ABATEMENT AGREEMENT

Between

The International Association of Heat and Frost Insulators and Allied Workers Local 16

and the

Northern California Abatement Contractors Association

Effective May 1, 2014 through April 30, 2018
Agreement between the Heat and Frost Insulators and Allied Workers Local 16

and the

Northern California Abatement Contractors Association

This Agreement, made and entered into this 1st day of May 2014, by and between the International Association of Heat and Frost Insulators and Allied Workers Local Union 16, hereinafter referred to as the Union, and the Northern California Abatement Contractors Association, hereinafter referred to as the Association, for and on behalf of the Individual Abatement Contractors who are its members and have authorized it to represent them, and such other Individual Abatement Contractors as may become signatory to this Agreement or any counterpart thereof, which Individual Abatement Contractors are hereinafter referred to as Individual Employers.

The Abatement Industry Promotion Fund (Tax ID #94-3297310) will be doing business as (dba) Northern California Abatement Contractors Association (NCACA). Refer to Section 92.1
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ARTICLE I
Recognition

1. It is mutually agreed, understood and acknowledged that the Heat and Frost Insulators & Allied Workers Local Union No. 16 is the sole and exclusive bargaining representative of all Employees covered by this Agreement. Upon the Union’s request for recognition as majority representative, the Employer verified the evidence presented by the Union demonstrating that the Union represents an uncoerced majority of the Employer’s Abatement employees. Based on this clear and unequivocal demonstration of majority support, the Employer recognizes the Union as the sole and exclusive bargaining representative and acknowledges that the Union represents a majority of employees employed to perform bargaining unit work.

2. The Union recognizes the Employer as retaining full and exclusive authority for management of its operation and the right to direct its working force.

3. Nothing in this Agreement shall limit the Contractor in the exercise of its function of management, such as the right to direct the work force, hire, promote, transfer, discipline, suspend or discharge for cause, lay off employees for lack of work, and determine the number of employees on a project.

4. The Union's Business Representative shall have access to the project during working hours, and shall notify an Employer's representative before contact with other employees. Upon request of the Union Representative the Company shall provide the names and social security numbers of all employees on the project on the same day as visited within a reasonable amount of time (2 hours). Any such job site visit shall not interrupt the job, and the Union Representative shall abide by all job site safety work rules.

5. Whenever the use of the masculine pronoun is used in this Labor Agreement it shall also be meant to include the feminine gender.

6. The Individual Employer shall have the exclusive right at all times to change, modify, or cease its operations, processes, or production in its discretion, and in the event of such changes, modifications or cessation of operations, process or production, the Individual Employer shall be the sole judge of all factors involved.

7. In case of conflict between the English and Spanish versions of this Agreement, the English version shall prevail.

ARTICLE II
Area Covered

9. In order to protect and preserve, for the employees covered by this Agreement, all asbestos abatement work heretofore performed by them, and in order to prevent any device or subterfuge to avoid the protection and preservation of such work, it is hereby agreed as follows:

9.1 If and when an Individual Employer shall perform any on-site abatement work of the type covered by this Agreement in the geographical jurisdiction of the Local Union as specified in Section 8 of this Article, under its own name or under the name of another, as a corporation, company, partnership, or any other business entity, including a joint venture, wherein the Individual Employer, through its officers, directors, partners or stockholders exercise directly or indirectly management, control or ownership, the terms and conditions of this Agreement shall be applicable to all such work. This clause shall be applicable to job-site work as that term is used in the construction industry provision to Section 8(e) of the National Labor Relations Act and shall not apply to off-site work.

9.2 All charges of violations of this Section shall be considered as a dispute and shall be processed in accordance with the provisions of this Agreement covering the procedure for the handling of grievances and the final and binding resolution of disputes. Neither the Union nor the Employer shall have the right to strike or lock-out in order to enforce the decision of an arbitration enforcing the provisions of this Section.

10. No Individual Employer, or officer, or Shareholder of a Corporate Individual Employer, or person in an unincorporated firm, except employees working for wages under the terms and conditions of this Agreement, shall use the tools of the trade, or personally perform any of the work covered by the Agreement, except for training purposes or emergencies. No active employee covered by this Agreement shall take off, estimate, sell, contract or sub-contract on any of the work covered by this Agreement.

ARTICLE III
Work Covered

11. This Agreement shall cover all asbestos, lead and mold abatement, including site preparation, shrink-wrap, mobilization, preparatory cleanup work, lay down, bagging, and the removal or abatement of asbestos containing materials by hand or with equipment or machinery, scaffolding, fabrication of temporary wooden barriers, assembly of decontamination stations or any other task which is directed in connection with this work.

12. All such work of the Individual Employer which has normally and traditionally been performed at the job site by the employees covered by this Agreement shall continue to be performed at the job site by the employees covered by this Agreement.

13. In the event the Individual Employer engages in the application of insulation, including fire penetrations or grease ducts, within the jurisdiction of the Union, it shall do such work within the terms and conditions of the Agreement between Northern California Chapter, Western Insulation Contractors Association and Local 16 International Association of Heat and Frost Insulators and Allied Workers (Master Agreement).
14. The written instructions of the Individual Employer shall take precedence over specifications from architects and engineers, or any other source or authority, as to the work to be performed, materials to be used or applications of work. In the absence of written instructions from the Individual Employers, however, job specifications shall be followed. In no event shall any employee be required to violate any law or regulation of any administrative body, Federal, State, or Local.

15. In the event of a strike under the HFI Master Agreement, work covered by this Agreement shall continue uninterrupted, all Journeyman Mechanics and Apprentices covered under the HFI Master Agreement will continue to work under this Agreement. Journeyman Mechanics and Apprentices who work during a strike concerning the HFI Master Agreement shall be paid retroactively the applicable increased wage rate for work performed during the strike.

ARTICLE IV
Hiring Procedures

16. All employees shall be required, as a condition of their employment, to apply for and become members of and maintain membership in the Union, within eight (8) days following the beginning of their employment or the date of execution of this Agreement, whichever is later. Failure to pay initiation fees and dues shall result in the employee's termination within two (2) work days of the Union's request to the Employer.

17. The Individual Employer shall secure all employees for work covered by this Agreement through the employment office of the Union with an adequate lead time allowed. Dispatching shall occur between the hours of 8:00 a.m. to 3:00 p.m. Monday through Friday. In emergency cases, individuals may be dispatched other than at such dispatching hours. The Employer shall notify the Union of any lay-off, reduction in force, or termination of any of its abatement workers. At the end of the next pay period of their dismissal, the Employer shall provide the Union the name, address and telephone number (when available) of those former employees via fax or e-mail. The Union shall maintain a sufficiently large pool of competent, trained employees and shall supply the Employer's requirements within twenty-four (24) hours, exclusive of the day requested. In the event no workers are available, the Union shall, within twenty-four (24) hours, notify the Employer, who may then hire from any source. In that case, the Employer shall, within twenty-four (24) hours, notify the union of the name, address, and social security of the individual employed and the rate and classification of employment.

18. The Individual Employer may request manpower on the out of work list by name and/or classification regardless of the numerical order they are registered.

19. The Individual Employer shall be the sole judge of the number of employees required on any project and the work assigned under this Agreement to each employee, and shall have the discretion to either hire or not, any applicants for employment, so long as the refusal is not based on the applicant's membership in or referral from the Union. The Individual Employer may, in its sole discretion, continue to employ persons who have previously worked for or who are currently working for it and may assign such persons to any job site.
20. The Individual Employer shall be the sole judge which HMH Workers shall act as the HMH Specialist 1 or the HMH Specialist 2 on the Individual Employer's jobs. That is, the position of HMH Specialist 1 or HMH Specialist 2 shall be designated by the Individual Employer. The minimum requirements of a HMH Specialist 2, HMH Specialist 1, HMH Mechanic, and HFI Mechanic, are the following:

- Be an EPA certified "Contractor/Supervisor Person"
- Have successfully passed Red Cross courses on CPR and First Aid.
- Complete any courses in the future that may be required by Federal, State, or Local Government agencies for the handling of asbestos materials at no cost to the Employee.
- Shall have not less than 4000 hours in the Asbestos Abatement industry.

21. The first person on each project must be a Journeyman Mechanic (HFI) from Local 16, an HMH Mechanic, Specialist 1, or Specialist 2. After which, an Individual Employer may assign up to fourteen (14) HMH workers to a job site. After the fifteenth worker is assigned to a project, an additional Journeyman Mechanic, HMH Mechanic, or Specialist 1 must be assigned to the job for every fourteen (14) HMH Workers subsequently assigned to the project. In any event, there will be a Journeyman Mechanic, HMH Mechanic, Specialist 1 or Specialist 2 to every job that employs more than fifteen (15) employees. In no event shall there be a shop ratio that exceeds up to twenty-seven (27) HMH workers including Specialist 1 and Specialist 2 to one (1) Journeyman Mechanic (HFI) or HMH Mechanic.

22. Any employee discharged by the Employer shall not be referred again to the Employer by the Union for a period of six (6) months, provided that the Employer notifies the Union, in writing, within five (5) working days, of the desire not to hire the employee. An employee discharged a second time shall not be referred again to the Employer for a period of two (2) years, provided the Employer notifies the Union, in writing, within five (5) working days. Employers will not unjustly discharge an employee. Unjust discharges shall be subject to the Grievance Procedure.

23. All employees shall have a reliable means of transportation.

24. All candidates referred from the Union's hiring hall will report to Employer's office before reporting to the job site in order to complete Employer's normal paperwork, if required by Employer, and shall be compensated for time to comply provided the documentation listed in Article IV, Section 27 is supplied.

25. Appropriate registration facilities shall be maintained in the Employment Office of the Union for employees and new applicants to register for employment. This registration shall be applied to all employees and applicants without discrimination based upon age, race, color, religion, sex or national origin or membership or non-membership in any labor organization, except as membership in the Union may be required as a condition of employment in Section 16 hereof.

26. Union activity: No employees shall be discriminated against for activity for or against the Union. Employees shall be permitted to take such time as may be necessary to engage in work for the Union, provided, however, that said employees shall be paid no compensation whatsoever by the Employer for the time devoted to the performance of said duties.
27. The Local Union shall notify the Individual Employer of the appointment of each steward. The Employer shall be notified in writing of the appointment of each steward. The steward may be discharged for cause with notification to the Union hall.

28. All employees shall give the Employer a copy of their current medical and training certificates and a copy of the required I-9 identification to be eligible for employment.

29. For the purposes of this Agreement a worker is laid off or terminated when he or she is instructed not to return to work on the next working day and he may be recalled, if unemployed. The Employer shall notify the Union prior to the end of the business day of the employees’ lay off or termination.

**ARTICLE V**

**General Work Rules**

30. **Hours and Days of Employment:** The Employer shall establish the hours of work per day either five (5) eight hour days or four (4) ten (10) hour days in any one (1) week, for which the employee shall receive straight-time wages until the employee works in excess of forty (40) hours in one (1) week. Once established, the type of work week shall not be changed until the Employer has notified the Union in writing. This does not apply to refineries, and similar facilities, which operate 24 hours per day, 7 days per week. The Employer shall pay the employee per bid documents the applicable overtime rate in regards to the established work week. When the Employer bills a customer overtime rates the Employer shall pay the applicable overtime rate to the employee. This Agreement does not guarantee any specific number of hours per day or week.

30.1 Overtime is paid at the rate of one and one-half (1 ½) times the regular rate of pay for every hour worked after the completion of eight (8) hours up to and including twelve (12) hours in any workday or forty (40) hours in a workweek, and for the first eight (8) hours worked on the seventh (7th) consecutive day of work in a workweek. Double (2x) the employee’s rate of pay shall be paid for all hours worked in excess of twelve (12) hours in any workday and for all hours worked in excess of eight (8) hours on the seventh (7th) consecutive day of work in a workweek.

30.2 Notwithstanding the above, on privately funded projects only, where four (4) ten (10) hour days are established, overtime shall be one and one-half (1 ½) times the regular rate of pay for all hours worked in excess of ten (10) hours in a workday or forty (40) hours in one (1) workweek. Double (2x) the employee’s regular rate of pay shall be paid for all hours worked in excess of twelve (12) hours in any workday.

30.3 Overtime on Federal Davis Bacon projects shall be one and one-half (1 ½) times the regular rate of pay for all hours worked in excess of forty (40) in one (1) workweek.
31. If any such holiday falls on a Saturday, the preceding Friday shall be considered the holiday
or, if on a Sunday, the following Monday shall be considered the holiday.

On any recognized Holiday, the rate of pay will be double the straight time rate.

For purposes of this Agreement, the recognized non-paid holidays will be:

- New Year's Day (January 1)
- President's Day (3rd Monday of February)
- Memorial Day (last Monday in May)
- Fourth of July
- Labor Day (1st Monday in September)
- Thanksgiving Day (4th Thursday in November)
- Christmas Day (December 25)

31.1 If an employee chooses to not work on either Good Friday or the Friday after Thanksgiving,
they may do so without penalty if reasonable advance notice is given the Employer.

32. **Meal Period:** Employees shall not work more than five (5) consecutive hours without a
one-half (1/2) hour meal period. When employees work over five (5) hours without being
provided with a one-half hour meal period, they shall receive one-half (1/2) hour pay at
double time rate. When an employee is required to work more than three (3) hours after
the employee's regular shift, the employee will be entitled to a one-half (1/2) hour meal period
at the end of the three (3) hours without loss of pay and an additional one-half (1/2) hour
each five (5) hours thereafter, without loss of pay. If an employee is required to work
through an overtime meal period, the employee shall receive pay for an additional one-half
(1/2) hour at the double-time rate. Meal periods may be staggered to meet job
requirements. The meal period shall begin in the clean area after the employee is allowed
sufficient time to clean up and don street clothes. The donning of safety equipment and
clothing shall not commence until after the scheduled meal period.

33. **Rest period:** Due to the nature of the abatement industry and the difficulty and time
required to put on and remove necessary protective gear, and in order to avoid disruption of
the process of work, rather than taking a break during each 4 hour period Employees shall
be entitled to a 15 minute break immediately prior to the meal period to make up the break
missed during the work period preceding the meal period, and shall be entitled to take a 15
minute break immediately subsequent to the meal period, to make up for the break missed
during the period following the meal period. Reasonable time will be allowed prior to and
at the end of the above mentioned 15 minute breaks to remove or don any required
protective clothing and equipment. Any disputes relating to breaks shall be brought before
the Administrative Committee under the Collective Bargaining Agreement for final and
binding resolution.

34. The Employer shall furnish cool and potable drinking water and sanitary drinking cups for
employees.

35. The Employer shall furnish suitable sanitary toilet facilities for the employees.

36. The Employer shall make a reasonable effort to provide free parking for employees.
37. Quitting Time Clean-Up. Employer will allow sufficient time for employees to clean-up and don street clothes by end of shift.

38. Show Up Time: Workers ordered to report for work at a specific job site for whom no employment is provided, shall receive two (2) hours pay at the applicable rate, except when due notification has been given the employees.

39. If the Individual Employer fails to immediately employ or delays employment of an employee because of lack of personal protective equipment, the employee shall be entitled to two (2) hours show up time.

40. The employees covered hereby are considered "at work" for a shop from the time they are accepted for employment by the Individual Employer and that they shall proceed to and execute said work in a faithful workmanlike manner and not quit same until the close of any work day. Upon quitting, an employee shall notify the Union Employment office not later than 8:00 a.m. the following day, and the Local Union shall notify the Individual Employer not later than 9:00 a.m. the same day.

41. Local 16 shall have a permanent office address with telephone service where their Business Agent or authorized officer can be communicated with between 7:30 a.m. to 3:00 p.m. each working day for the purpose of answering inquires and providing the necessary service to the trade.

42. Strike or Lockout: During the term of this Agreement, except as provided in Article XVII, Section 82, Trust Funds, the Union shall not strike the Employer or engage in any sympathy strike, slowdown, or work stoppage, by reason of any dispute, including jurisdictional dispute, and the Employer shall not lock out the employees.

43. Recognition of Picket Line: No employee covered hereby may be discharged or otherwise disciplined by any Individual Employer for refusal to cross a primary picket line established by an International Union affiliated with the Building and Construction Trades Department, AFL-CIO, or a local Union thereof, which picket line has been authorized, sanctioned or otherwise cleared by the local Building Trades Council having jurisdiction over the area in which the job is located.

ARTICLE VI
Payment of Wages

44. Each employee shall be paid wages in full each week before or at quitting time on the Individual Employer's regular payday unless specific arrangements to the contrary are made in writing between the Individual Employer and the Local Union. Employees who quit or are laid off or discharged shall be paid in accordance with the laws of the State of California.

45. Each employee shall be given a statement with the Individual Employer's name and address, itemizing the employee's gross amount earned, hours worked, Social Security tax, withholding tax, dues check-off and all other deductions.
46. Payment of all wages and allowances shall be made weekly on the day designated by the Individual Employer as payday. No more than three (3) days of pay from the end of the established work week may be held back by an Individual Employer at any time. In no event shall the Employer have less than two (2) business days in which to prepare the payroll checks.

47. Journeyman Mechanics and Apprentices of Local 16 International Heat and Frost Insulators referred by the Union shall receive the wages, fringes, holidays, travel, subsistence and hiring procedures established in the Agreement between Northern California Chapter Western Insulation Contractors Association and Heat and Frost Insulators and Allied Workers Local 16 herein referred to as the HFI Master Agreement. In cases of conflict between the HFI Master Agreement and any amendments thereto and the terms of this Agreement, the provisions of this Agreement shall prevail.

48. All employees working on either a Project Labor Agreement or any other supplemental agreement shall receive retro-active pay for all hours worked beyond the expiration date of the Agreement.

49. BATC industrial pay: Employees covered by this Agreement shall be paid an additional Seventy-five Cents ($0.75) per hour above the applicable wage rate for every hour worked when working on mechanical systems in industrial facilities which require BATC training.

ARTICLE VII
Provision of Gear

50. The Individual Employer shall supply respirators, hard hats, steel toed rubber boots and all other safety equipment required by law, Federal, State, or Local in the performance of work covered by this Agreement, to the employee without cost. Failure to use such equipment when required by law or by Company policy, or failure to show up at work without the same, may result in loss to the employee of any time required to supply the lack of the same and may result in dismissal.

51. Tools and equipment (including one (1) respirator) provided by the Employer that are necessary for the performance of a job shall be returned by the employee on demand or on completion of the job. An Employer with prior written authorization of the employee may deduct from the employee’s check, the cost of the item furnished in the event said item is not returned. No deduction shall be made at any time for normal wear and tear. Should the employee lose the equipment he shall be required to pay the cost of said lost equipment, provided lockers and/or adequate lockable storage facilities are provided by the Employer on each project.

52. Each employee covered by this Agreement shall furnish the hand tools and equipment as outlined below:

1 Wire Cutter 1 Phillips/Straight Blade Screwdriver Set
1 Crescent Wrench 1 Tool Pouch
1 5 Gallon Bucket 1 Claw Hammer
1 Lock 1 Razor Knife
1 Scissors 1 12’ Tape Measure
1 Adjustable Pliers (Channel Locks) 1 Pair Steel Toed Leather Safety Work Boots with 1/2” heel where required by the customer.
53. Employees covered by this Agreement shall not be permitted to furnish, lease or rent the use of any automobile or other conveyance to the Individual Employer to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop, without prior approval by the Union office. Facilities for such transportation will be provided by the Individual Employer. This provision shall not restrict the use of any automobile or other conveyance to transport the owner and personal tools from home to shop or job at starting time, from job to job, or from job to home at quitting time. The following items are excluded from this paragraph. Non-contaminated items such as:

- One (1) roll duct tape.
- Respirator, HEPA filter, wipes, and related accessories.
- Small sampling pump and cassettes.
- Documents.
- One (1) pair rubber boots.
- Safety glasses.
- Safety belt with lanyard.
- Hammer tacker and hog ringer.
- Cordless drill and charger.
- Replacement blades and parts.

ARTICLE VIII
Safety

54. The safety and well being of the employees is the primary concern of all parties and the Employer shall not permit the employees to be placed in unsafe conditions without adequate protective gear, instruction, and supervision.

55. In the performance of the work covered by this Agreement, the Individual Employer and employees shall comply with all Federal, State, and local laws, specifically the Federal Occupational Safety and Health Act of 1971 and the current California Labor Code, and any and all regulations issued pertaining by any authority, State or Federal.

ARTICLE IX
Bonding of Employers and Worker’s Compensation

56. Each Individual Employer shall post and maintain a bond, (1) to be issued by a properly qualified surety Company doing business in the State of California, or Nevada, in the amount of Thirty Thousand Dollars ($30,000) or (2) to deposit the equivalent of cash in an escrow account in a bank to be selected by the parties, to guarantee the payment of wages, travel expense, mileage, subsistence and any and all amounts payable to the applicable Trust Funds, Article XVII and Appendices A and B herein, required by the Agreement.

57. Should an Employer allow his bond to lapse or to be canceled, that Employer and Local Union shall be notified of such occurrence by the Union. If a new bond or renewal of the original bond is not delivered to the Local Union within ten (10) working days, the Local Union shall withdraw that Employer's employees and shall not be required to dispatch any employees to such Individual Employer as otherwise required by Article IV of this Agreement. A new Contractor will have ten (10) working days to get a bond after he has signed the Agreement, otherwise the Local Union shall withdraw his employees.
58. A record of the bonding status of all Employers will be maintained on a current basis by the Health and Welfare Trustees and copies of proof of bond will be kept by the Local 16 and the Trust Fund office. The Union shall withdraw a delinquent Employer's employees upon written notification from the Trust.

59. In the event that any Individual Employer should, during the term of this Agreement change its Workmen's Compensation Insurance Carrier, it shall notify the Union in writing within ten (10) days of the effective date of the policy of such change, giving the name and address of the new Carrier and the effective date of change. In any event, whether or not any change in the Carrier has been made, the Individual Employer shall, on or before the 15th day of January of each year, notify the Union in writing of the name of its then current Workmen's Compensation Insurance Carrier, failing which the right of the Individual Employer to request the dispatch of employees through the Employment Office of the Union shall be suspended until it has complied.

ARTICLE X
Grievance Procedure

60. Grievances of the Union or the Employer, arising out of the interpretation of enforcement of this Agreement shall be settled by the Employer directly involved and the representative of the Union.

61. To be valid, grievances must be reduced to writing (with the grieved Article and Section of the contract specified and the desired remedy) and filed by certified mail, faxed, or hand delivered to the Union and the Employer within fifteen (15) working days of the date of the alleged violation giving rise thereto. The parties shall meet and in the event that the representatives from each side are not able to reach an agreement by the tenth (10) working day after receiving notification, the grievance may be referred, within 15 working days, to a mutually agreed upon arbitrator for final and binding arbitration.

62. The parties will request the Federal Mediation and Conciliation Service to furnish a list of five (5) arbitrators from which the arbitrator shall be selected. Such selection shall be accomplished by the Union and the Employer striking one (1) name from the list in turn until only one (1) name remains. The arbitrator's decision shall be submitted in writing within 30 days and shall be final and binding. The expense of the arbitrator, court reporter, translator if requested, and the cost of necessary expenses required to pay for facilities for the hearing of cases, shall be borne by the losing party involved. The arbitrator's decisions shall be confined to the question posed by the grievance and the arbitrator shall not have the authority to modify, amend, alter, add to or subtract from any provision of this Agreement.

ARTICLE XI
Severability

63. It is not the intent of either 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 of the 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 this Agreement shall remain in full force and effect, unless the parts so found to be voided 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 negotiate and execute lawful substitutes therefore.
ARTICLE XII  
Favored Nation

64. No Individual Employer signatory hereto shall be required to pay higher wages or be subject to less favorable working conditions than those applicable to other Individual Employers employing workers performing similar work in the area covered by this Agreement, except the favored nation provision shall not apply to the work performed under any Special Project Agreement.

ARTICLE XIII  
Liability of Parties

65. It is mutually understood and agreed that neither the Individual Employer, nor the Union shall be liable for damages caused by the acts or conduct of any individual or groups of individuals who are acting or conducting themselves in violation of the terms of this Agreement without authority of the respective party, provided that such action or conduct had not been specifically authorized, participated in, fomented or condoned by the Individual Employer, or the Union, as the case may be.

ARTICLE XIV  
Amendments

66. Except as otherwise specifically provided herein, this Agreement fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties on any and all matters subject to collective bargaining. None of these parties shall, during the term of this Agreement, demand any change herein, nor shall the party be required to bargain with respect to any matter as provided in Article IX and XI hereof. Without limiting the generality of the above, all parties in their own behalf and on the behalf of their respective members, bound hereby, waive any right to demand of any other party any negotiating, bargaining, or change during the life of this Agreement with respect to pensions, retirement, health and welfare, annuity, or insurance plans, or respecting any question of wages, hours or any other terms of condition of employment; provided that nothing herein shall prohibit the parties from changing the terms of this contract by mutual agreement except as provided in Article XVII Trust Funds, including Appendices A and B.

ARTICLE XV  
Substance Abuse

67. The Union agrees to supply employee applicants that shall agree to comply with the policies of the Employers customers’ drug testing procedures. Where such drug testing policies are in effect, all prospective employees, prior to being acceptable for employment by the Company, will be required to submit to tests for the presence of alcohol and drugs.

68. The owners’ requirements or levels of drugs or alcohol will be cause for rejection for employment. Such discharge shall not be a breach of the Collective Bargaining Agreement in effect between the parties. Refusal to submit to the screening test will constitute voluntary withdrawal of application for employment.
69. The Company shall abide by the customer's drug and alcohol policy per bid documents. When the company has reasonable cause to believe that an employee is impaired by a prohibited substance or by an alcoholic beverage, the employee may be suspended, for reasons of safety, until test results are available. If no test results are received after three (3) working days, the employee, if available, shall be returned to work with back pay. If the test results prove negative, the employee shall be reinstated with back pay. In all other cases:

69.1 Applicants testing positive for prohibited substances will not be hired.

69.2 Employees who have not volunteered for an employee assistance program and who test positive will be subject to termination.

69.3 If reasonable cause exists, an employee must submit to a drug and alcohol test, if the Company requests him to do so, and an employee who refuses to do so will be subject to termination.

69.4 Employees found in possession of prohibited substances will be subject to termination.

69.5 Employees found selling or distributing drugs will be subject to termination.

69.6 Employees found to be under the influence of alcohol while on duty, or while operating a company vehicle, will be subject to termination.

70. **Drug and Alcohol Testing:** The Company and the Union agree that Employees may be required to submit to a drug and alcohol testing under the following circumstances:

70.1 The Company may require job applicants to submit to a drug and alcohol test. Pre-hire employees who do not test positive will be paid $25.00 in reimbursed travel expense to complete the drug test upon his employment. It is understood that all applicants must pass a test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees. The Company will make all reasonable efforts to minimize the time involved in drug testing.

70.2 The Company may require an employee to submit to a drug or alcohol test if two (2) Supervisors have reasonable cause to believe that the employee is impaired at work by a prohibited substance or an alcoholic beverage.

70.3 The Company may require an employee to submit to a drug and alcohol test if the employee is involved in a workplace accident.

71. **Definitions:**

71.1 **Accident:** The term "accident" refers to injury to a person or damage to property to which an Employee's conduct contributed directly or indirectly.

71.2 **Reasonable cause:** The term "reasonable cause" refers to erratic behavior, such as noticeable imbalance, incoherence, and disorientation, or other incidents or circumstances that would lead one reasonably to conclude that an individual was impaired by drugs or alcohol.
ARTICLE XVI
Administrative Committee

72. An Administrative Committee shall be established immediately upon the execution of this Agreement. Said Committee shall consist of three (3) Officers appointed by the Union, and three (3) persons appointed by the Abatement Contractors of Northern California Group, one of which shall be an Independent Contractor, if requested. However, each side shall have a total of three votes.

73. In order to preserve and expand work opportunities for bargaining unit Employees, and enhance the competitive position of Signatory Contractors to this Agreement, the Administrative Committee shall consider requests from Individual Signatory Employers or Associations and the Union for special conditions as follows:

73.1 On a particular job or jobsites to preserve or recapture covered work.

73.2 A potential new market area.

74. The Administrative Committee shall meet not less than quarterly or as agreed upon. The Committee may meet more frequently in order to review request from the Union and/or Individual Employers for relief or other supplements to this Agreement in order to ensure the preservation of work opportunities and competitiveness.

75. All requests for modifications/supplements shall be presented to the Administrative Committee in accordance with the procedures established by such Committee. The Committee shall further have the authority to establish its own internal rules of procedure and organization.

76. If the Administrative Committee finds it necessary, in order to fulfill the provisions of Section 73 through Section 73.2 of this Article, the Local 16 Officers shall have the authority to modify:

76.1 Wage Rate.

76.2 Modifications in premium pay.

76.3 Modifications in work week.

77. All signatory parties to this Agreement shall be notified in writing by the Committee of the results of its deliberations.

78. No action taken by the Administrative Committee under this Section shall be subject to the Grievance Procedure.

79. The decisions of the Administrative Committee under this Article shall not be subject to Article XII.
ARTICLE XVII

Trust Funds

Health and Welfare:

80. Effective May 1, 2014, Individual Employers shall pay to the Insulation and Asbestos Industry of Northern California and Local No. 16 Health and Welfare Trust Fund, and received on or before the 20th day of the month following the month in which the work was performed. The Individual Employers shall pay Six Dollars and Twenty Cents ($6.20) for each hour worked by each HMH Worker, HMH Specialist 2, HMH Specialist 1 and HMH Mechanic covered by this Agreement, or any other Agreement covering similar work performed for an Employer which is signatory to a collective bargaining agreement with any Local Union of the International Association of Heat and Frost Insulators and Asbestos Workers. Said Trust Fund shall be administered in accordance with that certain Trust Agreement as executed by the parties hereto on the 11th day of September, 1952, and any amendment thereto. The Board of Trustees is authorized, during the term of this Agreement, to increase the Health and Welfare contribution rate upon 30 days written notice to the Individual Employer and the Union. Any such increase in the contribution rate shall be diverted from the Employee’s established wage rate.

81. During the term of this Agreement, the Individual Employer shall contribute to the Insulation and Asbestos Industry of Northern California and Local 16 Medical Monitoring Fund the sum of Ten Cents ($0.10) per hour worked by employees covered by this Agreement. This contribution shall be utilized by the Medical Monitoring Fund to provide medical monitoring for employees covered by this Agreement including but not limited to physical examination, x-rays, physician's opinions, and record retention, (as required by current or future Federal and State Regulations). The Medical Monitoring Fund shall be a program of the Heat and Frost Insulators of Northern California, Local 16 Health and Welfare Trust and the Individual Employer agrees to be bound by all the terms and provisions of the Trust Agreement of said Trust and any amendment or amendments thereto. Any such modifications of the specified contribution shall be borne by the Individual Employers, up to a maximum of an additional Six Cents ($0.06) per hour for the duration of this contract.

82. The sum of One Cent ($0.01) per hour shall be contributed to an Administrative Fund to defray the administrative expenses of the Medical Monitoring Fund and to facilitate the employees' understanding of their benefits and to satisfy the request of the providers or the Association for abatement training up to a maximum of Twenty Thousand Dollars ($20,000.00), and may be increased by the Board of Trustees, if necessary. Subject to the maximum increases set forth below, the contribution rates may be increased or decreased by action of the Board of Trustees on ninety (90) days written notice to the Individual Employer and Union. Any such increase or decrease shall not decrease or increase the established wage rate of any employee.

83. Under the terms of the collective bargaining agreement, the Board of Trustees is authorized to modify the contribution rate of the Medical Monitoring Fund to maintain a minimum of Twenty Thousand Dollars ($20,000.00) in the Fund. Any such modifications of the specified contribution shall be borne by the Individual Employers, up to a maximum of an additional Six Cents ($0.06) per hour for the duration of this contract.
Under the terms of the collective bargaining agreement, the Board of Trustees are authorized to modify the contribution rate to the Administrative Fund of the Medical Monitoring Fund to maintain a minimum of Five Thousand Dollars ($5,000.00) in the Administrative Fund. Any such modification of the specified contribution shall be borne by the Individual Employers, up to a maximum of an additional Two Cents ($0.02) per hour for the duration of this contract, or at NCACA’s option, the additional funding may be provided by the Industry Promotion Fund.

Union Dues Check-off or Service Charges:

The Individual Employer will deduct from the hourly wages of each employee who individually and voluntarily authorizes the Individual Employer signatory to this Agreement, in writing, to make such deductions, such amount per hour worked by the employee as is designated in the employee's authorization as Union membership dues or equivalent service charges. Such deduction shall be made in accordance with the following provisions:

85.1 Such deductions shall be made only in accordance with instructions upon authorization cards, which shall be in the form supplied by the Union. In order to be effective, such authorization cards shall be delivered to the Union, with copies of such cards to be submitted simultaneously to the Individual Employers signatory to this Agreement. Such authorizations and assignments shall not be revocable for a period of more than one (1) year from their effective dates, or beyond the termination date of this Agreement, whichever occurs sooner, provided that such authorization and assignments shall continue in full force and effect for yearly periods beyond the irrevocable period set forth above, and each subsequent yearly period shall be similarly irrevocable, unless revoked by the employee within fifteen (15) days after the irrevocable period hereof. Such revocation shall be effective by written notice to both the Individual Employer and the Union within such fifteen (15) day period.

85.2 Deductions for union initiation fees shall be withheld by the Individual Employer from the employee's weekly pay and shall be forwarded with a monthly transmittal form to the Union. Deductions for initiation fees, where authorized by the employee, shall start to be withheld by the Individual Employer from the employee's third paycheck after authorizing the deduction and shall be forwarded with the next monthly transmittal form to the Union. Pay schedule not to exceed four (4) weeks.

85.3 Such payroll deduction shall begin immediately if the employee has an authorization card on file with the Union and a copy of the card on file with the signatory Individual Employers, or within three (3) days subsequent to receipt by the Union, and by the signatory Individual Employers, of the authorization cards and copies thereof, provided for in Section 86.1.

85.4 The Individual Employer's obligation to make such deductions shall terminate in the event the employee shall, for any reason, cease to be an employee of the Individual Employer, or upon receipt by the Individual Employer of a written revocation by the employee of such authorization card.

85.5 Both the Union and the Individual Employer shall have the right to notify employees of the provisions of this Section.
86. The Union shall retain any such original authorization card on file until revocation of the card and for a period of at least two (2) years thereafter.

87. The Individual Employer shall deduct for Union membership dues or equivalent service charges, which shall be in the amount determined by Local 16.

**Abatement Training and Retraining Fund:**

88. As of May 1<sup>st</sup>, 2014 a new Asbestos Training Fund has been created. Contributions shall be sent to the Trust Fund as a segregated contribution and applied to the Insulators Apprenticeship Training Fund. The Fund will be used to train and retrain Local 16 members for asbestos removal. The fund may also be used to reimburse signatory Abatement Contractors for approved abatement training subject to the rules set forth by the Insulators Joint Apprenticeship Training committee. The Insulation Training Fund only accepts responsibility for reimbursement of approved training up to the amount of contributions received on May 1<sup>st</sup>, 2014. The Signatory Abatement contractor under Article XVIII Section 92 reduced the Industry Promotional Fund from Eleven Cents ($.11) to Six Cents ($.06) and the Five Cents reduction was reallocated to the new Asbestos Training Fund. The Five Cent ($.05) reallocation is subject to the terms of the above paragraph. The above action of May 1<sup>st</sup>, 2014 now calls for a combined contribution to the Asbestos Training Fund of Thirty Cents ($.30) per hour.

**General Provisions:**

89. Insofar as payments by the Individual Employer into the Trust Funds are concerned, time is of the essence. It is recognized and acknowledged by all parties, including the participating Individual Employer, that the prompt and accurate payment of contributions is essential to the maintenance of an employee benefit trust fund and the benefit plans and that it would be extremely difficult, if not impossible, to fix the actual expense and damage to the Trust Fund that would result from the failure of a participating Individual Employer to pay the required contributions hereunder, and received on or before the 20th day of the month in which they are due. Therefore, if any participating Individual Employer shall be delinquent in the payment of contributions such Individual Employer shall be liable, in addition to the delinquent contributions, for liquidated damages of twenty percent (20%) of the amount of the contributions which are owed or Fifty Dollars ($50.00) whichever is greater for each such failure to pay in full within the time provided. Except that if the Individual Employer pays the amount of the delinquent contributions in full prior to the institution of legal action, the amount of liquidated damages shall be reduced to ten percent (10%) of the amount of the contributions which are owed or Twenty-five Dollars ($25.00), whichever is greater. In addition, the delinquent contributions shall bear interest at the rate of twelve percent (12%) per annum from the due date until they are paid. If any Individual Employer defaults in the payment of any payments due the Trust Funds, in addition to the amount due and liquidated damages provided for in this Section, there shall be added to the obligation of the defaulter all reasonable expenses incurred by the Trust Funds in the collection of the same, including but not limited to reasonable attorney’s and accountant fees, costs of attachment, bond and court costs.

90. In addition to the foregoing, it shall not be a violation of this Collective Bargaining Agreement for the Union to refuse to man any job or to withdraw employees from the job or jobs of a delinquent Individual Employer.
ARTICLE XVIII
Industry Promotion Fund

91. The Employer shall pay into an Industry Promotion Fund, Six Cents (.06) per hour for each hour worked by each employee employed on work covered by this Agreement. The Fund shall be used for the purpose of promoting the interests of the abatement industry in the area covered by this Agreement. The purpose of the Fund includes promoting programs of industry education, advertising, reimbursement to Employers for Abatement training, administration of collective bargaining agreements, improving the technical and business skills of employers, stabilizing and improving labor union relations and promoting, supporting and improving the training and employment opportunities for employees. No part of these payments shall be used for any purpose opposed to the interest of the Union, and Local Union or employees covered by this Agreement.

91.1 The Abatement Industry Promotion Fund (Tax ID #94-3297310) will be doing business as (dba) Northern California Abatement Contractors Association (NCACA).

92. NCACA reserves the right to increase the Industry Promotion Fund contribution during the term of the agreement. Any increase shall be borne by all Individual Employers.

93. All payments provided for under this Article shall be due and payable monthly and received on or before the 20th of each calendar month for all work performed in the preceding month. The Industry Promotion Fund shall provide each Employer with a form of report to be filled out by the Employer and mailed by the Employer together with his contribution to the address designated by the Fund.

94. The Industry Promotion Fund shall be administered solely by the Association. The Union shall be supplied with all bank statements, ledgers and accounting of this Fund at the beginning of the quarterly Administration Committee meetings. The Union shall not be responsible for the administration of such Fund or for the collection of any of the amounts required to be paid into said Fund by the Employer as provided in this Article.

95. No part of the Fund shall be used to the benefit of, or be received by, any Individual Employer.

96. In the event that an Individual Employer elects not to pay into the Industry Promotion Fund the sum of Six Cents (.06) per hour for each hour worked by each of his employees covered by this Agreement, he shall pay into the Insulation and Allied Workers of Northern California and Local 16 Health and Welfare Trust Fund the sum of Six Cents (.06) per hour for each hour worked by his employees covered by this Agreement.
ARTICLE XIX
Memorandum of Understanding

97. The Asbestos Abatement Agreement, which was signed on May 1, 2014, will be printed in English and Spanish and there will be 100 copies printed. The cost of this will be paid by the Abatement Industry Promotion Fund.

98. An editing committee comprised of John Godkin, Bill Whitney, Mel Breshears and Chris Greaney shall have the authority to place, edit, and re-number sections and Memorandums of Understanding into the most appropriate location in the Abatement Agreement.

99. All references to Asbestos Workers will be changed to Allied Workers.

100. All references to Western Insulation Contractors Association (WICA) will be changed to Northern California Abatement Contractors Association (NCACA). The Northern California Abatement Contractors Association is not incorporated. It is comprised of individual abatement contractors.

101. The Union is to announce to all signatory contractors all project agreements prior to the project’s bidding.

102. The Bargaining Parties agree to specifically waive the terms of the San Francisco Sick Leave Act for the duration of this Abatement Agreement.

103. Alternative Dispute Language – Workers Compensation Program: Upon ratification of this agreement a committee will be appointed which will consist of the three (3) Local 16 officers and three (3) members of NCACA. The intent of the committee is to research and review information about the Alternative Dispute Resolution Workers Compensation Program. If mutually agree the plan shall be implemented.

ARTICLE XX
Wage Increases and Fringe Benefit Allocations

104. Wage and Fringe Benefit Increases for Schedule A:

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The above schedule A increases includes a Twenty Five Cents ($0.25) per hour contribution to the Asbestos Training Fund referenced in Section 88.

105. Current wage and fringe benefit schedule may be obtained by contacting the Union office.
106. Allocations may be made to any fringe benefits at the union meeting in October. Such allocations shall become effective January 1st, with a thirty (30) day written notice to the Individual Employer.

107. For the term of this agreement there will be no vacation contributions except for HMH Mechanic classification.

**ARTICLE XXI**

**Term of Agreement**

108. This Agreement shall be effective May 1, 2014 and shall continue in full force and effect for a period of Four (4) years to and including midnight of the 30th day of April 2018, and from year to year thereafter unless either party gives written notice to the other no more than ninety (90) days and no later than sixty (60) days prior to the first day of May 2018, or any anniversary thereof of its desire to modify or terminate the same.
WITNESS WHEREOF the parties hereto have executed this Agreement as evidenced below.

Northern California Abatement Contractors Association

Scott Strawbridge, Chairman for N.C.A.C.A

May 1, 2014

Date

International Association of Heat and Frost Insulators
And Allied Workers, Local 16

Melvin L. Breshears, Chairman of Local 16

May 1, 2014

Date
Appendix A

The Northern California Abatement Contractors Association represents the following contractors in the current negotiations with the International Association of Heat and Frost Insulators and Allied Workers Local 16 for the “Abatement Contract.”

PARC Specialty Contractors
1400 Vinci Avenue
Sacramento, CA. 95838

PARC Services, Inc.
253 Rickenbacker Circle, Suite B
Livermore, CA 94551

Professional Asbestos Removal Corporation
P.O. Box 10077
Fresno, CA. 93745

Performance Abatement Services of California, Inc. (P.A.S.)
999 Canal Blvd., Suite B
Richmond, CA. 94804

Restec Contractors, Inc.
22959 Kidder Street
Hayward, CA. 94545

Farwest Insulation Contracting
1375 South Acacia Avenue, Suite A
Fullerton, CA. 92831