

WORKING AGREEMENT

between

LOCAL NO. 40

of the

**UNITED UNION OF ROOFERS,
WATERPROOFERS AND ALLIED
WORKERS, AFL-CIO**

and

**ASSOCIATED ROOFING CONTRACTORS
OF THE BAY AREA COUNTIES, INC.**

AUGUST 1, 2015 – JULY 31, 2018

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AGREEMENT

This AGREEMENT is entered into effective August 1, 2015 by and between the ASSOCIATED ROOFING CONTRACTORS OF THE BAY AREA COUNTIES, INC. (for and on behalf of its members who have authorized it or who subsequently authorize it to represent them in labor relations and those other firms who have executed authorizations or who subsequently execute authorizations for the Association to represent them in labor relations) and such other persons, firms or corporations as may become parties to this Agreement, and Local No. 40 of the United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO.

If any Employer who has executed this Agreement is not a member of the Association or has not executed an Authorization for labor negotiations, then such Employer agrees that the Association shall act for and on behalf of such Employer in the appointment and/or election of Employer representatives to the Joint Area Conference Board, the Local Area Adjustment Board, and the Joint Examination Board and, with respect to any Trust Funds to which such Employer is required to contribute by this Agreement, for and on behalf of such Employer with respect to the appointment and/or election of Employer Trustees to the respective Boards of Trustees and with respect to amendments and changes to the Agreements and Declarations of Trust.

The term "Association" as used in this Agreement refers to Associated Roofing Contractors of the Bay Area Counties, Inc.

The term "Employer" or "Individual Employers" as used in this Agreement refers to (1) the members of the Association authorizing the Association to represent them in labor relations, (2) the other firms authorizing the Association to represent them in labor relations, and (3) any other person, firm or corporation which may become a party to this Agreement.

The term "Local Union" as used in this Agreement, unless otherwise expressly required by the context, refers to Local No. 40 of the United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO.

The term "Union" or "International Union" as used in this Agreement, unless otherwise expressly required by the context, refers to the United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO.

ARTICLE I *Scope of Work*

The work jurisdiction of this Local Union shall be all handling, hoisting, storing and installation of roofing, damp and waterproofing systems, air barrier systems or products whenever the primary function of such systems or products is to prevent the intrusion or migration of moisture. These systems or products shall include but not be limited to all those outlined in this ARTICLE.

1. Steep roofers shall include in their work jurisdiction the following work processes and types of materials, including and not limited to:

- All slate where used for roofing or siding of any size, shape or color, including flat or promenade slate, with necessary metal flashing to make watertight.
- All tile where used for roofing or siding of any size, shape or color, and in any manner laid including flat or promenade tile, with necessary metal flashing to make watertight.
- All asbestos shingles or asbestos (rigid) or asbestos of any size, shape or color and in any manner laid where used for roofing or siding with necessary metal flashing to make watertight.
- All cementing in, on, or around the slate or tile roof.
- All laying of felt, paper, membranes, ice and water shields, vapor barriers or similar underlayments on sloped roof structures.
- All forms of composite insulations having nailable surfaces or any other means of attachment (e.g. plywood, pressboard, chipboard, drywall or other laminates) bonded to the insulation whenever such composite insulations are used as an integral thermal insulating component of the roofing system.
- All dressing, punching and cutting of all roof slate or tile.
- All operation of slate cutting or punching machinery.

- All substitute material taking the place of slate or tile, such as asbestos slate or tile, cement or composition or Spanish tile, wood shakes, composition, vinyl and wood shingles, metal shingles and tile, or other substitute materials used on steep roofs.
 - All removal of slate or tile roofing as defined above where the same is to be reapplied in their place.
 - All solar or photovoltaic cell-type shingles and tile used to transform solar energy to electrical energy.
2. Metal Roofing and Siding shall include in its work jurisdiction the following work processes and types of materials, whether consisting of protected or unprotected metal of any and all types, including but not limited to:
- All forms of metal roof, soffit, wall panel including roof top mechanical screens, site screens, and other rain screen systems, applied over a primary waterproofing or weatherproofing material as described below:
 - whether consisting of cladding materials, including but not limited to:
 - Galvanized steel
 - Aluminized steel
 - Galvalume®
 - Tin
 - Terne metal
 - Terne-coated stainless steel
 - Stainless steel
 - Aluminum
 - Copper
 - Lead-coated copper
 - Lead
 - Zinc
 - whether prefabricated as sheets or panels (including photovoltaic panels whose primary purpose is roofing, waterproofing or weatherproofing);
 - whether “wet” or “dry” systems; and
 - whether exposed or concealed fastener;
 - All flashings and fascias used in connection with such metal roof and wall panel or cladding systems to roof or waterproof intersections of horizontal surfaces;
 - All sealing and caulking of seams and joints on these metal roof and wall panel or cladding systems to ensure water tightness;
 - All protective coatings applied to metal roof and wall panel systems;
 - All insulations applied with metal roof and wall systems, whether laid dry, mechanically fastened, or attached with adhesives;
 - All forms of composite insulations having nailable surfaces (e.g. plywood, pressboard, chipboard, drywall, or other laminates) bonded to the insulations wherever such composite insulations are used as an integral thermal insulation component of the roofing system;
 - All laying of felt, paper, membranes, ice and water shields, vapor barriers or similar underlayments applied with metal roof and wall panel systems;
 - All cleaning, preparing, priming and sealing of surfaces to be roofed;
 - All handling of metal roof and wall panel materials;
 - All hoisting and storing of metal roof and wall panel materials;
 - All types of coatings, sealants, mastics and toppings when used for roof maintenance and repairs.
3. Composition roofers and waterproofers shall include in their work jurisdiction the following work processes and types of materials including but not limited to:
- All forms of plastic slate, slag, gravel or rock roofing, including all types of aggregate, blocks, bricks, stones, pavers, soil or any type of overburden used to ballast or protect built-up roofing systems or protect Inverted Roof Membrane Assembly (IRMA) roofs or roofs of similar construction where the insulation is laid over the membrane.
 - All kinds of asphalt and composition roofing and waterproofing.

- All base flashings, curb flashings, and counter flashings and counter flashings of bituminous composition used to roof or waterproof intersections of horizontal surfaces.
- All rock asphalt mastic when used for damp and waterproofing.
- All prepared paper roofing.
- All organic or inorganic felts and fabrics that comprise the reinforcing membrane of built-up roofing and waterproofing systems.
- All compressed paper, chemically prepared paper, and burlap when used for roofing or damp and waterproofing purposes, with or without coating.
- All damp resisting preparations when applied with a mop, three-knot brush, roller, swab or spray system in or outside of any structure.
- All components of composition roofing systems used to seal the roof, including but not limited to compression seals, termination bars, nailers, blocking, ballast of all types, walkways, reinforcements, preformed panels, protection boards, plaza pavers, expansion joints, pitch pans, drain flashings, scupper flashings, lath, roof cement and reinforcements, caulking and sealants.
- All kinds of coal tar pitch and coal tar bitumen roofing and waterproofing.
- All cleaning, preparing, priming and sealing of roof decks and surfaces that receive roofing, dampproofing and/or waterproofing.
- All epoxy materials used for roofing and waterproofing.
- All epoxy injection work.
- All laying of felt, paper, membrane, ice and water shields, vapor barriers or similar underlayments.
- All mineral surfaced roofing, including 90 lb. and SIS, SBS, APP and all types of modified bitumen whether nailed, mopped with bitumen, or applied with mastic, adhesive or applied with torch, heat gun or hot air welder.
- All substrates used on the roof deck for fireproofing or any materials used as a support or nailing surface for the roofing system over the deck.
- All damp course, sheeting or coating on all foundation work.
- All tarred floors.
- All waterproofing of shower pans and stalls.
- All laying of tile, wood block or brick, when laid in pitch, tar, asphalt, mastic, marmolite, or any form of bituminous products.
- All air barriers that are applied with materials that are traditionally used on roofing, waterproofing and dampproofing systems, including but not limited to sprays, epoxies, membranes and bituminous products.
- All forms of insulation used as a part of or in connection with roofing, waterproofing or dampproofing, including but not limited to for thermal and/or acoustical purposes.
- All forms of composite insulations having nailable surfaces (e.g. plywood, pressboard, chipboard, drywall or other laminates) bonded to the insulation whenever such composite insulations are used as an integral thermal insulating component of the roofing system.
- All waterproofing of shower pans and/or stalls.
- All forms of protection boards, walkway pads and roof treads used in composition roofing or waterproofing to protect the membrane from damage.
- All types of coatings, toppings and finishes used on roof surfaces.
- All components of vegetative systems including but not limited to membranes, insulation, drainage systems, filters, fleece, vegetation blankets, plantings and soil and all types of overburden.
- All solar or photovoltaic cell-type structures that are used as substitutes for ballast or membrane protection.
- All solar or photovoltaic cell-type roof membranes used to transform solar energy to electrical energy.
- All lining and/or waterproofing of reservoirs, holding ponds, waster treatment structures, landfills, fountains, planter boxes, tunnels, plaza areas and similar structures regardless of the material being used.

Composition roofers and waterproofers shall also include in their work jurisdiction the following work processes and types of materials including but not limited to:

- All forms of elastomeric, elastoplastic and thermoplastic roofing systems, both sheet and liquid, whether single-ply or multi-ply. These shall include but not be limited to:

- a) PVC (polyvinyl chloride systems)
- b) Butyl Rubber
- c) EPDM (ethylene propylene diene monomer)
- d) PIB (polyisobutylene)
- e) CPE (chlorosulfonated polyethylene)
- f) CSPE (chlorosulfonated polyethylene)
- g) ECB (ethylene-copolymer-bitumen and anthracite dusts)
- h) Modified bitumens
- i) Neoprene
- j) NBP (Nitrile alloy)
- k) EIP (Ethylene Interpolymers)
- l) TPO (Thermoplastic Polyolefins)
- m) ETFE (Ethylene Tetra Fluoro Ethylene)

- All base flashings, curb flashings and counter flashings of elastomeric, elastoplastic or thermoplastic composition as used to roof or waterproof intersections of horizontal surfaces.
- All components of elastoplastic roofing systems used to seal the roof, including but not limited to, compression seals, termination bars, caulking and sealants.
- All insulation applied with the above systems, whether laid dry, mechanically fastened, or attached with adhesives.
- All forms of composite insulations having nailable surfaces (e.g. plywood, pressboard, chipboard, drywall or other laminates) bonded to the insulation whenever such composite insulations are used as an integral thermal insulating component of the roofing system.
- All types of aggregates, blocks, bricks, stones, pavers, soil, overburdens, vegetation or units of photovoltaic construction used to ballast these elastomeric, elastoplastic and thermoplastic systems.
- All sealing and caulking of seams and joints on these elastoplastic systems to ensure water-tightness.
- All liquid-type elastoplastic preparations for roofing, damp or waterproofing when applied with a squeegee, trowel roller or spray equipment, whether applied inside or outside of a building.
- All sheet-type elastoplastic systems, whether single or multi-ply, for waterproofing either inside or outside of any structure.
- All priming of surfaces to be roofed, damp or waterproofed, whether done by roller, mop, swab, three-knot brush, or spray systems.
- All cleaning, preparing, priming and sealing of surfaces to be roofed, dampproofed or waterproofed, whether done by roller, mop, swab, three-knot brush, squeegee, spray systems or any other means of application.
- All types of preformed panels used in waterproofing (Volclay, etc.).
- All applications of protection boards, walkway pads or roof treads, fleece and drainage mats and systems used to prevent damage to the dampproofing, waterproofing and/or roofing membrane by other crafts or during backfilling operations.
- All handling and installation of roofing, damp and waterproofing materials.
- All hoisting, lifting and storing of all roofing, damp and waterproofing materials.
- All types of spray-in-place foams such as urethane, polyurethane, or polyisocyanurate, the machinery and equipment used to apply them, and the coatings that are applied over them.
- All types of resaturants, coatings, mastics and toppings when used for roof maintenance and repairs.
- All caulking and waterproofing of any surface to ensure water-tightness.
- All tri-polymers, silicones, urethanes, coatings and any other product used for waterproofing. If the work to be performed is for purposes of preventing water intrusion, it is to be considered the work of a waterproofer.
- All types of coatings, toppings and finishes used on roofing, dampproofing, waterproofing and air barrier systems.
- All wrapping and/or coating of underground piping with bitumastic enamel or cold process, polykin tape, tapecoat, or other asphaltic coatings or tapes and the preparation of surface by sand blasting or wire brushing.
- All work or services pertaining to the application of tar products (enamels, epoxies, etc.), plastic, vinyl, acrylics, epoxies, polyurethanes, polyesters, polymers, elastomeric coatings, silicones, mastics, sheet linings, plastic liner plate, seamless floors, field fabricated carpets (not to be considered as lay carpets), flocking materials, synthetic fibers, protective coatings of all descriptions, waterproofing, intumescent and ablative fireproofing and sprayed on foams, etc., or any and all products of this nature.

- All operation of jeeper or holiday detectors.
 - All materials laminated to roofing and/or insulation systems.
 - All substrates used on the roof deck for fireproofing or any materials used as a support or nailing surface for the roofing system.
 - All removal of asbestos roofing, asbestos flashing and any other asbestos roofing materials.
 - All roofing and waterproofing products and materials that are or have been installed by a roofer or waterproofer shall be done by employees covered by this Agreement.
 - All air barriers that are applied with materials that are traditionally on roofing, waterproofing and dampproofing systems, including, but not limited to sprays, epoxies, membranes and bituminous products
 - All components of water recapturing systems that are an integral part of roofing, dampproofing and waterproofing systems that protect against water and moisture migration or intrusion.
 - All components of roof top and sub-surface water recapture or rain water harvest systems where the primary purpose is to control and manage water run-off. This shall include but not be limited to: Environmental Passive Integrated Chamber (EPIC) System™ or systems of a similar nature. All components of EPIC™ systems or systems of a similar nature, including, but not limited to geomembranes, geofabrics, geotextiles, geofoam boards, EPDM liners, chambers, pans, aggregates, sands, polyethylene mesh, fillers and permeable pavers to protect these water recapture systems.
4. All tear-off and/or removal of any type of roofing, including ballast and all overburdens, all spudding, sweeping, vacuuming and/or clean-up of any and all areas of any type where a roof is to be relaid, or any materials and operation of equipment such as kettles, pumps, tankers, or any heating devices that are used on roofing or waterproofing systems coming under the scope of jurisdiction as outlined in this ARTICLE.
 5. All substitutions, improvements, changes, modifications and/or alternatives to the jurisdiction or materials set out in this ARTICLE
 6. All other materials, equipment and/or applications necessary or appropriate to complete, perform or apply the processes and/or materials in this ARTICLE.

ARTICLE II

Coverage of Employees

This Agreement shall cover all employees of Employers performing the work set out in ARTICLE I and shall constitute and be the first assignment of such work to employees.

ARTICLE III

Local Union Recognition and Territorial Jurisdiction

The Association and the Employers recognize the Local Union as the sole and exclusive collective bargaining representative of the employees of the Employers employed within the Local Union's territorial jurisdiction as set forth below under Section 9(a) of the National Labor Relations Act:

The territorial jurisdiction of Local No. 40 of the Union is San Francisco and San Mateo Counties, California.

ARTICLE IV

Definitions of Employees

1. Journeyman Roofer:

A Journeyman Roofer is an employee who has served at least three and one-half (3 ½) years as an Apprentice and has passed an examination given by the Roofers and Waterproofers Joint Apprenticeship Committee in the area

covered by this Agreement, or any other employee who has qualified as a Journeyman under the provisions of ARTICLE VI of this Agreement. Journeymen may be classified as set forth in said ARTICLE VI.

2. **Apprentice:**

An Apprentice is an employee working under and subordinate to the Roofers Joint Apprenticeship and Training Committee in the area covered by this Agreement.

3. **Foreman:**

A Foreman is an employee receiving one of the premium rates provided for in the Wage Schedules set forth in Addendum One to this Agreement.

4. **Journeymen and Foremen** shall be paid according to the provisions for their respective classifications as set forth in the Addenda to this Agreement, and Apprentices shall like-wise be appropriately paid according to the schedules and provisions for Apprentices set forth in the Addenda to this Agreement.

ARTICLE V *Union Security and Employment*

Section 1. All employees shall be required, as a condition of employment, to apply for and become members of, and to maintain membership in the Local Union on or after the eighth day following the commencement of their employment or the date of execution of this Agreement, whichever is the later. When employees of an Employer are brought from outside the territorial jurisdiction set forth herein under the fifty percent (50%) rule as set forth in ARTICLE V, Section 3(g), hereof, membership in the local union of the International Union from whose territorial jurisdiction they have been brought shall satisfy the requirements of this Section. This Section shall be enforced to the full extent permitted by law.

Section 2. Upon written notice from the Local Union that any employee has failed to comply with the requirements of Section 1 of this ARTICLE, the Employer shall immediately discharge such employee, unless the Employer has reasonable grounds for believing that membership in the Local Union was not available to such employee on the same terms and conditions generally applicable to other members or that membership was denied to such employee or terminated for reasons other than failure to tender periodic dues or initiation fees uniformly required as a condition of acquiring or retaining membership.

The Local Union shall hold the Employer harmless from liability for any loss or damage suffered by any employee or applicant for employment by reason of the Local Union's own discrimination or its inducement of discrimination.

Section 3.

(a) There are or may be the following classifications of employees:

- (1) Journeyman - Roofers, Enamellers, Pipe Wrappers, and Damp and Waterproof Workers
- (2) Apprentices

(b) For the purposes of seniority only there shall be two classes of employees:

- (1) Permanent Employees
- (2) Temporary Employees

A Permanent Employee is one who has completed three and one-half (3 ½) full years, or over, in the trade in one or more of the classifications listed in Paragraph (a) hereof with Employers now parties to this Agreement, provided, however, that an Apprentice upon becoming a Journeyman shall carry with him not more than three and one-half (3 ½) years seniority.

A Temporary Employee is any other person who has been employed in the trade in one of the classifications listed in Paragraph (a) hereof by Employers now parties to this Agreement, provided, however, that an employee who is employed in violation of this Section 3 does not acquire the status of a Temporary Employee by such employment.

- (c) A Permanent Employee who is not employed at the trade in the area covered by this Agreement for any consecutive period of two (2) years shall lose his status as a Permanent Employee hereunder, provided, however, that said period of two (2) years will be extended for any period of incapacity or military service. Any such person who desires to return to the trade in the area covered by this Agreement shall do so as a Temporary Employee.
- (d) A Temporary Employee who is not employed at the trade in the area covered by this Agreement for a period of one (1) year shall thereupon lose his status as a Temporary Employee hereunder, provided, however, that period of one (1) year will be extended for any period of incapacity or military service. Employment prior to the loss of status under this Section shall not be counted thereafter in determining the status of a person who re-enters the trade in the area covered by this Agreement.
- (e) In the laying-off and re-hiring of employees, all Permanent Employees shall be treated as having been hired prior to the hiring of any Temporary Employees and all Temporary Employees shall be treated as if hired after all Permanent Employees. All Temporary Employees of an Individual Employer shall be laid off before any Permanent Employee is laid off. No Temporary Employee shall be hired by any Individual Employer until all Permanent Employees who have been laid off by the Individual Employer shall have been re-hired.
- (f) All Local Union officers and employees of the Local Union shall, for the purpose of seniority, be deemed to be employed at the trade, it being the intent of this Section to provide that upon returning to the employment of any Individual Employer such officer or employee does so with the same rights as if he had continually worked for Individual Employers.
- (g) Notwithstanding anything to the contrary in this ARTICLE provided, any Individual Employer coming from an area not covered by this Agreement to perform work in the territorial jurisdiction covered by this Agreement may bring from such area not more than fifty percent (50%) of the employees required to perform such work if applicants for employment are available from the Local Union provided, however, such employees have been originally hired in accordance with the non-discriminatory hiring provisions of the collective bargaining contract of the local union of the United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO, in effect in the area from which the Individual Employer comes.
- (h) When an Individual Employer needs key employees, there shall be a pre-job conference at which the classifications to be filled by such employees, and the number of employees in each classification, and the times of the commencement of their employment, or the operational stage of the job or project at which their employment shall commence shall be determined. Thereafter upon written request of an Individual Employer on a job or project and delivered to the Employment Office servicing such job or project stating that such Individual Employer desires that a named person or persons be dispatched to a classification or classifications agreed to at such pre-job conference, such person or persons shall be dispatched without regard to the provisions of this Section 3, and the Individual Employer shall hire such person or persons dispatched.
- (i) Apprenticeship ratios are set forth in Section 4 of ARTICLE XXI of this Agreement.
- (j) In the Hiring of Employees:
 - (1) The Individual Employer shall secure all employees required in the performance of the work covered by this Agreement through the Employment Offices or the Dispatcher of the Local Union. Satisfactory and competent Apprentices will be dispatched within seventy-two (72) hours, when available. Satisfactory and competent Journeymen will be dispatched within forty-eight (48) hours, when available. In the event that satisfactory and competent people are not dispatched within these time frames, the Individual Employer may employ any person but shall within twenty-four (24) hours notify the Local Union of the name, address and social security number of the person so employed.

- (2) In dispatching, the Local Union shall first dispatch Permanent Employees who may be unemployed, then Temporary Employees who may be unemployed and thereafter any applicants for employment. Within each classification, the Local Union shall dispatch employees in the order in which they have registered for work, provided, however, that among new applicants for employment those with the greatest experience in the trade shall be dispatched first and those with the least experience, last. Notwithstanding the foregoing, an Individual Employer may request, in writing or in person, an employee by name, and he/she shall be dispatched unless at such time he/she is working for some other Individual Employer.
- (3) The Local Union will maintain appropriate registration facilities for employees and applicants for employment to make themselves available for work. No employee or applicant for employment will be dispatched who has not registered for work.
- (4) Upon being dispatched, the employee or applicant for employment shall proceed to the shop at once if prior to the start of the regular working day or to the job at once if after the start of the regular working day. Referral slips shall clearly and accurately show the dispatched person's proper classification or if an Apprentice, the correct bracket.

No one, except a member of the United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO, of more than three (3) years' duration who is transferring into the Local Union from another local union of the International Union and who has already been classified as a Journeyman prior to said transfer, shall be dispatched as a Journeyman unless he/she has previously been qualified as such in the area covered by this Agreement or unless he/she has completed and graduated from a Joint Apprenticeship Training program recognized by the parties to this Agreement or has been qualified as a Journeyman by the Joint Examination Board as provided in ARTICLE VI of this Agreement.

- (5) Notwithstanding the provisions of Section 3.B. of the Alcohol and Drug Policy adopted May 12, 1992, employers who elect to conduct pre-employment alcohol and drug screening shall utilize "instant" tests, unless government mandates or contractual requirements call for the use of non-instant tests. Prospective employees whose "instant" test results are negative shall be put to work, if otherwise eligible for hire. Prospective employees whose "instant" test results are inconclusive shall be retested under the terms, conditions and procedures specified in the Alcohol and Drug Policy adopted May 12, 1992.
- (6) The Individual Employer may reject any employee or applicant for employment dispatched by the Local Union, provided, however, that any such employee or applicant for employment reporting for work and rejected by the Individual Employer shall be entitled to show-up time in the amount specified in Section 5 of ARTICLE XVII of this Agreement, unless such employee or applicant for employment is rejected because he/she reported in a condition unfit for work, or because he/she has been discharged for cause by the Individual Employer within twelve (12) months next preceding the date of such reporting for work, or because he/she is not qualified to perform the type of work specified by the Individual Employer at the time of calling the Employment Office of the Local Union for such employee or applicant for employment, or because he/she does not have in his/her possession the documents specified by the Department of Homeland Security if needed in order for the Employer to legally hire the Individual. Individual Employers may, at their discretion, voluntarily elect to participate in the federal E-Verify system for all new hires. It is mutually understood and agreed that in addition to E-Verifying all new hires, contractors who are awarded federal contracts may be required to E-Verify all employees assigned to the project and may also have the option to E-Verify their entire workforce. It shall not be a violation of the Working Agreement to E-Verify persons other than new hires pursuant to the terms of a federal contract.
- (7) The Local Union, in carrying out the provisions of this ARTICLE V will not discriminate either in favor of or against such employees or applicants by reason of race, color, religion, sex, national origin or by reason of membership or non-membership in any union, or by reason of activity on behalf of or in opposition to any union, nor shall the carrying out of the provisions of this ARTICLE V be based on, or in any way affected by union membership, bylaws, rules, regulations, constitutional provisions or any other aspect or obligation of union membership, policies or requirements except to the extent that membership in the Union shall be a condition of employment as provided in this ARTICLE V of this Agreement, nor shall the

Individual Employer discriminate either in favor of or against employees or applicants for employment or any of them by reason of race, color, religion, sex, national origin or by reason of membership or non-membership in any union, except to the extent that membership in the Local Union shall be a condition of employment as provided in this ARTICLE V of this Agreement.

Section 4. Union Activity. No employee shall be discharged or in any way discriminated against by reason of activity for or against any union, provided, however, that no employee shall be paid by the Individual Employer for time spent on such activities. No employee shall be discharged or in any way disciplined for refusal to pass a lawful primary picket line established by an international union affiliated with the Building & Construction Trades Department, AFL-CIO, or a local union thereof, provided the picket line has been authorized and sanctioned, or otherwise processed and not disapproved by the Local Building & Construction Trades Council or the Central Labor Council having jurisdiction over the area in which the job is located in accordance with their usual procedures.

Section 5. The Individual Employer shall be the sole judge of the qualifications of all his employees and on such grounds may refuse to hire any employee, but may discharge an employee for just cause only. In the event of a dispute, the existence of just cause shall be determined in accordance with the grievance procedure provided in Article XXX hereof. Employees discharged without just cause may be ordered reinstated with payment for time lost. The Local Union shall be the sole judge of the qualifications for membership therein.

Section 6. The provisions contained in this ARTICLE V are intended to be, and are, the only provisions governing the hiring, dispatching and discharging of employees. The Local Union and Employers shall for the information of employees and applicants for employment at all times keep posted in the places where notices are usually posted a copy of this ARTICLE V.

Section 7. Any employee or Employer claiming to be aggrieved by the application to himself/herself of any of the provisions of this ARTICLE V, whether by the Local Union, the Association, or any Individual Employer, may submit the same to the Local Area Adjustment Board in accordance with the appropriate provisions of this Agreement. All such grievances must be submitted in writing to the Local Area Adjustment Board within five (5) days of the date when such grievance arose. The Local Union and the Association shall at all times keep on hand a sufficient number of forms for the use of employees or Employers in submitting such grievances.

ARTICLE VI

Joint Examination Board

Section 1. Immediately upon execution hereof, there shall be established a Joint Examination Board to consist of six (6) members, three (3) members, and alternates, to be appointed by the Local Union and three (3) members, and alternates, to be appointed by the Association. The members shall meet forthwith for the purpose of appointing a Chairman and a Secretary and adopting rules of procedure. The Chairman and Secretary shall be appointed from among the members of the Board, provided, however, that when an Employer member is appointed Chairman, a Local Union member shall be appointed Secretary, and vice versa. The Board shall have full power to adopt their own rules of procedure not inconsistent with the provisions of this ARTICLE.

Section 2. It shall be the duty of the Board to examine all persons seeking to qualify as Journeyman Roofers, Enamellers and Pipe Wrappers and Damp and Waterproof Workers upon their qualifications to be employed as such upon the work covered by this Agreement.

To assist in the examination process, the Board shall: develop an inventory of skills and competencies associated with each bracket of apprenticeship, and with Journeyman status; devise physical/hands-on testing protocols for candidates for each bracket of apprenticeship, and for Journeyman status; and introduce these protocols into the evaluation and examination processes as soon as practicable.

Applicants may be qualified by the Joint Examination Board as:

- (1) A Journeyman capable of doing all types of work covered by this Agreement; or
- (2) A Journeyman Waterproofer. In making its determination as to whether or not to qualify an applicant as a Journeyman, the Joint Examination Board shall seek and consider input and recommendations from any recent employers for whom the applicant may have performed work or from any employer for whom the applicant is currently performing work of the type for which the applicant is seeking to be qualified as a Journeyman.

In those instances that an applicant is qualified as a Journeyman capable of doing only a portion of the work covered by this Agreement, the applicant shall be classified, paid and have fringe contributions made as an Apprentice for all other types of work covered by this Agreement in the Apprentice bracket determined by the Joint Examination Board to be appropriate, and the employee's referral slip shall clearly and accurately show the dispatched employee's proper classification and bracket for the type of work for which he/she is being dispatched.

Section 3. All persons seeking to qualify for employment as Journeymen upon work covered by this Agreement, except Apprentices duly qualified under an Apprentice Training Program and except a member of the United Union of Roofers, Waterprooferers and Allied Workers, AFL-CIO, of more than three (3) years' duration who is transferring into the Local Union from another local union of the International Union and who has already been classified as a Journeyman prior to said transfer, shall be required to apply for, and submit to, examination by the Board and shall not be so employed unless and until their qualifications as such Journeymen have been duly certified by the Board. Persons already qualified as Journeymen and working in the area covered by this Agreement as of August 28, 1986, shall not be required to take the examination and may continue to be employed as Journeymen in accordance with the terms and conditions of this Agreement.

Section 4. No person shall be permitted to take the examination who has not completed three and one-half (3 ½) full years in the trade prior to the filing of his application. Applicants failing the examination shall not be permitted to take the examination again before completing another full year of work in the trade after such failure.

Section 5. Applications for qualification as Journeymen shall be made in writing upon written forms to be supplied for that purpose and filed with the Secretary of the Board. It shall be the duty of the Secretary to present all such applications to the Board at its next meeting. All applicants shall be examined within sixty (60) days of the date their applications are filed with the Secretary of the Board and shall be notified in writing within ten (10) days of the date of said examination of the result thereof.

Section 6. All examinations shall be conducted fairly and impartially and without regard to the applicant's membership or non-membership in any union, or the applicant's race, color, religion, sex or national origin.

Section 7. The Board shall meet at least quarterly and more often if the number of applicants for qualification as Journeyman shall so require.

Section 8. To constitute a quorum there must be present at each meeting at least two (2) members appointed by the Association and two (2) members appointed by the Local Union. The decisions of the Board shall be by majority vote, with an equal number of Employer members and Local Union members participating.

Section 9. Any applicant who is aggrieved by any action of the Board or by its failure to act may appeal to the Local Area Adjustment Board in accordance with ARTICLE XXX of this Agreement, but such right of appeal must be exercised within five (5) days of the action of the Joint Examination Board, or in case of its failure to act, within five (5) days of the time within which it is required to act as hereinbefore provided.

ARTICLE VII

Licensing, Workmen's Compensation Insurance and Safety

Section 1. In the event Employers are not properly licensed, or do not operate in accordance with this Agreement, or do not carry adequate Workers' Compensation Insurance, or do not operate in full compliance with the Fair Trade Act and Unfair Practices Act, or do not maintain a recognized place of business, as hereinafter defined, and a telephone, or any or all of them, it shall not be a violation of this Agreement for the Local Union to refuse to dispatch people or for any Individual to refuse to work for such Employers.

Section 2. Employees shall not be required to work for Employers unless said Employer's insurance carrier has filed with the Local Union a certificate of Workers' Compensation Insurance. The certificates of compensation insurance may be forwarded through the Association's office and shall be available for inspection by the Local Union.

Section 3. No employee shall be required to Work under conditions or to use any material or equipment that is or are unsafe, dangerous or injurious to human life, health or limb. Toward that end, the Individual Employer shall provide employees with required protective clothing and/or safety equipment and devices in accordance with applicable laws and regulations. In the event of a dispute as to the requirements of this Section no employee shall be required to work under protested conditions or with protested material or equipment until the dispute shall have been resolved by an Inspector from the Division of Occupational Safety and Health of the Department of Industrial Relations of the State of California, or corresponding agency of the Federal Government, or through the grievance procedures of this Agreement.

Section 4. The Employer is to provide drinking water containers and drinking utensils as required by OSHA.

Section 5. Roofing contractors who are signatory to this Agreement may at their discretion participate in an alternative dispute resolution system pursuant to the provisions of California Labor Code Section 3201.5.

Section 6. The Employer will provide fall protection as required by the California Construction Industry Safety Orders and where appropriate, instruction in the use of required fall protection.

ARTICLE VIII

Holidays

Section 1. All Sundays shall be recognized Holidays, in addition to the following Legal Holidays recognized and observed within the area covered by this Agreement: New Year's Day, Presidents' Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day and Christmas Day. Should any of these Legal Holidays fall on a Saturday, the preceding Friday shall be considered a voluntary work day. Should any of these Legal Holidays fall on a Sunday, the following Monday shall be considered a voluntary work day. No employee shall be discharged or otherwise disciplined for refusing to work on these days. Employees who do elect to work on these days shall be compensated at their regular straight-time wage rate.

Section 2. No overtime shall be worked on Sunday or on the Holidays, including but not limited to Labor Day, specified in this Agreement except in cases of extreme emergency when, by mutual consent of both parties hereto, such emergency work is permitted, and in all cases where such necessary emergency work is permitted, the applicable over-time rate shall be paid.

Section 3. The day after Thanksgiving, the day after Christmas and the day after New Years' Day shall be considered voluntary work days. No employee shall be discharged or otherwise disciplined for refusing to work on these days.

ARTICLE IX
Liability and Separability

Section 1. Neither the Association nor the Employers nor the Local Union shall be liable for damages caused by the acts or conduct of any Individual or any group of Individuals acting in violation of the terms of this Agreement without authority of the Association or the Employers or the Local Union respectively.

Section 2. It is not the intent of any party hereto to violate any laws, rulings, or regulations of any Governmental authority or agency having jurisdiction of the subject matter of this Agreement, and the parties hereto agree that in the event that any provisions of this Agreement are finally held or determined to be illegal or void as being in contravention of any such laws, rulings or regulations, nevertheless, the remainder of the Agreement shall remain in full force and effect, unless the parts so found to be void are wholly inseparable from the remaining portion of this Agreement. The parties agree that if and when any provisions of this Agreement are finally held or determined to be illegal or void, they will then promptly enter into lawful negotiations concerning the substance thereof.

ARTICLE X
Operating Rules

In establishing this Agreement, it is agreed that no operating rules or regulations shall be placed in effect which are in conflict with the terms of this Agreement, without first being presented to, and approved by, the Joint Area Conference Board or the Local Area Adjustment Board.

ARTICLE XI
Hours of Work and Overtime

Section 1. The regular work week shall consist of forty (40) hours from 8:00 a.m. Monday to 4:30 p.m. Friday, and the regular work day shall consist of eight (8) hours, 8:00 a.m. to 4:30 p.m., Mondays through Fridays, both inclusive, with one-half (1/2) hour for lunch and two 10-minute breaks, one in the morning and one in the afternoon. Employees shall not normally be required to work in excess of five (5) consecutive hours without a meal break. This provision may be temporarily suspended on a case-by-case basis, however, by mutual agreement of the foreman and crew.

(a) Employees shall be paid \$1.00 per hour more than the wage rate they are currently paid for all hours worked between the hours of 9:00 p.m. and 6:00 a.m. All overtime rules still apply.

Section 2.

(a) All time worked after 10 hours in a day and after 40 hours of work during a week (Monday through Friday) shall be considered overtime. Except as specified in Sections 2(b) and 3 of this ARTICLE, all overtime worked shall be paid at one and one-half (1 ½) times the applicable wage rate.

(b) All time worked after 12 hours in a day, on Sundays or the Legal Holidays named in ARTICLE VIII shall be considered overtime and shall be paid at two (2) times the applicable wage rate.

Section 3. In the event that conditions over which the roofing contractor has no control (i.e., adverse weather, project delays, logistical problems, general contractor or building owner requirements, etc.) prevent employees from working on one (1) or more days during the regular work week, then work may be performed on Saturday at straight time rates. It is specifically agreed that all straight time work on Saturday will be voluntary and that no employee shall be discharged or otherwise disciplined, for refusing such work. Employees who have worked forty (40) hours or more during the regular work week shall not be eligible for straight time work on Saturday.

Work performed on Saturday in violation of this provision shall be subject to the overtime provisions of the Working Agreement, and the parties involved may be cited under the grievance provisions of ARTICLE XXX of the Working Agreement. Employees who are currently drawing unemployment benefits will not be offered the opportunity for such work by the Employer.

Section 4. Notwithstanding the provisions of Section 1 of this ARTICLE, the period of the regular 8-hour work day may be changed by mutual agreement between the Individual Employer and his employees to be at any time before 8:00 a.m. or at any time later than 8:30 a.m. During the winter months, starting time at 8:30 a.m. is permissible at the option of the Individual Employer, in which case the regular work day will end at 5:00 p.m.

Section 5. Employees are to be paid for time worked during the regular work day, outside the regular work day and during overtime periods to the nearest one-half (1/2) hour.

Section 6. Employees shall be compensated for the actual time spent loading and unloading trucks at the Individual Employer's shop at two-thirds (2/3) of their applicable straight time rates of wages only. Apprentices will be paid the greater of (a) the applicable state or local minimum wage, or (b) two-thirds (2/3) of their applicable straight time rate of wages. When such loading and unloading occurs during an overtime period, there will be a time and one-half (1 ½) premium applicable to their rates of wages applicable to such loading and unloading. No fringe fund contributions are required for loading and unloading.

Section 7. Paid Sick Leave. The Association and the Local Union expressly waive the provisions of Chapter 12W of the Administrative Code of San Francisco related to paid sick leave. The Association and the Local Union also expressly waive the provisions of Article 1.5, *Paid Sick Days*, of Chapter 1, Part 1, Division 2 of the California Labor Code, also known as the *Healthy Workplaces, Healthy Families Act of 2014* (SB 1522, Chapter 317 of the Statutes of 2014). The provisions of these state and local laws shall have no application to employees covered under the terms of this Working Agreement or to employees performing work within the territorial jurisdiction of Local 40 under the terms of Working Agreements between the Association and any other Roofers Union Local.

ARTICLE XII

Travel

Section 1. Employees may be instructed by the Individual Employer to report directly to the job site. Employees who report directly to a job-site within the free zone will receive no travel time or expense reimbursement nor will they receive any mileage allowance if they elect to use their own vehicle. All employees required to report to the shop shall be compensated at the employee's applicable wage rate.

When an employee elects to report to the employer's shop to receive transportation in a company vehicle to and/or from the job-site within the free zone, the employee will receive no travel time or expense allowance. Time spent for traveling beyond the free zone shall be paid at the employee's applicable wage rate only. If such traveling occurs during an overtime period, time and one-half (1 ½) the employee's rate of wages shall be paid.

When employees are transported in vehicles furnished by the Individual Employer, such transportation shall be safe and lawful. When traveling in an Individual Employer's vehicle, employees are to be protected from wind and rain.

Section 2.

- (a) Employees shall be compensated for the actual time spent driving trucks from the Individual Employer's shop to the first job-site, or to the first stop on the way to the first job-site if the stop is for a legitimate business purpose related to the roofing work which is to be done, and for the actual time spent driving trucks from the last job site to the shop, or from the last stop when returning from the last job-site to the shop if the stop is for a legitimate business purpose related to the roofing work which has been performed, at their applicable straight time rate of wages only.

When such driving occurs during an overtime period time and one-half (1 ½) the employee's rate of wages shall be paid.

On no occasions are fringe fund contributions required until employees driving trucks reach the first job-site or the first roofing related business stop as described above. At such time, fringe fund contributions which are applicable to the employee's classification or category will commence and will continue for all the time for which the employee is paid wages until the employee leaves his/her last job site, or the last roofing related business stop as described above, following which no further fringe fund contributions are required for that work day.

- (b) Employees shall be compensated for the actual time spent driving trucks from the first roofing related business stop as described in Section 2(a) above to the first job-site, if applicable; from job-site to job-site; and from the last job-site to the last roofing related business stop, if applicable; at their applicable straight time rates of wages. When such driving occurs during an overtime period, time and one-half (1 ½) the employee's rate of wages shall be paid.

For such driving, fringe fund contributions which are applicable to the employee's classification or category shall be paid.

- (c) Any employee may drive a truck with preference being given to Foremen and Journeymen who have a valid California driver's license and who are acceptable to the Employer's insurance company.
- (d) The payment of "wages" for any activity does not make that activity into "work" if it would not otherwise be considered to be work.

Section 3. Employees shall be reimbursed for their costs and expenses of travel as follows:

- (a) There is a free zone of forty-five (45) miles radius from the Individual Employer's shop.
- (b) (i) Unless required to report to the shop, employees shall not be compensated for the time spent traveling within the free zone radius from the Individual Employer's shop to the initial job-site for the day, or to the first stop on the way to the initial job-site if the stop is for a legitimate business purpose related to the roofing work which is to be done, and for the time spent traveling from the last job-site each day to the shop, or from the last stop when returning from the final job-site to the shop if the stop is for a legitimate business purpose related to the roofing work which has been performed. The normal dispatch of employees to a project is not work and does not start an employee's work for the day, nor is the return from a job to the shop work.
 - (ii) If employees who are traveling from the shop to a job-site stop en route for a legitimate business purpose related to the roofing work which is to be done, wages at each employee's applicable straight time rate of wages and full fringe fund contributions which are applicable to the employee's classification or category will commence at the stop and will continue until the employee reaches the job-site.
 - (iii) If employees who are returning from a job-site to the shop at the end of the work day stop en route for a legitimate business purpose related to the roofing work which has been performed, wages at each employee's applicable straight time rate of wages and full fringe fund contributions which are applicable to the employee's classification or category will continue until the employee reaches the last roofing related business stop, following which no further wages or fringe fund contributions are required for that work day.
- (iv) If employees travel from job-site to job-site within the free zone during the regular work day, wages at each employee's applicable straight time rate of wages and full fringe fund contributions which are applicable to the employee's classification or category shall be paid.
- (v) When traveling described in subparagraphs (ii), (iii) or (iv) above occurs during an overtime period, time and one-half (1 ½) the employee's rate of wages shall be paid.
- (c) For travel expenses beyond the free zone the Individual Employer shall reimburse the employee thirty-eight dollars (\$38.00) per day.

- (d) However, at the Individual Employer's option, instead of reimbursing the employee for travel expense as provided in subparagraph (c) above, the Individual Employer may compensate the employee for time spent in traveling beyond the free zone as follows:

(i) For the actual time of travel during the regular work day from the Individual Employer's free zone radius border to the initial job-site for the day, or to the first stop on the way to the initial job-site if the stop is for a legitimate business purpose related to the roofing work which is to be done, and from the last job-site or from the last stop when returning from the final job-site if the stop is for a legitimate business purpose related to the roofing work which has been performed, back to the Employer's free zone radius border, the employee shall be compensated at the employee's applicable straight time rate of wages only.

When such traveling beyond the free zone radius occurs during an overtime period, time and one-half (1 ½) the employee's rate of wages shall be paid.

Such travel expense beyond the free zone radius is compensatory up to a maximum of thirty-eight dollars (\$38.00) per day.

On no occasions are fringe fund contributions required until employees who are traveling reach the first job-site, or the first roofing related business stop as described above, beyond the free zone radius. At such time, fringe fund contributions which are applicable to the employee's classification or category will commence and will continue for all the time for which the employee is paid wages until the employee leaves his/her last job-site, or the last roofing related business stop as described above, following which no further fringe fund contributions are required for that work day.

(ii) Employees shall be compensated for the actual time spent traveling from the first roofing related business stop beyond the free zone radius as described in subparagraph (c)(i) above to the first job-site, if applicable; from job-site to job-site beyond the free zone radius, and traveling from the last job-site to the last roofing related business stop beyond the free zone radius, if applicable; at their applicable straight time rate of wages.

When such travel beyond the free zone radius occurs during an overtime period, time and one-half (1 ½) the employee's rate of wages shall be paid.

When such travel beyond the free zone radius occurs, fringe fund contributions which are applicable to the employee's classification or category shall be paid.

- (e) The payment of "wages" for any activity does not make that activity into "work" if it would not otherwise be considered to be work.

Section 4.

- (a) For the purpose of clarification, a shop shall be defined as a regular established place of business in which roofing materials are regularly stored and from which workmen and equipment are dispatched. Any Individual Employer establishing an additional shop or shops must have them in actual existence and operating one hundred twenty (120) days before a job-site is started for the purposes of this ARTICLE.

Section 5. When it is necessary for an employee to remain out of town overnight, employer-paid lodging of not less than Motel 6 quality, two persons per room, shall be provided. In addition, each employee shall be provided with a meal stipend of not less than \$38.00 per work day.

Section 6. Use of Employee's Car.

- (a) When transportation is not furnished by the Individual Employer and employees are requested to use their own cars when traveling from shop to job, or job to job, or job to shop, they shall be reimbursed at the Internal Revenue Service rate in effect at the time the mileage expense was incurred.

- (b) If the Individual Employer directs the employee to use his or her personal vehicle to report to the job site and free parking is not available, the Individual Employer shall designate one or more approved paid parking locations. If the employee utilizes an approved parking location, the Individual Employer upon the submission of a valid receipt shall reimburse the employee's actual parking expense. Necessary bridge tolls paid by the employee shall also be reimbursed by the Individual Employer upon the submission of a valid receipt.

ARTICLE XIII

Public Works

Notwithstanding any provisions to the contrary in this Agreement or the Addenda hereto, applicable prevailing rates of wages and fringe benefits only shall be paid on all publicly funded work. When prevailing rates of wages and/or fringe benefits are lower than are called for under this Working Agreement:

- (a) Such work will be voluntary and no employee shall be discharged, or otherwise disciplined, for refusing such work; and
- (b) To the extent allowable by applicable law(s), the amounts available for distribution to the existing fringe funds shall be allocated to wages, health and welfare, vacation, pension, apprenticeship training and/or promotion fund according to the wishes of the employees employed on the project.

ARTICLE XIV

Substance Abuse

Drug and Alcohol Policy adopted 5/12/92, see Addendum Two.

ARTICLE XV

Payment of Wages

The wages and all travel and out-of-town expenses and transportation allowances, if due, shall be paid in cash or check in the shop, or on the job, at or before quitting time on Friday or on the other regular pay-day set by the Employer, which pay-day cannot be changed without two weeks' notice. No more than two days' pay can be held back. All employees laid off, discharged, or fired shall be so informed by the Employer or Foreman at the termination of the day's work and shall be paid in full.

If employees are caused or forced to wait for wages or other payments due, the Employer shall pay the employee for "waiting time", the regular rate of wages per hour until such time as the employee is paid in full.

Employees shall be furnished with check stub(s) or separate voucher(s) showing straight time worked; truck loading, truck driving and travel time when applicable; and overtime; and the applicable hourly wage rates for each of them; and the amount added for Vacation, and deductions for Vacation, State Disability Insurance, Social Security, Withholding Taxes, and any other deductions. All such check stub(s) or separate voucher(s) shall also include gross wages earned; net wages earned; the employee's name and social security number; the inclusive dates of the pay period; and the name and address of the Employer.

ARTICLE XVI

Work Performed in Another Jurisdiction

When sent by an Individual Employer to supervise or perform work specified in this Agreement outside the geographical jurisdiction of the Local Union, employees shall be paid the total of the wage scale and fringe amounts for his/her Local Union area or the total of the wage scale and fringe amounts of the local union area in which he/she is working,

whichever is higher, plus all applicable travel and out-of-town expenses and transportation allowances while employed outside the geographical jurisdiction of the Local Union. In instances where an employee is working outside of his/her Local Union's geographical area, fringe contributions will be made into the funds which cover his/her Local Union's area. In no instance, however, shall an Individual Employer be required to make contributions into two different fringe funds in different areas which have been created for similar or identical purposes or to provide similar or identical benefits.

ARTICLE XVII

General Rules

Section 1. Patch work where hot material is used: two (2) employees or more are to be employed and no hot asphalt or heavy material is to be carried up ladders.

Section 2. On all shingle work two (2) stories or over, a derrick is to be used for hoisting material where possible. A two-story building is defined as being over twenty (20) feet to the eave. On all shingle work one-quarter (1/4) pitch or over, or two (2) stories or over, two (2) employees must be assigned during loading and if scaffolding is needed, two (2) employees must be assigned at all times.

Section 3.

(a) The following will apply when a kettle is being used:

Kettles will be manned and operated per State Construction Industry Safety Orders and any other applicable safety ordinances. When the burner is lit and material is being drawn off, the kettleman will not be required to go on a roof if the roof is thirty (30) or more feet above the ground (this limitation does not apply to patch work of five (5) squares or less). The ladder should be placed a safe distance from the kettle to provide access to and from the roof in the event of a fire. If job site conditions permit, the recommended distance between the kettle and the ladder is twenty-five (25) feet.

(b) The following will apply when a tanker or tanker-kettle (equipment which uses liquid material, whether truck mounted or trailered) is being used:

Tankers and tanker-kettles will be operated per State Construction Industry Safety Orders and any other applicable safety ordinances. Manning of a tanker or tanker-kettle by a kettleman on the ground is not required.

Section 4.

(a) No employee shall be required to hold in suspension, while in the act of applying the same, any roll of roofing material weighing in excess of fifty-five (55) pounds, except thirty (30) pound felt in two (2) square rolls. Fifteen (15) pound felt in four (4) square rolls may not be used on a roof.

(b) No employee shall be required to handle any roll of roofing material, gravel, rock or granules in bag, package or parcel weighing in excess of eighty (80) pounds, except on a flat roof and then only when a power hoist is used and at least two (2) employees are assigned to the work of loading and unloading such rolls, bags, packages or parcels.

(c) No employee shall be required to lift material manually by himself/herself to a height over his/her head from the level from which the material is being lifted.

Section 5. Reporting for Work. Employees shall not be required to report to work more than thirty (30) minutes before starting time. The Individual Employer agrees that when an employee regularly on the Individual Employer's payroll reports for work on order of the Individual Employer and no work is provided, the employee so reporting shall receive two (2) hours' pay, provided lack of work is not caused by bad weather or other acts of God, or by strikes or other conditions over which the Individual Employer has no control.

Employees unable to report when so ordered shall notify the Individual Employer by 7:30 a.m. In proper cases under this Section, employees may be cited to appear before the Local Area Adjustment Board. When an Individual not regularly on the payroll is dispatched by the Local Union upon order by the Individual Employer, he/she shall be given not less than four (4) hours' pay, whether worked or not, provided lack of work is not caused by bad weather or other acts of God, or by strikes or other conditions over which the Individual Employer has no control.

Employees or applicants for employment who appear for work in a physically unfit condition shall not be entitled to pay for reporting. Neither shall employees or applicants for employment be entitled to pay for reporting if he/she has been discharged for cause by the Individual Employer within twelve (12) months next proceeding the date of such reporting for work, or because he/she is not qualified to perform the type of work specified by the Individual Employer at the time of calling the Employment Office of the Local Union for such employee or applicant for employment, or because he/she does not have in his/her possession the documents specified by the Department of Homeland Security if needed in order for the Employer to legally hire the Individual.

Section 6. Individual Employers agree to allow the Business Representative to visit all shops and jobs and to examine time books and payroll records during business hours. Any of the auditors retained by the Bay Area Roofers Health and Welfare Trust may serve as the Business Representative's designee for these purposes.

Section 7. Foremen. When five (5) or more employees covered by this Agreement are employed on a structure, one Foreman shall be employed for the first five (5) such employees and thereafter one (1) Foreman for each additional three (3) such employees, or fraction thereof. All Foremen must be Journeymen, and at least one (1) Journeyman shall receive Foreman's pay on each job. An Individual Employer shall not be classed as a Foreman when working on the job. An employee may be moved from a job to do incidental work during the day without changing his Foreman rate.

Section 8. Working Employer. Only one member of a firm, to be pre-designated as a working owner, shall be permitted to work on any class of work covered by this Agreement provided that at least one employee covered by this Agreement is in his/her employ. Such working owner shall comply with all applicable provisions of this Agreement with respect to hours and working conditions.

Section 9. Piece Work. Piece work or contracting by employees will not be permitted under this Agreement.

Section 10. Contracting Opportunities. Any employee learning of contracting opportunities in the roofing industry while in the employ of an Individual Employer shall report all such opportunities to the Individual Employer, and no employee shall perform any roofing job as an Individual proprietor, or as a partner or as a corporation, and no employee shall bid or contract for any roofing job himself/herself, either individually or in conjunction with any other party, while employed by any Individual Employer or registered for employment in the Employment Office of the Local Union. No employee or applicant for employment shall accept employment on any roofing job except as provided in ARTICLE V of this Agreement, whether registered or not. Violation of this Section by an employee or applicant for employment shall be conclusively presumed to be just cause for his/her discharge and/or for referral of the employee or applicant for employment to the Local Union for such action as it may take pursuant to the provisions of ARTICLE XXX, Section 7(b). Employees may, however, notwithstanding the provisions of this Section, perform work upon any residence owned by themselves.

Section 11. Loss of Fringe Benefits if Work in Noncovered Roofing Service. To the extent allowable by applicable law, certain health and welfare benefits and options may be restricted or lost if an employee works in Noncovered (non-union) Roofing Service. In addition, to the extent allowable by applicable law, certain pension benefits will be lost if an employee works in Noncovered (non-union) Roofing Service.

Section 12. Use of Labor Saving Devices and Methods. The Individual Employer and the Local Union recognize the necessity of eliminating restrictions and promoting efficiency. No rules, customs or practices shall be permitted that limit production or increase the time required to do the work, and no limitation shall be placed on the amount of work which an employee shall perform during the working day, nor shall there be any restrictions against the use of any kind of machinery, tools or labor saving devices or methods, provided, however, that no employee shall be required to work under any conditions that are injurious to his/her health or safety.

Section 13. Compliance with Specifications. Both the Individual Employer and employees shall comply with the work specifications in every detail. In case of any violation of any written specifications or false report with respect thereto, such Individual Employer, or employee, as the case may be, shall be cited before the Local Area Adjustment Board which, after investigating the matter, shall make recommendations to the Association, the Employer or the Local Union as it deems proper.

Section 14. Social Security Numbers. The Local Union shall, on request, furnish the Individual Employer with a list of the Social Security numbers of workers when the same is available.

Section 15. Employees shall not be required as a condition of employment to furnish the use of an automobile or other conveyance to transport tools, equipment or materials from shop to job, from job to job, or from job to shop, facilities for such transportation to be provided by the Individual Employer. This provision is not to restrict the use of an automobile or other conveyance to transport its owner and personal tools from home to shop or job at starting time, or from shop or job to home at quitting time.

Section 16. The transportation equipment furnished by the Individual Employer shall be used for transportation from shop to job, job to job, or job to shop, and shall not be used for personal convenience of the employees without the express consent of the Individual Employer. When there is a GPS tracking device on the Individual Employer's vehicle and either the employee or the Individual Employer disputes the information derived therefrom, the dispute shall be resolved according to the Grievance Procedures set forth in ARTICLE XXX.

Section 17. Tools and Equipment. Apprentices shall report for work with hammer, hatchet, knife, snips, small ripping bar, cartridge caulking gun and chalk line, and in addition, whenever required shall supply their own long-sleeved shirts and appropriate shoes for "hot" work and hard hats. Journeymen shall report for work with the following additional tools: regular screwdriver, phillips head screwdriver, pliers, adjustable wrench, small handsaw, keyhole saw, socket set, nail bag, tape measure and cat's paw.

Section 18. All employees shall be responsible for maintaining valid First Aid cards. Employers will assist employees to meet this requirement by either:

- (a) providing for First Aid classes to be held at the shop and not charging employees a fee for attending said classes; or
- (b) upon proof of successful completion of a First Aid class sponsored by the Roofing Apprenticeship Program, the Roofing Apprenticeship Program shall directly reimburse the employees' registration fees. The Program will, in turn, bill the employees' employers for reimbursement of said registration fees.

In neither case will employees be compensated for time spent in class. Employees who choose to satisfy the First Aid requirement by any other means than those specified above shall not be reimbursed or otherwise compensated for so doing.

Section 19. All Journeymen shall complete a minimum of eight (8) hours of roofing-related continuing education every year. Said continuing education may be undertaken in order to maintain certifications (i.e. First Aid, asbestos), to improve their roofing and/or waterproofing skills and/or to familiarize themselves with new materials or equipment. Journeymen are to satisfy the continuing education requirement on an uncompensated basis. If the Individual Employer directs an employee who would otherwise be engaged in work activity at the job site to attend a particular continuing education class that is offered during the regular work week, the employee shall be compensated at his or her regular wage rate for time actually spent in said class.

The Association and the Union mutually agree that continuing education and training are vitally important to maintaining the marketability of union contractors and increasing the employability of their skilled union craftsmen. The Individual Employer may therefore require its employees to attend continuing education or training classes as may be necessary to satisfy Owner, General Contractor and/or project requirements, to maintain employee certifications (i.e. First Aid, asbestos), to improve employee roofing and/or waterproofing skills and/or to familiarize employees with new materials, equipment and processes. Whenever possible, such continuing education and training classes shall be held at the Roofing/Waterproofing Regional Training Center in Livermore.

Employees directed to attend such continuing education and training classes shall be paid the greater of (a) the State or Local minimum wage that applies in the community in which the Employer's shop is located, or (b) two-thirds (2/3) of their applicable straight time rate of wages only. When such continuing education and training occurs during an overtime period, there will be a time and one-half (1 ½) premium applicable to their rates of wages applicable to such continuing education and training. No fringe fund contributions are required for continuing education and training.

Section 20. All equipment provided by the Individual Employer shall be such as will give adequate protection of life, limb and property. The Individual Employer will provide such barriers and lights on the job as may be required by applicable laws and/or regulations to give proper warnings of all danger points.

Section 21. Truck Identification. Each Individual Employer, within thirty (30) days after becoming a party to this Agreement, shall have all trucks commonly used to haul employees and materials plainly identified as to the Employer's business name with signs, seals, decals or stickers. Such identification shall be visible from either side of the vehicle, and the Individual letters shall be not less than two (2) inches in height.

The parties agree to improve these truck identification requirements, and changes to this Section to accomplish this shall be placed into effect upon the mutual consent of the Local Union and the Association.

Section 22. Anyone who is or who becomes an Employer or an independent contractor or who holds or is listed in any proprietary capacity on a currently active California Contractors' License in any license classification which covers work covered by this Agreement shall not hold membership in the Union. Violations of this Section shall be processed in accordance with ARTICLE XXX of this Agreement.

Section 23. The Association and the Local Union mutually agree to encourage Apprentices and Journeymen to acquire and maintain valid California driver's licenses.

Section 24. The Association and the Local Union mutually agree to explore ways and means of improving the image of the roofing industry with high school and junior college students and actively recruiting better-qualified employees.

Section 25. Picket Duty. Members of the Local Union shall serve one (1) day per year assisting the Local Union with picket duty, hand billing and organizing activities. Whenever possible, the Local shall provide the Individual Employer with seventy-two (72) hours advance notice of the selection of his or her employee for such duty. The employee shall not be compensated by the Individual Employer for serving such duty.

ARTICLE XVIII ***Health and Welfare***

Each Individual Employer covered by this Agreement shall pay into the Bay Area Roofers Health and Welfare Trust Fund contributions as set forth in Addendum One to this Agreement for each hour actually worked by his/her employees who are working within classifications and in types of work covered by this Agreement which require health and welfare contributions.

The payments shall be made at the times and in the manner provided for by the Trust Agreement creating the Bay Area Roofers Health and Welfare Trust Fund, and each Individual Employer is bound by all the terms and conditions of said Trust Agreement and any amendment or amendments thereto.

To the extent allowable by applicable law, certain health and welfare benefits and options shall be restricted or lost if an employee works in Noncovered Roofing Service as defined in the eligibility rules of the Bay Area Roofers Health and Welfare Plan.

ARTICLE XIX
Vacation and Check-Off

Section 1. Each Individual Employer covered by this Agreement shall pay into the Roofers Local Union No. 40 Area Vacation Trust Fund contributions as set forth in Addendum One to this Agreement for each hour actually worked by his/her employees who are working within classifications and in types of work covered by this Agreement which require vacation contributions. The payments of the contributions shall be made at the times and in the manner provided for by the Trust Agreement creating the Roofers Local Union No. 40 Area Vacation Trust Fund, and each Individual Employer is bound by all the terms and conditions of said Trust Agreement and any amendment or amendments thereto. All employees' taxes owed by reason of said payments which are required by law, Federal, State or local, shall be deducted from the employee's regular pay check and paid by the Individual Employer to the appropriate agencies. All taxes due from the Individual Employer under the law, Federal, State, or local, by reason of said payments shall be paid by the Individual Employer.

Section 2. Vacation payouts to employees are to be made twice each year with distribution to be the first Friday in December and the first Friday in February of each year.

Section 3. Check-Off.

- (a) Payments on account of initiation fees, if any, for each hour actually worked for which vacation contributions are due at the rate of \$1.50 per hour for Journeymen and \$0.60 per hour for Apprentices, until paid in full, and thereafter payment of working dues at the rate of \$0.86 per hour for Journeymen and \$0.80 per hour for Apprentices for each hour actually worked for which vacation contributions are due by each employee covered by this Agreement who has executed a lawful authorization in writing therefor in manner and form as set forth in Exhibit "A" annexed hereto shall be checked off and deducted from the employee's vacation funds by the Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund, as agent for the Individual Employers covered by this Agreement, and transmitted to the Local Union. The executed authorization shall be lodged with the Association, the Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund, and Local Union No. 40.
- (b) Local Union No. 40 will hold harmless the Association, all Individual Employers, and the Trustees and Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund against any claim or claims which may be made against them or any one or ones of them by any person by reason of the deduction of working dues and payments on account of initiation fees as herein provided, including the cost of defending against the same, and will absorb any additional costs which may result from the administration of these deductions

ARTICLE XX
Retirement Fund

Each Individual Employer covered by this Agreement shall pay into the Pacific Coast Roofers Pension Plan and the National Roofing Industry Pension Fund contributions as set forth in the Addenda to this Agreement for each hour actually worked by his/her employees who are working within classifications and in types of work covered by this Agreement which require pension contributions.

These payments shall be made at the times and in the manner provided for by the "Pacific Coast Roofers Pension Plan Trust Agreement", and each Individual Employer is bound by all the terms and conditions of said Trust Agreement and the National Roofing Industry Pension Fund Agreement and Declaration of Trust and any present or future amendments thereto.

To the extent allowable by applicable law, certain pension benefits shall be lost if an employee works in Noncovered Roofing Service as defined in the Pension Plans and in their respective Summary Plan Descriptions.

ARTICLE XXI

Apprenticeship Training

Section 1. Each Individual Employer covered by this Agreement shall pay into the Bay Area Counties Roofing Industry Apprenticeship Training Fund contributions as set forth in Addendum One to this Agreement for each hour actually worked by his/her employees who are working within classifications and in types of work covered by this Agreement which require apprenticeship fund contributions. The payments shall be made at the times and in the manner provided for by the Trust Agreement creating the Bay Area Counties Roofing Industry Apprenticeship Training Fund, and each Individual Employer is bound by all the terms and conditions of said Trust Agreement and any amendment or amendments thereto.

Effective August 1, 2015 the required apprenticeship training fund contribution shall be \$0.85 per hour, of which \$0.60 per hour shall be allocated to the Training Fund and \$0.25 per hour shall be allocated to the Northern California Roofers Labor Management Trust. Of this \$0.25 per hour contribution, \$0.15 is allocated for purposes related to owning and operating the Roofing/Waterproofing Industry Training Center building in Livermore and \$0.10 per hour represents a new employer contribution to a regional compliance program to be administered by the Trust.

Each Individual Employer is bound by all the terms and conditions of the Trust Agreement creating the Northern California Roofers Labor Management Trust and any amendment or amendments thereto.

The Apprenticeship Standards and the Rules and Regulations of the West Bay Counties Roofing and Waterproofing Joint Apprenticeship Training Committee (JATC) are hereby incorporated into this Agreement by reference. Each Individual Employer is bound by all of the terms and conditions of said documents and any amendment or amendments thereto.

Section 2. The Board of Trustees of the Bay Area Counties Roofing Industry Apprenticeship Training Fund will continue to have full control over the Director of Apprentice Training and control of all the finances and pay all expenses from the Apprenticeship Trust Fund.

Section 3. The normal length of the regular apprenticeship program will be forty-two (42) months.

Section 4. Ratio. For all work, public and private, the ratio of Apprentices to Journeymen employed by the Employer may not be more than one (1) of every two (2) employees for roofing work, and three (3) of every four (4) employees for roof removal, surface preparation, clean-up and disposal related thereto, except when qualified Journeymen are not available.

Section 5. In the event that the State of California or any agency acting on its behalf approves for any other roofing industry apprenticeship program operating within the territorial jurisdiction of Local 40 a ratio of Apprentices to Journeymen that is more favorable to Individual Employers than those set forth in Section 4, above, the JATC shall immediately apply for approval of the same ratio.

ARTICLE XXII

Promotion Fund

Each Individual Employer covered by this Agreement shall pay into the Bay Area Counties Roofing Industry Promotion Fund contributions as set forth in Addendum One to this Agreement for each hour actually worked by his/her employees who are working within classifications and in types of work covered by this Agreement which require promotion fund contributions. Such Fund shall be administered by the Association. The payments shall be made at the times and in the manner provided for by the Trust Agreement creating the Bay Area Counties Roofing Industry Promotion Fund, and each Individual Employer is bound by all the terms and conditions of said Trust Agreement and any amendment or amendments thereto.

ARTICLE XXIII
Labor-Management Trust

Each Individual Employer covered by this Agreement shall pay into the San Francisco Roofers Labor-Management Trust Fund contributions as set forth in Addendum One to this Agreement for each hour actually worked by his/her employees who are working within classifications and in types of work covered by this Agreement which require labor-management trust fund contributions. The payments shall be made at the times and in the manner provided for by the Trust Agreement creating the San Francisco Roofers Labor-Management Trust Fund, and each Individual Employer is bound by all the terms and conditions of said Trust Agreement and any amendment or amendments thereto. The primary purposes of the Trust are to enforce the terms of this Agreement and to preserve and protect work opportunities for signatory roofing contractors and the union craftsmen they employ. It is mutually agreed that the Trust shall utilize random and "for cause" criteria for selecting contractors and/or projects for compliance audits.

ARTICLE XXIV
Research and Education Fund

Section 1. The Fund – There has been established a Trust Fund known as the Roofers and Waterproofers Research and Education Joint Trust Fund (referred to as the "Fund").

Section 2. Employer Contributions – The Employer agrees to pay to the Fund the sum of Three Cents (\$0.03) per hour earned for each Journeyman covered by and working under this agreement for each hour or part thereof paid. The Employer shall not make payments to the Fund for hours worked by Apprentices and other bargaining unit employees who are not classified as Journeymen. The obligation to contribute shall continue during any period when a new collective bargaining agreement is being negotiated.

Section 3. Payments – The payments referred to in Section 2 above shall be made on or before the last day of the month following the month in which the payment determining the contribution was made or such other time(s) as shall be from time to time determined by the Trustees of the Fund.

Section 4. Employer Bound by Agreement and Declaration of Trust – The Employer agrees to be bound by the Agreement and Declaration of Trust creating the Fund and by any future amendments thereto, and hereby designates the present Employer Trustees as its representatives on the Board of Trustees, together with their successors selected in the manner provided in said Agreement and Declaration of Trust, as the same may be amended from time to time, and further agrees to be bound by all actions taken by said Trustees pursuant to said Agreement and Declaration of Trust as amended from time to time. Should the Trust be amended, the Board of Trustees will furnish a copy of the amendment to the parties to this Agreement with sixty (60) days of its adoption.

Section 5. Employer Records – The Employer agrees to make available to the Trustees or their designee during normal business hours all payroll records and other employment records necessary to ascertain that contributions required under this Addendum have been paid correctly and in full. In any such case, the Employer will be given at least two (2) weeks advance notice of the date on which such records are to be made available.

ARTICLE XXV
Bonding

Section 1. Each Individual Employer covered by this Agreement shall be required to post a bond with the Bay Area Roofers Health and Welfare Trust, or a cash deposit equal to the face amount of the required bond amount in lieu thereof in a Trust account properly earmarked in a bank to be designated by the Bay Area Roofers Health and Welfare Trust, for the purpose of guaranteeing the payment of amounts falling due to the Trust Funds as provided in ARTICLES XVIII, XIX, XX, XXI, XXII, XXIII and XXIV of this Agreement and the Addenda hereto. The Bay Area Roofers Health and Welfare Trust is empowered to determine the amount(s) of such bonds or cash deposits, to formulate and adopt rules

covering such bonds or cash deposits, including rules setting forth the equitable, but effective enforcement of bonding requirements, and from time to time to amend the same as in the judgment of its members may be required. The Association and the Local Union mutually agree to discuss ways and means to ensuring that all signatory contractors comply with the requirements of this Section.

Section 2. In the event such bond or cash deposit should be insufficient to cover any such payments due from the Individual Employer at one time, the proceeds shall be applied to the obligations of such Individual Employer in the following order:

- (1) Roofers Vacation Trust Fund (s),
- (2) Roofers Health and Welfare Trust Fund (s),
- (3) Pacific Coast Roofers Pension Plan,
- (4) National Roofing Industry Pension Plan,
- (5) Bay Area Counties Roofing Industry Apprenticeship Training Fund,
- (6) San Francisco Roofers Labor-Management Trust Fund,
- (7) Bay Area Counties Roofing Industry Promotion Fund,
- (8) Research and Education Fund

Section 3. The Local Union shall not dispatch employees to, the Local Union shall withdraw employees from, and any employees covered by this Agreement shall not work for any Individual Employer who has failed to post the bond or make the cash deposit required by this ARTICLE or, having done so, has failed to maintain the same in full force and effect throughout the term of this Agreement.

Section 4. The Association and the Local Union mutually agree that the concepts of Employers who have had a history of being delinquent with their contribution payments to the Trust Funds or who have been audited by the Trust Funds and have been found to have flagrantly failed to have made the proper contributions to the Trust Funds posting a cash deposit in an increased amount have merit and should receive due consideration from the Bay Area Roofers Health and Welfare Trust in carrying out its responsibilities under this ARTICLE.

ARTICLE XXVI

Authorized Union Representatives

Section 1. Unless otherwise expressly indicated in writing to the Association by the Local Union, the Business Representative shall be the only person authorized to represent the Local Union in its collective relations with the Association and the Individual Employers parties hereto. The actions, declarations or conduct of any other person or persons shall not be binding upon the Local Union.

Section 2. Should the Local Union exercise its right to designate any person or persons in addition to the Business Representative to act as its representative, the authority of such other person or persons may be revoked at any time by notice in writing to the Association or the Individual Employer.

ARTICLE XXVII

Subcontracting

Except for roofing tear-off, none of the work covered by this Agreement as set forth in ARTICLE I, which is to be performed at the site of construction, alteration, painting, or repair of any building structure or other work, shall be subcontracted by any Individual Employer except to a union contractor. Roofing tear-off work may only be subcontracted to a contractor who is signatory to a Working Agreement with a Local of the Roofers Union, unless a local jurisdiction requires that subcontractors meet LBE, WBE, DVE or similar requirements and no contractor so qualified is signed to a Working Agreement with a Local of the Roofers Union. It is understood and agreed that this provision shall be enforced only to the extent necessary to protect the employees and to preserve the work which has normally and traditionally been performed by them.

Alleged violations of this ARTICLE will be handled in accordance with the grievance provisions of ARTICLE XXX.

ARTICLE XXVIII
Strikes and Lockouts

It is mutually agreed that during the term of this Agreement neither the Association nor any Individual Employer shall authorize or engage in any lockout, and that the Local Union shall not authorize any strikes, slowdowns, or stoppages of work in any dispute, complaint or grievance arising under the provisions of this Agreement, except disputes, complaints or grievances involving ARTICLES V or XV, or the provisions of the Addenda hereto requiring payments to any of the Trust Funds. In the event of any dispute involving ARTICLES V or XV or the provisions of the Addenda requiring payments into any of the Trust Funds, or in any case in which the Association or an Individual Employer or Individual Employers is or are failing to abide by an order of the Joint Area Conference Board or the Local Area Adjustment Board, it shall not be a violation of this Agreement for the Local Union to withdraw the employees of such Individual Employer or Individual Employers and, during the time such dispute, complaint or grievance remains unresolved or the refusal of the Association or the Individual Employer or the Individual Employers to abide by any such order continues, to refuse to dispatch employees to such Individual Employer or Individual Employers. Employees so withdrawn shall not lose their status as employees but shall not be entitled to receive wages or any other compensation for any period during which they have been so withdrawn or have refused to work.

Should the Joint Area Conference Board determine that the failure or refusal of any Individual Employer to abide by its decision on any matter referred to it is of sufficient gravity, it shall so notify the Local Union in writing which shall thereafter withdraw the employees of such Individual Employer and during the time such refusal of the Individual Employer to abide by its decision continues withhold all employees from such Individual Employer. No Individual Employer shall, however, be relieved of its obligations under ARTICLE V or any other provision hereof by reason of its employees being so withdrawn and withheld during its period of non-compliance.

ARTICLE XXIX
Targeted Jobs

The Local Union agrees to consider the use by the Individual Employer of any number of modifications to this Agreement so that the Employer can be competitive in bidding for roofing/waterproofing work that is likely to be lost to non-signatory contractors or to signatory contractors from outside the jurisdiction of the Local Union.

The Employer will notify the Local Union by telephone when it is bidding such work. The Employer will identify the project in question and the modifications to this Agreement that are needed in order to be competitive. If the Local Union agrees with the Employer, it will verbally authorize the alterations to this Agreement for that project. The Employer will then complete and sign the Targeted Jobs Form (see Addendum Four) in duplicate and submit both copies to the Local Union, which will confirm its agreement to the modifications by signing the forms, keeping one copy for its records and returning one copy to the Employer.

In establishing this Targeted Jobs Program, the parties agree that participation in the Program is restricted to Individual Employers who are both signatory to this Agreement and have shops located within the jurisdiction of the Local Union; that no modifications to the wage or fringe benefit aspects of this Agreement will be permitted; and that information about modifications requested and/or approved for a given project will not be shared by the Local Union with any other Employer, unless another Employer who is eligible to participate in the Program requests modifications relating to the same project, in which case the same modifications will be made available to both Employers.

Subject to review and mutual approval, the parties agree to modify this ARTICLE XXIX to protect the work jurisdiction of the Local without unduly encroaching upon the flexibility of signatory roofing and waterproofing contractors.

ARTICLE XXX
Joint Area Conference Board and Local Area Adjustment Board

Section 1. Immediately upon execution of this Agreement, a Local Area Adjustment Board, with jurisdiction coincidental with the area covered by this Agreement, and a Joint Area Conference Board encompassing the area covered by this Agreement and the area covered by the Agreement between the Association and Local No. 81 of the Union shall be established as follows:

- (a) The Joint Area Conference Board shall be constituted of two (2) Employer members and two (2) alternates appointed by the Association, and two (2) Local Union members and two (2) alternates appointed one each by Local Nos. 40 and 81 of the Union, all of whom shall be active members in good standing of the organization which they represent.
- (b) The Local Area Adjustment Board shall consist of two (2) Local Union appointed members, one of whom shall be the Business Representative of the Local Union, and two (2) Local Union appointed alternates, and two (2) Association appointed Employer members and two (2) Association appointed Employer alternates all having shops in the area covered by this Agreement.

Section 2. Local Unions Nos. 40 and 81 shall notify the Association, and the Association shall notify Local Unions Nos. 40 and 81, immediately upon execution of this Agreement, of the names of their respective appointees to the Joint Area Conference Board and the Local Union shall notify the Association, and the Association shall notify the Local Union, immediately upon execution of this Agreement, of the names of their respective appointees to the Local Area Adjustment Board. The members of each Board shall meet at the earliest possible time to select from among their respective members a Chairman and a Secretary. When the Chairman is an Employer member, the Secretary shall be an Employee member, as the case may be, and vice versa. No member of the Joint Area Conference Board or of the Local Area Adjustment Board shall participate in any decision upon any dispute to which he or his principal is a party. The members of the Joint Area Conference Board and the Local Area Adjustment Board shall also adopt rules of procedure, set the frequency of meetings and shall determine all other details necessary to perform their duties as hereinafter set forth.

Section 3. A full Board shall be required to constitute a quorum for the transaction of the business of the Local Area Adjustment Board and the Joint Area Conference Board. A quorum being present, all matters shall be decided by majority vote of the members present.

Section 4. The Joint Area Conference Board and the Local Area Adjustment Board shall be empowered to:

- (a) Establish a general recognition and enforcement of the provisions of this Agreement.
- (b) Hear and determine disputes, complaints or grievances initiated by the Local Union, the Association, or an Individual Employer, involving the interpretation or enforcement of any provision of this Agreement, except disputes, complaints or grievances involving ARTICLES V or XV, or the provisions of the Addenda hereto requiring payments into any of the Trust Funds.
- (c) Hear and determine employee or Employer grievances initiated under Sections 5 and 7 of ARTICLE V hereof and Section 9 of ARTICLE VI hereof.
- (d) Subpoena or otherwise require any party to this Agreement, or their officers, agents, representatives or employees, to testify with regard to any matter before them for decision.
- (e) Make awards of damages, liquidated, general or special, and grant any other relief for any violation of the provisions of this Agreement subject to their jurisdiction which they may deem appropriate thereto, but not to alter or add to any provisions of this Agreement or the Addenda hereto, provided, however, that any awards of damages made by the Local Area Adjustment Board may be appealed to the Joint Area Conference Board as provided in Section 5 of

this ARTICLE and that all awards of damages made by the Local Area Adjustment Board are subject to ratification by the Joint Area Conference Board.

- (f) The Joint Area Conference Board and the Local Area Adjustment Board may hold hearings with respect to disputes involving ARTICLE XV and make recommendations as to whether the same should be laid before the Labor Commissioner of the State of California.
- (g) Subject to review and mutual approval, the parties agree to modify Section 4 (b), above, to provide the Joint Area Conference Board and the Local Area Adjustment Board with broader jurisdiction without encouraging members of Local 81 to file frivolous grievances.

Section 5. Whenever a dispute, complaint or grievance over which the Joint Area Conference Board or the Local Area Adjustment Board has jurisdiction arises, the Local Union and the Association or the Individual Employer, as the case may be, shall make every effort to settle the same. Should they be unable to settle the same within two (2) working days thereafter, exclusive of the day of the occurrence giving rise thereto, the party aggrieved, whether the Local Union, the Association or the Individual Employer, may within the five (5) working days next following submit the same to the Local Area Adjustment Board for decision. Such submission must be in writing and a copy thereof served upon the opposite party. The Local Area Adjustment Board shall endeavor to determine the same at its next meeting. Upon notification that a grievance has been filed, the scheduling of a date and the holding of a hearing shall be completed within fifteen (15) working days. The Association and the Local Union agree to appoint a sufficient number of alternates to the Local Area Adjustment Board so as to facilitate this purpose. In the event it is unable to reach a decision, however, or, having reached a decision, either party to the dispute should be dissatisfied therewith, the matter may be appealed to the Joint Area Conference Board within the next ten (10) working days, exclusive of the day of the meeting. Such appeal must also be in writing and a copy thereof served upon the opposite party. Upon such submission to it, the Joint Area Conference Board shall endeavor to decide the same at its next scheduled meeting.

Section 6. Unless appealed from, as provided in Section 5 hereof, the decision of the Local Area Adjustment Board shall become final and binding upon the parties at the end of the period provided for such appeal. Should an appeal be filed, however, the subsequent decision of the Joint Area Conference Board shall likewise be final and binding upon the parties, but should it, in turn, be unable to reach a decision within five (5) working days of deliberation, the matter may be submitted to an impartial arbitrator for decision upon notice by either party delivered to the Joint Area Conference Board within the ten (10) working days next following. Upon receipt of such notice the Joint Area Conference Board shall request the Federal Mediation and Conciliation Service to submit a panel of five (5) names from which the name of the impartial Arbitrator shall be selected by the parties to the dispute, in accordance with the procedures of the Federal Mediation Service in such cases provided. The decision of the Arbitrator so chosen shall be final and binding upon the parties. The expenses of such Arbitrator, except those incurred solely at the instance of one party, shall be borne by the parties equally. With respect to the Employers' share of such expenses, it shall be borne by the Association if the Individual Employer concerned is a member of the Association; otherwise it shall be borne by the Individual Employer.

Section 7. Violations of Agreement

- (a) Violations by Employers. The parties hereto agree that in the event of a violation of any provision of this Agreement by an Individual Employer, the actual amount of damages sustained by the Local Union, employees, Employer, or other Individual Employers by reason of such breach would be extremely difficult to determine, and therefore, an Individual Employer shall pay the sum of one hundred (\$100.00) dollars per day as liquidated damages for each such violation except in the case of a violation of ARTICLE XXVII of this Agreement. In the case of a single continuous incident, and if a group of employees are involved in a single continuous incident, the violation shall be deemed to apply with respect to the entire group of employees and not to consist of a separate violation with respect to each employee.

The parties hereto agree that in the event of a violation of ARTICLE XXVII of this Agreement by an Individual Employer, the actual amount of damages sustained by the Local Union, employees, Employer, or other Individual Employers by reason of such breach would be extremely difficult to determine, and therefore, an Individual Employer shall pay the sum of one hundred (\$100.00) dollars per day as liquidated damages for such violation. In the case of a single continuous incident, and if a group of employees is involved in a single continuous incident, the

violation shall be deemed to apply with respect to the entire group of employees and not to consist of a separate violation with respect to each employee unless the Employer is notified by the Business Representative of the alleged violation and does not cease the practice within twenty-four (24) hours. If the Employer is subsequently found to have been in violation of ARTICLE XXVII, liquidated damages assessed against the Employer for any periods the practice continued following such notification shall be at the rate of one hundred (\$100.00) dollars per day per Individual worked in violation.

When the Local Area Adjustment Board or the Joint Area Conference Board finds liquidated damages shall be due under this Section, such liquidated damages shall be paid to the Bay Area Counties Roofing Industry Apprenticeship Training Fund. Liquidated damages found to be due under this Section shall be in addition to any sums of money due any employee or Trust Fund under this collective bargaining Agreement.

- (b) **Violations by Employees.** If the Local Area Adjustment Board or the Joint Area Conference Board finds a member of the Local Union in violation of a provision of this Agreement, except in the case of a violation of Section 10 of ARTICLE XVII, it shall refer the matter to the Local Union which shall, if in the judgment of its Executive Board there is substantial evidence to support the finding, bring the member to trial in accordance with the applicable provisions of its Bylaws. The Local Union shall notify the Local Area Adjustment Board or the Joint Area Conference Board of its findings in writing, not later than five (5) working days after the termination of the hearing.

In the event of a violation of Section 10 of ARTICLE XVII by an employee or applicant for employment, the Local Area Adjustment Board or the Joint Area Conference Board may refer the matter to the Local Union for action as provided in the preceding paragraph or it may assess liquidated damages against the employee. The parties hereto agree that in the event of a violation of Section 10 of ARTICLE XVII of this Agreement by an employee or applicant for employment, the actual amount of damages sustained by the Local Union, other employees or applicants for employment, or Individual Employers by reason of such breach would be extremely difficult to determine, and therefore, an employee shall pay the sum of one hundred (\$100.00) dollars per day as liquidated damages for each such violation. When the Local Area Adjustment Board or the Joint Conference Board finds liquidated damages shall be due under this Section, such liquidated damages shall be paid to the Bay Area Counties Roofing Industry Apprenticeship Training Fund.

ARTICLE XXXI

Signatory Employers

Section 1. After this Agreement takes effect, any employer may become a party hereto if an identical counterpart of this Agreement is executed by him. This Agreement shall take effect as to such new contracting party at such time as said party signs such counterpart.

The Association, on behalf of the Employers it represents, at its option may become a party to any agreement or a counterpart thereof, containing different provisions which the Local Union may enter into during the life of this Agreement with respect to the work covered by this Agreement. In such event, said other agreement shall supersede this Agreement.

Section 2. 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 3. 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 assign, successor, legal representatives or lessee of such employer.

Section 4. This Agreement may be executed in multiple counterparts and when one counterpart is signed by the Association, all such counterparts shall constitute, when taken together, one and the same instrument as if all such signatures were contained in the original.

ARTICLE XXXII
Duration of Agreement

Section 1. This Agreement, and the Addenda thereto, shall remain in full force and effect to and including the 31st day of July, 2018 and from year to year thereafter, unless either the Association shall give notice to the Local Union, or the Local Union shall give notice to the Association, in writing, at least ninety (90) days prior to said 31st day of July, 2018 or any anniversary thereof, of intention to modify or terminate the same. Any Employer not represented by the Association desiring to terminate this Agreement and to negotiate a separate agreement thereafter may do so upon like notice provided, however, that such notice shall state the desire of the Employer to negotiate a separate agreement and shall be served upon the Association and the Local Union at least ninety (90) days prior to said 31st day of July, 2018 or any anniversary thereof. Notice served pursuant hereto by the Association or by the Local Union shall terminate this Agreement as to all parties thereto but such notice from any one Employer shall terminate this Agreement only as to such Employer. In the event that notice shall be given terminating this Agreement as to all parties as herein provided, all parties, except those giving notice of desire to negotiate separate agreements, shall during the ninety (90) day period herein specified, or within such additional time as may be agreed, negotiate jointly upon a successor Agreement, but if no such Agreement has been reached at the end of such period of time shall be free thereafter to negotiate and execute separate agreements. For the purpose of this ARTICLE, notice to the Association shall be deemed equivalent to notice to all Employers, whether represented by the Association or not, and all Employers agree to accept such notice as though served upon each of them separately.

IN WITNESS and testimony of the provisions and terms mutually agreed upon and specified herein, the duly authorized officers and/or representatives of both parties hereby affix their signatures as of the 31st day of July, 2015.

ASSOCIATED ROOFING CONTRACTORS OF THE BAY AREA COUNTIES, INC.

By 
Executive Director

LOCAL UNION NO. 40 of the UNITED UNION OF ROOFERS, WATERPROOFERS AND ALLIED WORKERS, AFL-CIO

By 
Business Representative

ADDENDUM ONE

Hourly Wages and Fringes

JOURNEYMAN (Class Code "J")

<u>Date</u>	<u>Wage Rate</u>	<u>Vacation</u>	<u>H & W</u>	<u>Pension</u>	<u>Appr. Trng.</u>	<u>Pro. Fund</u>	<u>Labor-Mgt. Trust</u>	<u>Total</u>
8/1/2015	\$31.97	\$3.53	\$9.14	\$5.83	\$0.85	\$0.35	\$0.20	\$51.87
8/1/2016								\$54.12
8/1/2017								\$56.62

Effective August 1, 2015 there was a Journeyman increase of \$2.25 per hour, with \$0.31 per hour allocated to wages, \$0.40 per hour allocated to Pacific Coast Roofers Pension Plan rehabilitation, \$1.34 per hour allocated to health and welfare (\$1.06 of which is for a new dental insurance program) and \$0.20 per hour allocated to Apprentice training.

Effective August 1, 2016 there will be a Journeyman increase of \$2.25 per hour to be allocated to wages and/or existing fringe funds by the Local.

Effective August 1, 2017 there will be a Journeyman increase of \$2.50 per hour to be allocated to wages and/or existing fringe funds by the Local.

APPRENTICE

(a) Allocation of Journeyman Fringe Fund Increases to Apprentices.

If the Board of Trustees of the Bay Area Roofers Health and Welfare Plan recommends an increase in the hourly contribution rate and the Local Union allocates funds from a scheduled Journeyman increase to meet, but not to exceed that contribution rate, the health and welfare contribution amount for all Apprentice brackets other than bracket 1-A will be increased to match the Journeyman contribution rate.

The Board of Trustees of Pacific Coast Roofers Pension Plan has established a Rehabilitation Plan. The parties to this Agreement elected in 2011 to adopt Contribution Rate Schedule 3 under the Recommended Schedule. This Schedule calls for pension contribution rate increases of \$0.40 per hour in each of five (5) successive years (\$2.00 total) and in every classification where contributions to Pacific Coast Roofers Pension Plan are required. The Journeyman and Apprentice pension contribution amounts effective August 1, 2015 shown above and below include the final \$0.40 per hour pension contribution rate increase called for under the Rehabilitation Plan.

If the Board of Trustees of the Bay Area Counties Roofing Industry Apprenticeship Training Fund recommends an increase in the hourly contribution rate and the Local Union allocates funds from a scheduled Journeyman increase to meet, but not to exceed that contribution rate, the apprenticeship training contribution amount for all Apprentice brackets will be increased to match the Journeyman contribution rate.

The parties specifically agree that if the Local chooses to allocate funds from an annual Journeyman increase to establish a Dental Insurance program, then that program will be for Journeymen only. The Employers are not required to provide matching contributions to establish a Dental Insurance program for Apprentices.

(b) Apprentice Wage and Fringe Increases

Effective August 1, 2015 the percentages associated with each bracket of apprenticeship shall be increased in a manner that will result in "net wages" of approximately \$15.00 per hour in brackets 1 and 2 and \$15.75 per hour in bracket 3.

Effective August 1, 2016 the percentages associated with each bracket of apprenticeship shall be increased in a manner that will result in "net wages" of approximately \$16.00 per hour in brackets 1 and 2 and \$16.75 per hour in bracket 3. The percentages associated with brackets 4 – 7 shall be set at 55%, 64%, 74% and 89%, respectively.

The percentages used in connection with the August 1, 2016 wage increase will also be applied to the August 1, 2017 wage increase.

The Parties specifically agree that a progressive scheme of Apprentice total wage and fringe rates shall be maintained throughout the duration of this Agreement. If the scheme ceases to be progressive at any time, the Parties will adjust Apprentice bracket percentages as may be necessary to restore progressively increasing total wage and fringe rates across all Apprentice brackets.

The parties understand that the Board of Trustees of Pacific Coast Roofers Pension Plan is establishing a minimum benefit contribution rate of \$1.00 per hour, over and above the \$2.00 per hour Rehabilitation Plan contribution.

As of July 31, 2015, the Pacific Coast Roofers Pension Plan benefit contribution rate was \$0.10 per hour in Apprentice brackets 1, 2, 3 and 4 and \$0.72 per hour in Apprentice bracket 5. In order to satisfy the new minimum pension benefit contribution requirement:

1. Apprentices in brackets 1, 2 and 3 shall allocate \$0.30 of their August 1, 2015 wage increase and \$0.30 of their August 1, 2016 wage increase to Pacific Coast Roofers Pension Plan benefits. Effective August 1, 2017 the PCR pension benefit contribution for Apprentices in brackets 1, 2 and 3 shall be increased by \$0.30 per hour in addition to, not as a subtraction from wages.

2. Effective August 1, 2015, increase the Pacific Coast Roofers Pension Plan benefit contribution for Apprentices in bracket 4 by \$0.30 per hour and for Apprentices in bracket 5 by \$0.28 per hour in addition to, not as a subtraction from wages.

3. Apprentices in bracket 4 shall allocate \$0.30 of their August 1, 2016 wage increase and \$0.30 of their August 1, 2017 wage increase to Pacific Coast Roofers Pension Plan benefits.

(c) The following Schedule A contains the appropriate wage and fringe amounts for Apprentices indentured, assigned to or advancing between brackets on or after August 1, 2015.

Schedule A

<u>Bracket</u>	<u>Code</u>	<u>Wages-Percent of</u>		<u>Vacation</u>	<u>H&W</u>	<u>Pension</u>	<u>Appr. Trng.</u>	<u>Pro. Fund</u>	<u>Labor-Mgt. Trust</u>	<u>Total</u>
		<u>Journeyman</u>	<u>Wage</u>							
1 st 6 mos.	1-A	48.0%	\$15.05	\$1.15	\$3.25	\$2.50	\$0.85	\$0.35	\$0.20	\$23.35
2 nd 6 mos.	2-A	48.0%	\$15.05	\$1.15	\$8.08	\$2.50	\$0.85	\$0.35	\$0.20	\$28.18
3 rd 6 mos.	3-A	50.2%	\$15.75	\$1.15	\$8.08	\$2.50	\$0.85	\$0.35	\$0.20	\$28.88
4 th 6 mos.	4-A	55.3%	\$17.68	\$1.15	\$8.08	\$2.50	\$0.85	\$0.35	\$0.20	\$30.81
5 th 6 mos.	5-A	64.7%	\$20.68	\$1.15	\$8.08	\$3.10	\$0.85	\$0.35	\$0.20	\$34.41
6 th 6 mos.	6-A	75.1%	\$24.01	\$1.15	\$8.08	\$3.13	\$0.85	\$0.35	\$0.20	\$37.77
Master Appr.	7-A	90.0%	\$28.77	\$1.15	\$8.08	\$3.65	\$0.85	\$0.35	\$0.20	\$43.05

CLASSIFYING EMPLOYEES

The Joint Examination Board may classify any person seeking to qualify as a Journeyman in accordance with the provisions of ARTICLE VI of this Agreement.

In those instances that an applicant is qualified as a Journeyman capable of doing only a portion of the work covered by this Agreement, he/she shall be classified, paid and have fringe contributions made as an Apprentice for all other types of work covered by this Agreement in the Apprentice Bracket determined by the Joint Examination Board to be appropriate, and the employee's referral slip shall clearly and accurately show the dispatched employee's proper classification and bracket for the type of work for which he/she is being dispatched.

HOURLY PREMIUMS

* Bitumastic, Enamellers, Pipe Wrappers and Coal Tar Pitch Built-up	\$2.00
Work Performed on a Swing Stage.....	\$1.00
Worked Performed Between the Hours of 9:00 p.m. and 6:00 a.m.....	\$1.00
Mastic Workers	\$0.25
Kettleman (2 Kettles Without Pumps).....	\$0.25
Metal Roofer.....	\$0.10
1st Foreman (Crews of 3 or more) Additional Foremen and Foreman on crews of less than 3 employees	\$3.00

**Any building, new or old, where both Asphalt and Pitch are used in the application of a built-up roof or tear-off, the entire work crew will be paid at the Pitch Rate.*

CHECK-OFF

- (a) Payments on account of initiation fees, if any, for each hour actually worked for which vacation contributions are due at the rate of \$1.50 per hour for Journeymen and \$0.60 per hour for Apprentices, until paid in full, and thereafter payment of working dues of \$0.86 per hour for Journeymen and \$0.80 per hour for Apprentices for each hour actually worked for which vacation contributions are due by each employee covered by this Agreement who has executed a lawful authorization in writing therefor in manner and form as set forth in Exhibit "A" annexed hereto shall be checked off and deducted from the employee's vacation funds by the Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund, as agent for the Individual Employers covered by this Agreement, and transmitted to the Local Union. The executed authorization shall be lodged with the Association, the Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund, and Local Union No. 40.
- (b) Local Union No. 40 will hold harmless the Association, all Individual Employers, and the Trustees and Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund against any claim or claims which may be made against them or any one or ones of them by any person by reason of the deduction of working dues and payments on account of initiation fees as herein provided, including the cost of defending against the same, and will absorb any additional costs which may result from the administration of these deductions.

EXHIBIT "A"
VACATION TRUST FUND DESIGNATION OF BENEFICIARY
AND DUES CHECK-OFF AUTHORIZATION

Check-Off Authorization

I authorize any of the various Individual Employers who are covered by the current Working Agreement between Roofers' Local Union No. 40 and Associated Roofing Contractors of the Bay Area Counties, Inc., and/or any renewal or extension thereof, and/or any bank designated by the Trustees of the Roofers Local Union No. 40 Area Vacation Trust Fund to receive vacation contributions, and/or the Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund, to deduct from any vacation payments made by an Individual Employer on my behalf and transmit to Local Union No. 40 the sum of one dollar and fifty cents (\$1.50) per hour if I am a Journeyman, and the sum of sixty cents (\$0.60) per hour if I am an Apprentice, as payments on account of initiation fees, if any, until my initiation fees are paid in full, and when said initiation fees are paid in full to deduct and transmit to Local Union No. 40 the sum of eighty-six cents (\$0.86) per hour for Journeymen and eighty cents (\$0.80) per hour for Apprentices as hourly working dues. This Authorization shall also apply to any other sum lawfully established as my payments on account of initiation fees, if any, or as my hourly working dues, for which deduction is permitted by the Working Agreement. Said sums shall be deducted on the basis of each hour worked by me for any Individual Employer covered by the Working Agreement referred to above.

This Authorization is retroactive to August 1, 1989 and shall be irrevocable for the period of one (1) year following the date it was signed or until the current Working Agreement expires, whichever occurs sooner. This Authorization shall be automatically renewed from year to year unless sixty (60) days prior to the termination of the annual renewal date I revoke this Authorization by written notice to Roofers' Local Union No. 40, to the Trustees of the Roofers Local Union No. 40 Area Vacation Trust Fund, to any bank designated to receive vacation contributions by the Trustees of the Roofers Local Union No. 40 Area Vacation Trust Fund and the Administrator of the Roofers Local Union No. 40 Area Vacation Trust Fund. Dues, contributions or gifts to Roofers' Local Union No. 40 are not deductible as charitable contributions for federal income tax purposes. Dues paid to Roofers' Local Union No. 40, however, may qualify as business expenses, and may be deductible in limited circumstances subject to various restrictions imposed by the Internal Revenue Code.

Date	Name (Please Print)
Address	Social Security Number
City	State
	Zip

Designation of Beneficiary

I hereby designate the named person/persons as my beneficiary for any of the monies due me from the Roofers Local Union No. 40 Area Vacation Trust Fund in the event of my death.

Name of Beneficiary

Date

Relationship

Signature of Employee

ADDENDUM TWO

DRUG & ALCOHOL POLICY

Adopted May 2, 1992

Copies of the (optional) Drug and Alcohol Policy are available upon request from the Local Union or the Association.

Effective August 1, 2015 all references to the National Institute on Drug Abuse (NIDA) in the Drug and Alcohol Policy shall be replaced with references to the Substance Abuse and Mental Health Services Administration (SAMHSA).

ADDENDUM THREE

NATIONAL ROOFING INDUSTRY PENSION FUND

Parties:

- A. Associated Roofing Contractors of the Bay Area Counties, Inc. (Association).
- B. Local No. 40 of the United Union of Roofers, Waterproofers and Allied Workers, AFL-CIO (Union).

Collective Bargaining Agreement:

The parties have entered into a Collective Bargaining Agreement with a term from August 1, 2015 to July 31, 2018. This document is an Addendum to that Collective Bargaining Agreement. If the term of the Collective Bargaining Agreement is modified, then the term of this Addendum is modified to be the same.

Effective Date:

The Addendum is effective for work performed on or after August 1, 2015 and shall become a part of the Collective Bargaining Agreement from and after that date.

Pension Contributions:

The Collective Bargaining Agreement provides for pension contributions to the Pacific Coast Roofers Pension Plan. As of the effective date specified above, this Addendum provides that contributions also be made to the National Roofing Industry Pension Fund.

- A. As of the effective date, the contributions to the Pacific Coast Roofers Pension Plan shall be as set forth in Exhibit A to this Addendum. (A minimum Journeyman contribution of \$1.00 per hour for each hour worked in covered employment is required).
- B. As of the effective date, the contributions to the National Roofing Industry Pension Fund shall be as set forth in Exhibit B to this Addendum.
- C. The National Roofing Industry Pension Fund ("NRIPF") was created pursuant to the terms of that certain Agreement and Declaration of Trust dated January 1, 1966, as amended from time to time ("Agreement and Declaration of Trust"). The contributions provided for in Exhibit B to this Addendum shall be made to the NRIPF as follows:
 - 1. Each Individual Employer shall pay to the administrator of the Pacific Coast Roofers Pension Plan for NRIPF, the amount(s) specified in Exhibit B for each hour worked for which the Employer is obligated to pay contributions to the NRIPF for an employee covered by the Collective Bargaining Agreement. Such hourly contributions shall be payable at the same time and in the same manner provided for payment of contributions to the Pacific Coast Roofers Pension Plan, but in no event later than the last day of the month following the month in which the hours were worked.
 - 2. Each Individual Employer agrees to be bound by and party to the aforesaid Agreement and Declaration of Trust, and any amendments thereto, creating the NRIPF, except as herein modified or which is in conflict with this Addendum or the Collective Bargaining Agreement, and ratifies any action taken by the Employers authorized to designate Employer Trustees and any action taken by such Trustees, together with their successor Trustees, except which is in conflict with this Addendum or the Collective Bargaining Agreement.

3. In the event an Individual Employer fails to pay the contributions required of said Employer or otherwise fails to comply with the terms of this Addendum or the rules and regulations adopted by the Trustees of the NRIPF, except as herein modified or which are in conflict with this Addendum or the Collective Bargaining Agreement, the Union, upon notice from said NRIPF, may forthwith withdraw employees from said Individual Employer or utilize other measures available to it until such breach is cured, without first resorting to arbitration. Such remedy shall be in addition to any other remedies available to the Union or the Trustees of the NRIPF.
4. The contributions required by this Addendum shall accrue with respect to hours worked by any person doing work within the jurisdiction of the Union for which contributions are required under the Collective Bargaining Agreement and this Addendum to the NRIPF, and said contributions shall accrue with respect to such hours whether performed within or outside the jurisdiction of the Union, except that when work is performed outside the Union's jurisdiction where another fringe benefit fund of a similar kind exists and the Individual Employer makes a contribution to that fund on behalf of an employee covered by the terms of the Collective Bargaining Agreement, the said Individual Employer shall not be required to make a contribution to the NRIPF.
5. With respect to both the NRIPF and the Pacific Coast Roofers Pension Plan, liquidated damages and interest in the amounts specified in the Pacific Coast Roofers Pension Trust Agreement shall automatically be due and payable on contributions due to either plan paid past the due date. In addition, the Individual Employer shall be liable for all costs and attorneys' fees incurred by the NRIPF and the Pacific Coast Roofers Pension Plan in collecting delinquent payments.
6. The Pacific Coast Roofers Pension Plan and NRIPF shall coordinate their audit activities on contributing employers and the sub-administrators to minimize duplicate audits of employers. However, both the Pacific Coast Roofers Pension Plan and NRIPF retain the right under their respective Trust Agreements to audit employers when they deem it to be necessary and appropriate.

ASSOCIATED ROOFING CONTRACTORS
OF THE BAY AREA COUNTIES, INC.

By: William D. Allen Title: EXECUTIVE DIRECTOR

Date: JULY 31, 2015

LOCAL NO. 40, UNITED UNION OF ROOFERS,
WATERPROOFERS AND ALLIED WORKERS, AFL-CIO.

By: Alan T. Urban Title: Business Representative

Date: JULY 31, 2015

EXHIBIT A TO
COLLECTIVE BARGAINING AGREEMENT
CONTRIBUTIONS TO PACIFIC COAST ROOFERS PENSION PLAN

From the effective date of the Addendum the contributions to the Pacific Coast Roofers Pension Plan shall be as follows:

Journeyman (Class Code 'J')..... \$4.65

Apprentices indentured, assigned to or advancing between on or after August 1, 2015

Bracket

1-A.....\$2.40

2-A.....\$2.40

3-A..... \$2.40

4-A..... \$2.40

5-A..... \$3.00

6-A..... \$3.03

7-A..... \$3.55

EXHIBIT B TO
COLLECTIVE BARGAINING AGREEMENT
CONTRIBUTIONS TO NATIONAL ROOFING INDUSTRY PENSION FUND

From the effective date of the Addendum the contributions to the National Roofing Industry Pension Fund shall be as follows:

Journeyman (Class Code 'J')..... \$1.18*

Apprentices indentured, assigned to or advancing between on or after August 1, 2015

Bracket

1-A..... \$0.10

2-A..... \$0.10

3-A..... \$0.10

4-A..... \$0.10

5-A..... \$0.10

6-A..... \$0.10

7-A..... \$0.10

* Includes \$0.03 per hour contribution to the Research and Education Fund

ADDENDUM FOUR

TARGETED JOB FORM

Pursuant to ARTICLE XXIX of the Working Agreement, Local Union No. 40 of the United Union of Roofers, Waterproofers and Allied Workers (hereinafter "Union") and _____ (hereinafter "Employer" or "Contractor") agree that the following described construction project,

Project Name _____

Address _____

City _____ State _____ Zip _____

shall be classified as a targeted job. The following provisions of the Working Agreement shall therefore be altered:

FOR THE EMPLOYER

By: _____

Title: _____

Dated: _____

FOR THE UNION

By: _____

Title: _____

Dated: _____

INDIVIDUAL EMPLOYER AGREEMENT

The undersigned Individual Employer, not represented by the Associated Roofing Contractors of the Bay Area Counties, Inc., agrees to be bound by and comply with all of the terms and conditions of the Working Agreement between Local No. 40 of the United Union of Roofers, Waterproofers, and Allied Workers, AFL-CIO, and the Associated Roofing Contractors of the Bay Area Counties, Inc., entered into effective the 1st of August, 2015, receipt of a copy of which is hereby acknowledged;

This Individual Employer Agreement is effective _____, 20____;

The term hereof shall be from the effective date through July 31, 2018, and from year to year thereafter, unless timely notice is given as set forth in ARTICLE XXXII of the Working Agreement.

FIRM: _____

BY: _____

TITLE: _____

ADDRESS: _____

CITY/STATE/ZIP CODE: _____

PHONE: (____) _____

CONTRACTOR'S LICENSE NUMBER: _____

WORKERS' COMPENSATION INSURANCE CARRIER: _____

POLICY NUMBER: _____

DATE: _____, 20____

INSTRUCTIONS:

Sign all 5 copies: One for Employer; One for the Local Union; One for Association; One for local Fringe Funds' Administrator; One for Pension Fund Administrator.