).

Section 23. The parties to this Agreement recognize the necessity of assuring the competitive position of the parties within the industry during the term of this Agreement. It is therefore recognized that the foregoing working rules cannot reasonably be so worded as to cover any and all contingencies that may arise because of other than ordinary circumstances. It is, therefore agreed that a contingency not specifically provided for in this Agreement which is requested by the Employer shall be referred to as an “Exceptional Condition Request” and an employer may make such a request to the Union for a permit issued under this exceptional condition clause.

- (a) The Employer shall submit, via email, all requests for an Exceptional Condition Permit to the Director of Service of District Council 16. The Director of Service of District Council 16 shall respond, via email, within two (2) business days.

Section 24. Project Agreements:

The Union may enter into "Project Labor Agreements" as needed, to combat non-union work of any type.

ARTICLE 9

WORKING CONDITIONS

Section 1. Eight (8) consecutive hours between six (6:00) a.m. to four-thirty (4:30) p.m. shall constitute a Regular Work Day Monday through Friday (except for Designated Days Off and Holidays listed in Section 7 below).

- (a) A four (4) ten (10) hour day work week may be implemented upon approval of the Union, Employer and employee. When a four (4) ten (10) hour day work week is established, it shall be for four (4) consecutive days Monday through Friday.

Section 2. All other time than mentioned above shall be considered overtime. Employees shall not report to any shop earlier than thirty (30) minutes nor to any job earlier than twenty (20) minutes before starting time. These provisions shall apply only to work within the confines of the city or town of the Employer signatories hereto. Reporting to work on out-of-town jobs shall be in accordance with the provisions of “Travel Time” herein defined.

Section 3. The preparations of materials and equipment and the cleaning up and removal of same, is to be performed within the eight (8) hours.

Section 4. Employees who report prepared for work at the starting time as instructed by the Employer or Employer's agents and who are not placed to work, shall be paid two (2) hours pay, and if placed to work must be employed for, at least, four (4) hours, except where employees are not put to work because of inclement weather, and/or dismissed for cause and the Local Union is

notified. The worker must show up to work with the following tools or he/she may be sent home without "Show-up Pay": 2", 6", 7" wipe down, 8", 10" and 12" knives, 12" pan, sanding pole, mud beater, white pants, work boots and all safety equipment issued by the Employer.

Section 5. Rest periods:

Employees shall be allowed a ten (10) minute rest period in the morning and a ten (10) minute rest period in the afternoon with one-half (1/2) hour without pay being required for lunch.

Section 6. On all new construction and in shops where employees report to work, the Employer shall furnish adequate toilet facilities and drinking water, unless same is provided by others.

Section 7. Holidays:

The recognized holidays shall be New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve and Christmas Day. When a holiday falls on a Sunday, same shall be observed on the Monday following. When a holiday falls on a Saturday, same shall be observed on the preceding Friday.

- (a) **Designated Days Off** - In addition to the foregoing recognized holidays, there shall be seven (7) Designated Days Off per contract year:

July 1, 2011, September 2, 2011, November 11, 2011, November 25, 2011, April 6, 2012, May 25, 2012, June 15, 2012, August 31, 2012, November 12, 2012, November 23, 2012, December 31, 2012, March 29, 2013, May 24, 2013, June 14, 2013, July 5, 2013, August 30, 2013, November 11, 2013, November 29, 2013, April 18, 2014, May 23, 2014 and June 13, 2014.

Section 8. No work shall be performed during any hour of the twenty-four (24) hours of Labor Day.

Section 9. No overtime work shall be performed without a permit from the Local Union in the area where the work is being performed.

Section 10. Shift Work:

Shift Work is work performed outside the regular work day, Monday through Friday. When the Employer assigns employees to work any portion of their day outside the Regular Work Day, the employees shall be paid fifteen percent (15%) above their Taxable Net Wage for all such hours worked outside the Regular Work Day. No Shift Work shall be established or started for less than five (5) consecutive workdays. For such Shift Work, employers must obtain a permit from the Local Union in the area where the work is being performed. Overtime rates shall be paid for all hours worked outside the normal work day if no Shift Work permit has been issued.

Section 11. Flextime:

Flexible start times, Monday through Friday, may be established at the straight time hourly Taxable Net Wage for work that cannot be performed during the regular work day due to customer restrictions or requirements. Flextime shall only be applicable on jobs working a single shift of four (4) consecutive days or less. For such Flextime, employers must obtain a

permit from the Local Union in the area where the work is being performed. Overtime rates shall be paid for all hours worked outside the Regular Work Day if no permit has been issued for Flextime.

Section 12. Employees shall not work on a piecework basis, nor be permitted to contract or subcontract.

Section 13. No employee shall furnish to an Employer for rent or otherwise any car or truck, rigging or tools, except employee cartage shall be permitted for two (2) units of joint compound, i.e. two (2) boxes or two (2) bags.

Section 14. Tools:

The following tools and equipment are recognized as acceptable for the purpose of wall board taping: Easy joints (or equivalent), Advanced Knives, Broad Knives or similar tools, and mechanical Taping Machines with the tools incidental thereto.

The Employer shall furnish all tools with movable parts including rolling scaffolds. Other than hand tools of the trade, the Employer shall furnish all other tools. Employees shall not be allowed to attach any artificial equipment such as stilts, arms, or legs to their bodies in any manner whatsoever. Employees shall be required to wear white pants when performing work covered under this Agreement. The Employer based on the Scope of Work to be performed, shall designate what personal hand tools will be required and supplied by the employee.

Section 15. Removal of Debris:

Before Drywall Finisher employees commence work, the Employer shall remove all debris from the work area. In the event debris is not removed, the Union may remove employees from the work area. Such employees shall be paid for loss of time. The Employer or the Employer's supervisory employee shall immediately notify the Union of the area of all on-the-job accidents.

Employees injured on the job shall report to the Employer's compensation doctor or in the case of an emergency, the closest emergency medical service. In the event the Employer does not designate the doctor, the employee shall go to the doctor of his own choice.

Section 16. Employees may be required by the Employer to sign for taping tools with moving parts (copy of signed form must be presented to employee) and shall be held accountable for the tools.

ARTICLE 10

STEWARDS

Section 1. The Union shall be empowered to appoint and remove all shop and/or job stewards as required in any shop or job of an Employer signatory to this Agreement. Steward will be a competent Journeyman currently employed by the Employer at the time of appointment.

Section 2. Duties:

Such duties shall include monitoring the provisions of this Agreement, checking all working cards of Foreman, Journeyman and Apprentices and to check all applications, working permits, and to report the same by the use of Steward's Report to the Business Representative of the Union. Steward shall work with the tools as well as doing the duties assigned by the Union.

Section 3. The Steward shall report to the Business Representative of the Union and to the Employer or his Representative, any and all violations of the working Agreement.

Section 4. All matters of consequence pertaining to jurisdiction, alleged grievances due to unfair treatment by the Employer, are to be reported to the Union for action as may be deemed necessary.

Section 5. The Steward shall be the last employee laid off provided he/she is qualified and able to do the job available to him/her.

ARTICLE 11
VIOLATIONS

Section 1. Any Employer who fails to pay his/her contributions for Health & Welfare coverage herein provided for, shall be held responsible and liable to any employee covered by this Agreement for the benefits which would have been provided by such Health & Welfare coverage.

Section 2. In the event that an Employer submits two (2) or more Health & Welfare Premium Forms marked "No Employees", the Union may make an investigation of such Employer.

Section 3. Members of the Union shall not enter the employ or remain in the employ of any Employer who willfully neglects or refuses to abide by a decision rendered pursuant to the provisions of this Agreement.

Section 4. No signatory Employer shall work for or with or employ on any job another signatory Employer who is acting in violation of this Agreement, or who has failed or refused to comply with any decision rendered, pursuant to provisions of this Agreement. No employee shall work for or with or become employed on any job of a signatory Employer who is acting in violation of this Agreement or who has failed or refused to comply with any decision rendered pursuant to provisions of this Agreement.

Section 5. Business Representatives of the District Council shall be informed immediately of any violation. Business Representatives shall not be allowed to remove Journeyman Drywall Finishers and Apprentices from any and all jobs unless the contract violation involves failure to pay proper wages, failure to pay Fringe Benefits, failure to meet all financial obligations provided for by this Agreement, safety reasons, working overtime without a permit and a non-union person on the job. Employees removed from any job for such violations shall be paid by the contractor the amount at the rate of straight time to compensate them for the inconvenience

and loss of time due to said violations. It shall be a violation of the Agreement for failure to report violations of the Agreement.

Section 6. Moonlighting:

- (a) No employee covered by this Agreement shall work on his own behalf as a self-employed individual after his regular hours of employment, or on Saturdays, Sundays, Holidays and designated days off on any work covered by the jurisdiction of this Agreement.
- (b) Employees subject to this Collective Bargaining Agreement shall not contract or subcontract to perform any of the work covered by this Agreement to be done at the site of construction, alteration or repair of a building, structure or other work.
- (c) If any person performs work of the type covered by this Agreement for an Employer who is not signatory to an agreement with District Council 16 then that person and his or her dependents will not be eligible for the health and welfare coverage contained in Article 13 of this Agreement and the person will forfeit any hours that may be contained in his or her Health & Welfare Cash Bank attributable to service with this Individual Employer.
- (d) When a member of the Union is directed to work for a non-signatory Employer by the Business Manager of the Union, neither the member nor the Union shall be considered in violation of this Agreement.

ARTICLE 12
GRIEVANCE AND ARBITRATION

Section 1. For all purposes of this Agreement, a grievance is any dispute or controversy between the Company, the Union and any employee covered by this Agreement, involving the meaning, interpretation or application of the provisions of this Agreement.

Section 2. Procedures:

Such grievances shall be handled in the following manner:

- (a) The aggrieved employee or Union Representative shall present the grievance in writing to the designated representative of the Employer and shall meet with that representative to discuss the grievance.
- (b) If no settlement or resolution is reached within five (5) working days after the meeting referenced above, it may be submitted, at the request of either party, to the Drywall Joint Adjustment Board by written notice to the other party and the Drywall Joint Adjustment Board within fifteen (15) working days from the date of the above-referenced meeting. The Drywall Joint Adjustment Board shall schedule a grievance meeting within fifteen (15) days of being notified. The

Drywall Joint Adjustment Board shall, at the conclusion of said meeting, render its decision in writing to both parties. In the event that the Drywall Joint Adjustment Board deadlocks, either party may, within fifteen (15) working days of being notified of the deadlock, request arbitration by written notice to the other party.

- (c) The Drywall Joint Adjustment Board shall be composed of an equal number of representatives, not to exceed four (4). District Council 16 shall be entitled to two (2) representatives. Wall And Ceiling Alliance shall be entitled to two (2) representatives. A majority decision of the Drywall Joint Adjustment Board shall be final and binding on all parties.

Section 3. Arbitrator:

If the parties cannot reach agreement on an impartial arbitrator, either the Union or the Company may request the California State Conciliation Service to submit a list of five (5) arbitrators to the parties. The list shall contain only established arbitrators in the state of California. Each party shall alternately scratch two (2) names from the list, the first scratch being selected by lot, and the person remaining shall be the arbitrator.

Section 4. Hearing:

The impartial arbitrator shall hold a hearing as soon as practicable, and shall issue an award which shall be final and binding upon the Union, the Company and any employee involved in the grievance or dispute.

Section 5. Amend Agreement:

The arbitrator shall have no authority to amend, add to or subtract from this Agreement, except where specifically authorized to do so by this Agreement. The arbitrator shall have the authority to fashion a remedy.

Section 6. Expense for Arbitration:

The party losing the arbitration shall pay the arbitrator's charges. Cost of the hearing room shall be shared by both of the parties. The cost of the transcript if requested by both parties shall be shared equally. If there is any question who lost the arbitration, the arbitrator shall decide who shall pay the expenses of the arbitrator whether in whole or in part.

Section 7. Fourteen (14) Day Limit:

Matters not presented to the Employer or the Union in writing within a period of fourteen (14) working days after the action, lack of action or condition constituting the basis of the complaint occurs, shall be deemed waived and shall not be subject to the grievance procedure or arbitration procedure as set forth above.

Section 8. Union Economic or Legal Action:

In the event of a failure by the Employer to pay the wages or fringe benefits required by this Agreement, and the Employer raises no question concerning the interpretation or operation of this Agreement or concerning his obligations to pay remedies as it sees fit with respect to the Employer, and any economic action taken will not be considered a violation of this Agreement.

However, the Union may, if it so desires, utilize the provisions of this Article with respect to the Employer.

- (a) Before resorting to any economic remedy as above permitted, the Union must give the Employer involved two (2) business days written notice of its intention to take such economic action. No economic action may be taken by the Union if prior to the taking of such action the Employer has raised a question concerning the interpretation, application or operation of this Agreement or concerning his obligation to pay wages or fringe benefits in dispute, and had deposited the full amount in dispute with the appropriate Trust Fund to be held by the Trust until the matter is resolved under the procedures set forth herein. The provisions for notice in this paragraph shall not apply to any action taken by the Union pursuant to Article 11.

ARTICLE 13

PAYMENTS TO TRUST FUNDS

Section 1. Current Trust Funds:

This Agreement requires contributions to be made on behalf of all employees of the Employer performing work covered under the terms of this Agreement in accordance with Wage Schedule A to the following jointly-administered Trust Funds:

- **District Council 16 Northern California Health & Welfare Trust Fund**
- **Bay Area Painters & Tapers Pension Trust Fund**
- **Bay Area Painters & Tapers Pension Trust Fund – The Annuity Plan**
- **District Council 16 Northern California Journeyman & Apprentice Training Trust Fund**
- **IUPAT Finishing Trades Institute**
- **IUPAT Labor Management Cooperation Initiative**

Section 2. Trust Agreements:

The Trust Agreements of each of the Trust Funds as in effect on the date of this Agreement are incorporated herein by reference and made a part of this Agreement. Amendments to those Trust Agreements which are duly adopted after the date of this Agreement shall automatically be incorporated herein and made a part of this Agreement. Should any of the Trust Funds merge into or with another jointly-administered Trust Fund or Funds, then the Trust Agreement resulting as a consequence of that merger shall automatically be incorporated herein and made a part of this Agreement.

- (a) Whereas, the Bay Area Painters and Tapers Pension Plan has been certified by its actuary to be in critical status as of January 1, 2009, under Code Section 432(b) and ERISA Section 305(b) and consequently the Board of Trustees has provided the collective bargaining parties with its Rehabilitation Plan dated June 26, 2009 and the update effective February 11, 2011, including schedules that contain benefit reductions and increases in contribution rates as required by Code Section 432(e) and ERISA Section 305(e). Therefore, District Council 16 and the Northern California Painting and Finishing Contractors and /or the Individual Employer Signatory to this Agreement hereby adopt the benefit reductions and contribution rates set forth in the Recommended Schedule of the Rehabilitation Plan adopted by the Board of Trustees on June 26, 2009 and updated effective February 11, 2011, and incorporate said Recommended Schedule into this Agreement as though it was set forth in its entirety. The hourly journeyman contribution rates shall be as follows:

| Effective Date | Journeyman Contributions Providing Benefit Accrual Credit | Additional Contributions Not Providing Benefit Accrual Credit |
|-----------------|---|---|
| January 1, 2012 | \$3.98 | \$1.50 |
| January 1, 2013 | \$3.98 | \$1.98 |
| January 1, 2014 | \$3.98 | \$2.46 |
| January 1, 2015 | \$3.98 | \$2.94 |
| January 1, 2016 | \$3.98 | \$3.42 |
| January 1, 2017 | \$3.98 | \$3.90 |

Those classifications contained in this Agreement that provide for contribution rates that are different from the contribution rates set forth above, then the Employer shall pay additional contributions that do not provide benefit accrual credit which are proportional to the above rates. The above contribution rates shall be in effect for the duration of this Agreement.

Section 3. Trustees:

Each Employer does hereby designate the Board of Trustees of the Trust Funds referred to above, including any Trust Funds created as a result of a merger, as trustees for all proper and lawful purposes as provided in the various trust agreements and as required by law. District Council 16 of the International Union of Painters and Allied Trades shall appoint all Union Trustees in accordance with its bylaws. The Wall And Ceiling Alliance (“WACA”) shall appoint their Trustees in accordance with their bylaws.

Section 4. Payments to Trust Funds and Other Funds:

- (a) **Other Funds:** The Individual Employer agrees to make the payroll deductions and remittance thereof, of the Work Preservation Fund, Industry Fund, DC 16 STAR Fund, Administrative Dues Check-Off, Wage Equality Dues Check-Off, Organizing Dues Check-Off, Unity Action Dues Check-Off, Vacation/Holiday Fund and of the IUPAT PAT-PC deductions pursuant to the attached Wage Schedule A's of this Agreement. The consequences of any and all delinquent remittance of these deductions and/or contributions shall be the same as those provided by the Trust Agreements of the District Council 16 Northern California Health & Welfare Trust Fund.
- (b) **Due Date:** All payroll deductions and contributions based on hours worked in a particular month shall be payable under this Agreement on or before the fifteenth (15th) day of the following month (the "due date") and will be deemed delinquent if not received by the end of the month, at which time liquidated damages shall be incurred and interest assessed as of the first day of the next month.
- (c) **Liquidated Damages and Interest Assessments:** Because of the difficulty of determining the actual expense of collection or of damage resulting when a monthly payment is delinquent, liquidated damages, as well as interest, shall be assessed against both delinquent contributions and payroll deduction remittances, referred to in this Article, together with reasonable attorneys fees and any other expenses incurred in connection with the delinquency. The amount of liquidated damages shall be the greater of twenty percent (20%) of the delinquent contributions and payroll deductions or one hundred fifty dollars (\$150.00) per month, or the interest accrued until those contributions and payroll deductions are paid, whichever is greater. However, if the delinquencies are paid prior to the filing of a lawsuit, liquidated damages shall be the greater of ten percent (10%) of the delinquent contributions and payroll deductions or one hundred fifty dollars (\$150.00), not to exceed seven hundred fifty dollars (\$750.00) per month. Interest shall be assessed on delinquent contributions and payroll deductions at such rate as the Trustees of the Trust Funds may determine. The amount of the assessments on delinquent payroll deduction remittances shall be the same as is established by the Trustees of the District Council 16 Northern California Health & Welfare Trust Fund.

- (d) **Economic Action:** If the required contribution and liquidated damages owed by the delinquent Employer to any or all of the Funds, or the payroll deductions and/or other contributions referred to in this Article, are not received by the last day of the month in which they are due and payable, then in addition to the foregoing it shall not be a violation of this Collective Bargaining Agreement for the Union to withdraw employees from the job or shop of such delinquent Employer. Any employee withdrawn from the job or shop of the delinquent Employer, pursuant to this Section shall be paid by such Employer the sum of one (1) days' wages and fringes for each day of work lost by the employee being so withdrawn up to a maximum of five (5) days to compensate the employee for the inconvenience and loss of time due to said delinquency. Such payment shall be in addition to all wages due the employees for time actually worked prior to their withdrawal from the job or shop of the delinquent Employer. In addition the Union shall have such further remedies as set forth in this Agreement.
- (e) **Rights and Remedies:** The rights and remedies against a delinquent Individual Employer as set forth above are not exclusive but are cumulative and nothing in this Article shall in any way limit any one's right to enforce the collection of contributions or payroll deductions by any legal means. The Board of Trustees of each Trust Fund may compel and enforce the payment of the contributions in any manner in which they may deem proper; and the Board of Trustees may make such additional rules and regulations to facilitate and enforce the collection and payment thereof as they may deem appropriate. The Board of Trustees may, in the event of repeated delinquencies by the same Employer, make special rules applicable to such Employer's contributions, including rules requiring bond or other security and rules with respect to the due and/or delinquent date of said Employer's contributions. Failure of an Employer to pay the contributions required hereunder within fifteen (15) days after the date due shall be a violation of the Collective Bargaining Agreement between the said Employer and the Union, as well as a violation of the Employer's obligations hereunder. Nonpayment by an Employer of any contributions when due shall not relieve any other Employer from his obligations to make payments.
- (f) **Place of Payments:** All contributions and payroll deductions referred to in this Article shall be paid at the place or places designated by the Trusts, WACA and the Union, and on such forms as they may require.
- (g) **Minimum Contribution Rates:** The Employer and the Union party to this Agreement recognize and acknowledge the Trustees' rights to set minimum contribution rates for participation in their respective Funds. Should the total wage package not be sufficient to provide minimum rates required, the parties recognize that the Trusts specified in the Agreement cannot continue to provide such benefits and other arrangements will have to be made to provide them.

- (h) **Payroll Inspection:** The Administrator of the Trust Funds referred to in Section 1 above, the Administrator's C.P.A. or C.P.A. designated by the Union shall be allowed to inspect the payroll records of any Employer or the Union, with reasonable written notice to ascertain if the provisions of this Agreement are being complied with.
- (i) **Time Records:** Employers shall keep weekly time cards or time records on which shall clearly appear the employee's full name and the last four (4) digits of employees social security number, the job or jobs' names, the hours worked each day on each job and total hours worked each week, showing total straight time hours, total overtime hours and the type of work performed. The employee shall sign the time card or time record, except where such records are kept electronically.
- (j) **Electronic Recordkeeping:** Where time records are maintained electronically, upon the request of the Trust Funds or their agents, auditors, administrators or attorneys, the Employer shall provide a detailed description of the procedure for the maintenance of such electronic time records, including but not limited to the method and procedure by which the time, job and type of work is reported, recorded and secured from alterations as of the date of input or thereafter. This Section shall be applicable to any audit of an Employer's payroll records which is scheduled or in process at the effective date of this Agreement.
- (k) **Checks and Check Stubs:** Each pay check and each stub or copy shall clearly indicate the date of payment, pay period covered, company name, and shall include:
- (1) Total straight time hours worked and the rate of pay;
 - (2) Total overtime worked and overtime rate;
 - (3) Total gross wages paid, including pay for Travel Time;
 - (4) Deductions itemized; and
 - (5) Net pay for period.
- (l) **Failure to Keep Records:** If an Employer fails to keep time cards or time records as required above, said Employer is required to pay fringe benefit contributions as if any sums paid to individuals by such Employer were wages for work covered by this Agreement. In addition, there shall be a rebuttable presumption, at the option of the Trusts, that any employee who worked in a given week for whom complete, signed, time cards or time records, were not made available for review by the Trusts' representative, shall be deemed to have performed covered journeyman work for a minimum of eight (8) hours per day, totaling forty (40) hours for that week.

Section 5. Audits of Records:

The Board of Trustees, or their authorized representatives, may require any Association, any Employer, the Union, any labor organization or any beneficiary to submit to it any information relevant to the administration of the Trust. Upon notice in writing from the Trust Funds, an Employer must permit an accountant, or agent of an accountant, of the Board of Trustees to enter upon the premises of such Employer or the Union during business hours to examine and copy records including, but not limited to, the following:

- (a) Canceled checks and check stubs showing all monies paid to each employee of the Employer.
- (b) Canceled checks, check stubs and business records of the Employer showing all sums paid to persons other than employees for work performed such as subcontractors, independent contractors, suppliers, relatives, partners and joint ventures of the Employer.
- (c) The individual earnings records of each employee of the Employer showing the name and address of employee, social security number, wage rate, hours worked, gross pay, amounts withheld and net amount paid for each employee.
- (d) Copies of all fringe benefit returns of Employer's prepared for filing with the Trust Funds for each month.
- (e) Those canceled checks showing sums actually paid by Employer to the Trust Funds for each month.
- (f) Copies of the Employer's Quarterly Federal Tax Return (Form 941) for each quarter, as well as the State Quarterly Wage and Withholding Report (Form DE 6).
- (g) Individual employees' time records including but not limited to all Travel Time Calculation Sheets as required by Article 8, Section 12(a) for each employee of Employer.
- (h) Records of each job involving work covered by this Agreement to the extent that such records exist, including:
 - (1) Name and address of owner of property where work covered by this Agreement was performed;
 - (2) Name and address of the general contractor for whom the work was performed;
 - (3) Street address where work covered by this Agreement was performed;
 - (4) Total payroll cost of each job;

- (5) Name and address of each person who performed work covered by this Agreement on each job; and
- (6) Total material cost of each job.
- (i) Copies of Federal Forms W-2 and W-3 prepared by the Employer for each employee.
- (j) Disbursement Journal of the Employer.
- (k) Payroll Journal of the Employer.
- (l) Employee records are to be maintained by the Employer for a period of at least four (4) years or in accordance with State and Federal requirements.
- (m) In the event that such an examination of such Employer's records reveals that such Employer is not making full and prompt payments of all sums required to be paid by him/her to the Trust Funds, then such Employer shall pay to the Trust Funds such costs, including accountant fees, as may have been reasonably incurred in making such determination. Upon the written request of the Board of Trustees, or their duly authorized representative, such Employer may be requested to bring or send his/her records for auditing to the Trust Fund Office or to the office of the designated accountant.
- (n) Whenever an employee appears on work as defined in this Agreement and he/she appears as an employee or subcontractor for other work on the Employer's records, fringe benefits shall be paid. The hours due shall be computed at the rate of a journeyman Drywall Finisher's wages per hour when lump sums have been paid, or on the labor portion of an itemized invoice. Any bonuses, expenses or sums of monies paid to an employee other than as provided by this Agreement shall be specifically identified in the Employer's records and on the employee's check.

Section 6. Bonding:

- (a) Each Employer shall, within ten (10) days of the mailing of notice by the Administrator of the Trust Funds, provide a bond in a sum equal to the greater of five thousand dollars (\$5,000.00) or twice the monthly average of the wages and contributions made or due under the terms of this Agreement, or the Agreement immediately preceding this Agreement, by such Employer in the six (6) month period just prior to the mailing of said notice. Such amounts are to be determined by the said Administrator. Such bond or cash in lieu of bond is not in any way to be construed in lieu of payments required pursuant to this Agreement. All such bonds shall be deposited with the Trust Funds and all bonds shall be in a form acceptable by the Board of Trustees and shall be enforceable throughout the term of this Agreement.

- (b) Each Employer must comply with the bonding provisions of this Agreement if the Employer has more than one (1) delinquency within a twelve (12) consecutive rolling month period as shall be determined by the Trustees. The Trustees may, within their sole discretion, require such Employers to file report forms and make contribution payments at more frequent intervals than is required of other Employers. When an Employer, after having deposited said bond, attains a record of twelve (12) consecutive months of prompt, timely and proper payment of wages and Trust Fund Contributions, he/she may have said bond returned upon proper application to the said Administrator and the approval of the Trustees. If the Bond must be used to make any payment of wages or contributions to said Trust Funds, the money shall first be applied to the payment of wages of employees working under this Agreement and the balance shall be prorated among the amounts due by the Employer to the various Trust Funds. In the event an Employer fails to deposit a satisfactory bond within the time provided and the notice herein provided for has been given, all employees shall be withdrawn from the job or shop of the Employer, and all employees withdrawn pursuant to this Section shall be paid by such Employer the sum of one (1) days' wages and fringes for each day of work lost by the employee being so withdrawn up to a maximum of five (5) days to compensate for the inconvenience and loss of time due to the Employers failure to post bond. Such payment shall be in addition to all wages due the employees for time actually worked prior to being withdrawn from the job or shop of the Employer. In addition the Union shall have such further remedies as set forth in this Agreement.

Section 7. Transfer of Money from Benefit Funds to Wages:

- (a) During the term of this Agreement the Union and/or Trustees may request in writing an increase or decrease in the contributions required by the Employer to a particular benefit fund or funds. Such request shall be made in writing at least thirty (30) days prior to the proposed effective date of the change. The Employer will honor such request effective upon the date set forth in a Memorandum Of Understanding (Wage Schedule A) between WACA and the Union.
- (b) Any increase or decrease in the required contributions by the Employer to the particular benefit fund or funds shall in no way result in a decrease in the Taxable Net Wage of the then current Wage Schedule A.

Section 8. Erroneous Payments:

An Employer shall be entitled to credit against future employer contributions or refund of money paid to specified Trust Funds by reason of clerical or administrative error or mistake as to the amount owing to the Trust Funds, in accordance with the Trust Funds' policy on overpayments of contributions, including but not limited to the following conditions:

- (a) **DC 16 Health and Welfare Trust:** Where hours paid were reported at a rate higher than required, the amount of overpayment shall be refunded or credited to the Employer. Written application for refund or credit must be made within four

(4) years from the due date of the report containing the erroneous payment; but an audit report may be considered a written request for refund. Refund or credit may be made within six (6) months after the Plan Administrator determines that the improper rate was paid by mistake. Any amounts found to be over reported and overpaid for the purpose of providing coverage to persons not eligible for coverage shall be offset from any other amounts repayable to the Employer, or if no offset is available, billed to the Employer for repayment to the Trust Fund.

- (b) **Defined Benefit Pension Plan:** Where contributions were made to the Bay Area Painters and Tapers Pension Plan for hours reported in excess of those for which the employee worked, overpayments shall be credited or refunded to the Employer, and the hours backed out of the employees account.
- (c) Refunds or credits shall be allowed as provided above so long as the Trust Funds have made no disbursements on behalf of employees based upon the erroneous contributions; and
- (d) The Boards of Trustees of the Trust Funds have determined that the erroneous contributions were made due to a mistake of fact or law and can properly be returned, without interest or earnings, pursuant to ERISA Section 403(c).
- (e) Any erroneous payments found on an audit shall be reported immediately to the Employer and credited or offset against amounts found due on audit, if any, in accordance with Trust's policy.
- (f) No other refunds or credits shall be given with respect to Vacation/Holiday, Bay Area P & D Annuity, District Council 16 Journeyman & Apprentice Training Trust Fund, or other entities or payroll deduction remittances, except by direction of the Trustees.

Section 9. Fringe Benefit Coverage for Other Employees:

Each of the Trust Funds may adopt rules allowing employees not covered by this Agreement to participate in those Trust Funds to the extent permitted by law. The rules for the participation of those employees shall be set forth in a written participation agreement between the Trust Fund and the Employer, which may incorporate the rules of this Article by reference.

ARTICLE 14 **OTHER FUNDS**

Section 1. Dues Check-Off:

During the term of this Agreement all Signatory Employers agree to deduct from the wages of all employees covered by the Agreement Dues Check-Off in the amounts specified in Schedule A. Said Dues Check-Off shall be remitted to the Trust Funds office on forms provided by the Trust Funds, or other appropriate depository designated by the Union, no later than the twentieth (20th) day of each and every calendar month for such deductions made during the preceding calendar

month, provided that the employees in question signed a valid authorization card authorizing such deductions.

- (a) Each Employer agrees that, at the time of employment of any employees covered by this Agreement, such Employer shall secure from said employee a Work Referral Slip and said slip shall be signed by the employee and indicate that the employee has authorized that dues be deducted from wages. The Employer shall retain for his records the employees referral authorizing dues deductions.
- (b) If an Employer fails to secure a Work Referral Slip from an employee of the Union, said Employer shall be responsible for payment of Dues Check-Off to the Union on all hours worked by said employee.

Section 2. Work Preservation Fund:

For reasons of traditional policy as well as law, Employee Agencies have maintained a policy of financial independence and there is no intention of the parties to devote any of the Work Preservation Fund contributions provided for herein, to the operation of any of the Employee Agencies or any of their Representatives.

- (a) There has been created a separate and independent entity, the Work Preservation Fund, Inc., organized pursuant to the laws of the State of California, as a non-profit California Corporation. The purposes for which this corporation is formed, are to help to achieve and maintain maximum employment and good workmanship in the painting, decorating, and drywall industries by seeking to expand the work and jobs available to employers and employees, and to help promote the advancement and preservation of the painting, decorating and drywall industries.
- (b) The purposes stated above are achieved through the establishment of the Work Preservation Fund, Inc. as a Labor-Management Cooperation Committee under the authority of the Labor-Management Cooperation Act of 1978, U.S.C. Section 175 (a) and 29, U.S.C. Section 186 (c)(9).
- (c) The affairs of the Corporation are governed by a Board of Directors representing both labor and management elected by a majority vote of the Board of Directors of the Work Preservation Fund, Inc.
- (d) Pursuant to and under the terms of this Agreement, the Bay Area Painters and Tapers Trust Fund office shall collect such contributions for the Work Preservation Fund and shall thereafter each month, forward said monies to the Work Preservation Fund, a California non-profit corporation.
- (e) Appropriate records shall be kept and maintained by both the Trust Funds and the Work Preservation Fund as to the collection, transmittal and amounts of funds collected on forms to be provided exclusive by the Trust Funds.

- (f) The signatory hereto and all employers becoming bound, hereby designate and appoint the present Directors and their duly selected successors as their representatives on such Trust Funds.
- (g) The parties to this Agreement may, by mutual consent discontinue this fund at any time or as renegotiated and in that event the hourly contributions will be added to the hourly wage rate.

Section 3. IUPAT-Finishing Trades Institute:

We hereby establish under this Collective Bargaining Agreement a provision for affiliation with the IUPAT Finishing Trades Institute (IUPAT-FTI) and further provide a minimum contribution of five cents (\$.05) per hour for each employee covered under this Agreement.

Section 4. IUPAT Labor Management Cooperation Initiative:

We hereby establish a contribution to the Labor Management Cooperation Initiative (LMCI) effective the date of this working agreement and any renewals or extensions thereof.

- (a) For each hour or portion thereof, for each employee covered under this Collective Bargaining Agreement, the Employer shall pay five cents (\$0.05) payable to the Trust Fund.
- (b) For the purpose of this Article, each hour paid for, including hour attributed to show up time, and other hours for which pay is received by the employee in accordance with this Agreement, shall be counted as hours for which contributions are payable.
- (c) Contributions shall be paid on behalf of any employee starting with the first (1st) day of employment in a job classification covered by this Agreement.

Section 5. Voluntary Payroll Deduction of Political Contributions:

Each Member hereby authorizes and directs the employers to deduct from their pay the sum of five cents (\$0.05) for each hour worked, as a contribution to the Political Action Together - Political Committee (PAT-PC) of the International Union of Painters and Allied Trades. Each Employer agrees to make payments to the Political Action Together -Political Committee (PAT-PC) of the International Union of Painters and Allied Trades for each employee covered by this Agreement, as follows:

- (a) For each hour or portion thereof, for which an employee receives pay, the Employer shall make a contribution of five cents (\$0.05) to PAT-PC.
- (b) For the purpose of this Article, each hour paid for, including hours attributable to show up time, and other hours for which pay is received by the employee in accordance with this Agreement, shall be counted as hours for which contributions are payable.

- (c) Contributions shall be paid on behalf of any employee starting with the employee's first day of employment in a job classification covered by this Agreement. This includes, but is not limited to, apprentices, trainees, and probationary employees.

Section 6. STAR Program:

There has been created a separate and independent entity, the STAR (Skills, Safety, Supervisor & Survival Training Awards Recognition) Program, Inc., ("STAR Program") organized pursuant to the laws of the State of California, as a non-profit California Corporation. The purposes for which this corporation is formed are to promote a high performance, high value culture within the workforce covered under this Agreement through the utilization of a reward based training program. The STAR Program shall fund all STAR Program training and all rewards granted to employees whom annually meet the required goals as established by the STAR Program. These purposes are consistent with those established under the authority of the Labor-Management Cooperation Act of 1978, U.S.C. Section 175(a) and 29 U.S.C. Section 186(c)(9).

- (a) The affairs of the STAR Program are governed by a Board of Directors comprised of equal members representing labor and management.
- (b) The Employer shall be required to remit twenty-five cents (\$0.25) per hour for each hour paid or portion thereof on each employee covered under this Agreement. Contributions shall be made pursuant to the provisions of Article 13.

Section 7. Industry Fund:

All Employers signatory to this Agreement shall pay Industry Fund contributions based upon all covered employees hours worked or required to be paid for in the amount of eighteen cents (\$0.18) per hour. Said Administrative Fund contributions shall be remitted to the appropriate depository designated by the Wall And Ceiling Alliance, no later than the last day of each and every calendar month for all hours worked during the preceding calendar month. Said Industry Fund contributions are then forwarded to the Wall And Ceiling Alliance designated account. The Industry Fund contribution rate will be monitored and may be increased as deemed necessary by the Board of Directors of the Wall And Ceiling Alliance. Any increase required by the Wall And Ceiling Alliance shall be added to the total wage package. No part of the contributions to the Industry Fund shall be used for activities which are inimical to the Union.

ARTICLE 15
PERIOD OF AGREEMENT

During the month of January of the year of expiration of this Agreement or during the month of January of the expiration year of any subsequent Agreement, any party signatory hereto may give written notice to the other party that said party wishes to withdraw from the Agreement. Should such notice be given, such party shall no longer be bound to this Agreement as of July 1 of the year this Agreement expires, or as of subsequent July 1 of the year of any subsequent Agreement. This Agreement shall continue as to all parties not giving such notice. Further, said notice of withdrawal eliminates said party from participation in any negotiations regarding this

Agreement. The notice herein provided for is the sole means by which a party may withdraw from or cancel this Agreement.

If any provision of the Agreement is declared invalid or the applicability thereof to any person, circumstances or thing is held invalid, the validity of the remainder of this Agreement and/or applicability thereof to any person, circumstance or thing shall not be affected thereby.

This Agreement shall be in full force and effect for a period of three (3) years from July 1, 2011 through June 30, 2014 and remain in full force and effect from year to year thereafter, unless either party hereto shall give notice to the other party, in writing, of their desire to change or revise this Agreement. Such written notice shall be presented to the other party not less than one hundred twenty (120) days prior to the renewal date stipulated hereinabove.

SIGNATORIES

This Agreement is made and entered into this first (1st) day of July 2011, by and between District Council 16 & the Wall And Ceiling Alliance and/or Individual Employers.

WE HEREBY AGREE TO THE TERMS AND CONDITIONS STATED HEREIN:

District Council 16

Company Name

Print Name

Print Name

Sign Name

Sign Name

Date

Date