AGREEMENT

April 1, 2011 to March 31, 2014
Extended to March 31, 2016

by and between

TILE, TERRAZZO, MARBLE AND

RESTORATION CONTRACTORS

ASSOCIATION OF

NORTHERN CALIFORNIA, INC.

and

INDEPENDENT TILE CONTRACTORS

and

BRICKLAYERS

AND ALLIED CRAFTWORKERS

LOCAL UNION NO. 3 CA

IUBAC, AFL-CIO

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AGREEMENT

APRIL 1, 2011 TO MARCH 31, 2014
Extended to March 31, 2016

THIS AGREEMENT, effective April 1, 2011, by and between Bricklayers and Allied Craftworkers Local Union No. 3 CA, IUBAC, AFL-CIO, hereinafter the Union, and the Tile, Terrazzo, Marble and Restoration Contractors Association of Northern California, Inc., hereinafter the Association, for and on behalf of such Individual Employers as are now or hereafter become members of the Association, or have authorized the Association to represent them in collective bargaining with the Union, and for such other Individual Employers as may execute this Agreement or a counterpart thereof.

ARTICLE I. RECOGNITION AND SCOPE OF AGREEMENT

SECTION 1. RECOGNITION.

a) Each Employer signatory to this agreement, whether as a member of the Association or as an Individual Employer, hereby acknowledges that, following a request by the Union for recognition as the majority collective bargaining representative under Section 9 (a) of the National Labor Relations Act, the Employer has recognized the Union as the Section 9 (a) majority collective bargaining representative for all of the Employer's employees performing unit work based upon a showing by the Union of, or based upon an offer by the Union to show evidence that a majority of the Employer's employees authorize the Union to represent them in collective bargaining. The Employer further agrees that it is establishing, or has previously established, a collective bargaining relationship by this agreement within the meaning of Section 9 of the National Labor Relations Act of 1947 as amended.

b) Each Individual Employer that becomes signatory to this Agreement after the effective date of this Agreement agrees that if it has not previously done so, at any time during this agreement it will, upon the Union's request for recognition as the Section 9(a) representative of the Employees in the bargaining unit described herein, and upon the Union's submission of proof of majority support by such Employees, voluntarily recognize the Union as the exclusive representative, as defined in Section 9(a) of the National Labor Relations Act, of all Employees within the bargaining unit on all present and future jobsites within the jurisdiction of the Union. When the Union has requested recognition as majority representative, the Employer's recognition will be based on the Union's proof or offer to submit proof. The Employer expressly agrees that it will not condition its recognition upon the results of an election conducted under the rules and regulations of the National Labor Relations Board.

SECTION 2. EMPLOYEE REPRESENTATIVES. Business Representatives of the Union and representatives of the Northern California Tile Industry Labor Management Cooperation Trust Fund will have access to shops and jobs for the purpose of conducting Union

or Trust duties which cannot be performed at other times, provided that such duties will be performed as expeditiously as possible. The persons described in the preceding sentence may not take any actions to interfere with the work or hinder productivity.

SECTION 3. AREA COVERED. This Agreement shall apply to all work under the jurisdiction of the Tile Layers and Tile Finishers, as hereafter defined, in the California Counties of Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba.

SECTION 4. WORK COVERED. This Agreement shall cover all work of the Individual Employer performed at the site of construction, alteration, painting or repair, as defined below.

a) **Tile Layer's Work** includes the following:

(1) The laying, cutting or setting of all tile where used for floors, walls, ceilings, walks, promenade roofs, exterior veneers, stair treads, stair risers, facing, hearths, fireplaces, and decorative inserts, together with any marble plinths, thresholds or window stools used in connection with any tile work; also to prepare and set all concrete, cement, brickwork or other foundations or material that may be required to properly set and complete such work.

(2) The cutting of all tile by machinery or tools on the job site.

(3) The application of a coat or coats of mortar, prepared to proper tolerance to receive tile on floors, walls and ceilings, regardless of whether the mortar coat is wet or dry at the time the tile is applied to it.

(4) The setting of all tile with mortar, asphalt and/or sand where the bed is floated, screeded, slabbed or buttered.

(5) The setting of all tile by the adhesion method with organic and/or inorganic thin-bed bonding materials where such bonding material is applied to the backing surface and/or the back of tile units or sheets of tile.

(6) The rough-in, floating, screeding, beating, rubbing and finishing of all tile work, including the setting of all fixtures, rods, accessories, cap and tile, including all other preparatory work required to complete all the installations.

(7) The installation of waterproofing membranes, accessories, and the insertion of decorative tile inserts in other materials.

(8) The setting, sealing and installation of prefabricated tile systems.

b) **Tile Finisher's Work** includes mixing mortar, cleaning and grouting all tiles set by the Tile Layer, handling all sand, cement,

lime, tile and other materials and all chemicals that may be used in tile installation after being delivered to the job.

c) **Tile** as used above is defined as the following products:

(1) All burned clay products as used in the tile industry, either glazed or unglazed.
(2) All composition materials, marble or other stone tiles, glass, mosaics and all substitute materials for tile made in tile-like units.
(3) All mixtures in tile-like forms of cement, metals, plastics and other materials, that are made and intended for use as a finished floor, surface, stair treads, promenade roofs, walks, ceilings, swimming pools and all places where tile is used to form a finished interior or exterior surface for practical use, sanitary finish or decorative purposes.

SECTION 5. SUBCONTRACTING. Work covered by this Agreement which is to be performed at the site of construction, alteration, painting or repair of any building, structure or other work may be subcontracted only to persons, firms or corporations who are signatory to this Agreement. The Individual Employer who is the prime contractor will notify the Union of the identity of the subcontractor prior to the commencement of work by the subcontractor. This obligation may be enforced, at the option of the Union and the trusts funds, either through the grievance and arbitration procedures set forth in this Agreement or any other legal means available to the Union or the trust funds; provided, however, that the Union may not enforce this section through a strike or any other economic action.

SECTION 6. MOST-FAVORED-NATIONS CLAUSE. Should the Union at any time during the existence of this Agreement grant more favorable conditions to any contractor including, but not limited to, Health & Welfare or Defined Benefit Pension, the Union agrees to grant those same conditions to all contractors signatory to this Agreement. This section does not pertain to Section 112 (Work Preservation).

SECTION 7. TRAVELING CONTRACTORS CLAUSE. When the Employer has any work specified in Article I of this agreement to be performed outside of the area covered by this Agreement and within the area covered by a standard Collective Bargaining Agreement of another affiliate of the International Union of Bricklayers and Allied Craftworkers, the Employer agrees to abide by the full terms and conditions of the standard Agreement in effect in the job site area with respect to all employees, wherever hired, who perform such work. If employees are sent to work on a project in an area where there is no local Agreement covering the work specified in Article II and Code 1 of the BAC International Constitution, the full terms and conditions of this Agreement shall apply.

ARTICLE II. EMPLOYMENT

SECTION 8. HIRING. The Employer must secure all of his/her employees through the Employment Office of the Union and the Union agrees to furnish employees within forty-eight (48) hours of the time

they are requested, if available. In the event the Union fails to furnish employees within said forty-eight (48) hours (Saturdays, Sundays, and recognized holidays excluded), the Employer may hire employees from any source, not to exceed the number requested from the Union, and the Employer shall immediately notify the Employment Office of the Union of the name, address, and social security number of each employee hired, and the beginning date of employment.

SECTION 9. EMPLOYMENT OFFICE. The Union shall maintain an Employment Office in the San Francisco Bay Area with adequate facilities for employees to register for employment. All employees and applicants for employment shall be entitled to the use of said facilities, subject, however, to the requirements of federal, state and local law, and to the provisions of Section 18 (Union Security).

SECTION 10. NON-DISCRIMINATION IN REFERRALS. The Union's Employment Office shall be conducted without discrimination because of age, race, color, religion, sex or national origin, or membership or non-membership in, or activity for or against, any labor organization, except to the extent that membership in the Union may be required as a condition of employment as required by Section 18. The selection of employees or applicants for employment or referral shall not be based upon 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.

SECTION 11. EMPLOYMENT PREFERENCE. Employees who have been employed upon the work covered by this Agreement for a cumulative total of 1,600 hours during the period from May 1, 1995 to March 31, 1998 by Employers signatory to this Agreement, or who have been employed under this Agreement for a cumulative total of 1,600 hours or more since May 1, 1995, shall be entitled to preference in employment, in the following order: (1) Journeypersons and (2) Apprentices and Improvers. Apprentices who have completed all requirements of their apprenticeship shall become Journeypersons and shall thereafter enjoy the preference of Journeypersons.

SECTION 12. NON-PREFERRED CLASSES. Registration of employees without a preference shall be valid only for the calendar month in which the employee registered, and no such registration shall be carried over into any succeeding calendar month. Any such employee shall register during any succeeding calendar month or months and shall be available for dispatch in any one calendar month only upon doing so.

SECTION 13. DISPATCH INFORMATION. The Union has established and will continue to operate a computerized dispatching system. When an employee is dispatched to an Individual Employer, the Union's Employment Office will provide the Individual Employer with a written dispatch slip containing complete and up-to-date information regarding the employee's skill level, the hours reported at that skill level and the immediately preceding skill level, and the contractors for whom the employee has worked at that skill level and the immediately preceding skill level.

SECTION 14. REJECTION OF REFERRALS. The Employer may reject any employee or applicant for employment referred by the Employment Office of the Union. Employees or applicants for employment who are rejected by an Employer shall be paid show-up pay as provided in Section 75; provided, however, that an Employer shall be relieved of the obligation to pay show-up pay to any employee or applicant who does not possess all of the following minimum qualifications: (a) a valid California driver's license; (b) a driving record acceptable to the Employer's automobile insurance company; (c) the ability to communicate as necessary to perform the job safely and efficiently; and (d) proof of eligibility to work in accordance with the Immigration Reform and Control Act. In addition, Tile Layers and Improvers must report to the job site with all necessary hand tools; Journeyperson Finishers must possess all of the tools listed in Section 37 of this Agreement; and Apprentices must possess the tools required to perform the job to which the employee is assigned, provided that the Apprentice receives prior notice regarding the job to be performed. Notwithstanding the above, no Employee who makes less than twice the state minimum wage can be required to provide his/her own tools.

SECTION 15. RECALL OF EMPLOYEES. Notwithstanding the requirements of Section 11, employees with a preference under that section who have been registered as out of work for at least forty-eight (48) hours may be requested by name, provided that the employee has worked for that Employer at least forty (40) hours within one (1) year preceding the date of the request. For this purpose, upon the Employer's request, the Dispatch Officer will make known the names of all employees who have been registered for at least forty-eight (48) hours upon the preferred lists.

SECTION 16. REFUSAL OF WORK. Any employee, whether of a preferred or a non-preferred category, who refuses offers of dispatch to any three (3) different Employers during any one period of registration shall be dropped from the list and must re-register in order to be available for dispatch thereafter.

SECTION 17. EMPLOYMENT OF FEWER THAN THREE (3) DAYS. Any employee who is dispatched to a job of fewer than three (3) working days duration shall be restored to the employee's place on the list, provided that the employee reports back to the Employment Office of the Union within two (2) working days after the last day of employment.

SECTION 18. UNION SECURITY. All employees shall be required as a condition of employment to apply for and become members of, and to maintain membership in, the Union within eight (8) days following the commencement of their employment or the date of execution of this Agreement, whichever is later. This provision shall be enforced to the full extent permitted by law. The Union shall be the sole judge of the qualifications of applicants for membership in the Union.

SECTION 19. POSTING OF ARTICLE II. A copy of this Article II shall be kept posted by the Union and Individual Employers in places

where notices to members, employees and applicants for employment are customarily posted.

SECTION 20. NON-DISCRIMINATION. The parties agree to comply with all laws and ordinances to assure, within the scope of this Agreement, compliance with equal opportunity and fair employment laws and implementing regulations.

SECTION 21. GRIEVANCES UNDER ARTICLE II. Any employee or applicant for employment who is aggrieved by the actions of an Individual Employer believed to be in violation of this Article II, excepting Section 18 hereof, may submit such grievance to the Joint Arbitration Board. Such grievances must be submitted in writing within fifteen (15) days of the occurrence or of when the employee or applicant knew or reasonably should have known of the occurrence, failing which the grievance shall be deemed waived.

ARTICLE III. APPRENTICESHIP

SECTION 22. JOINT APPRENTICESHIP AND TRAINING COMMITTEE. In order to maintain and ensure an adequate number of qualified Tile Layers and Tile Finishers for employment in the industry, the parties agree to maintain a Joint Apprenticeship Training Committee (JATC) consisting of four (4) members appointed by the Association and four (4) members appointed by the Union. The Committee shall conform to and comply with the Apprentice Labor Standards of the State of California and shall maintain training programs for Tile Layer and Tile Finisher apprentices and other persons employed or employable under this Agreement.

SECTION 23. APPRENTICESHIP STANDARDS. Apprentice training shall conform to the Tile Layer Standards and Tile Finisher Standards prepared by the JATC and approved by the Division of Apprenticeship Standards (DAS) or other supervising agency, and such standards shall be considered a part of this Agreement.

SECTION 24. JATC AUTHORITY. The JATC shall have all of the powers conferred upon local joint apprenticeship committees by the Apprentice Labor Standards Act and in addition thereto shall be empowered to conduct a training program for employees and applicants for employment other than apprentices, and when its jurisdiction has been invoked as hereinafter provided, to determine the qualifications for employment by appropriate examination and otherwise, and to classify or reclassify employees as Certified Journeypersons, Improvers or Apprentices, or to certify them as being unqualified or unfit for employment upon any phase or phases of tile work. The Committee's powers shall specifically include the authority to disqualify an Employer from training additional apprentices for violations of the approved standards, selection procedures or Section 25 below.

SECTION 25. PROGRESSION OF AN APPRENTICE. The progression of an apprentice to the next skill level will be based on satisfaction of applicable apprenticeship program requirements and mutual agreement of the Employer, JATC and apprentice. The Employer agrees that, as a condition of eligibility to hire and train

apprentices, an apprentice shall not be compelled or allowed to work on a weekday when the employee's attendance is required at related instruction classes.

SECTION 26. EXAMINATION OF APPRENTICES. Upon the written request of the Union or any Individual Employer party to this Agreement or of the Association, an employee or applicant for employment must submit to an examination to be scheduled by the JATC. The JATC shall be empowered upon the basis of such examination to reclassify the employee or applicant for employment or to certify the employee as being unqualified for employment upon any phase or phases of tile work. The JATC shall be further empowered to require any employee whose name has been referred to it under this section to enroll in the training program for training in any or all phases of the trade in which it has found and certified the employee as being unqualified. The JATC shall make the final determination of the skill level classification of all apprentices, which determination shall be based upon the number of hours worked by the apprentice as set forth in Appendices A through E of this Agreement, any examinations which the JATC deems necessary and the apprentice's satisfactory participation in the apprentice training program. An Individual Employer may, if that employer so elects, pay a person enrolled in the apprentice training program an hourly rate higher than that required for the skill level of that employee as determined by the JATC; however, such payment shall not determine that employee's skill level for purposes of employment by any other Individual Employer. Any person employed to perform work covered by this Agreement who is not enrolled in the apprentice training program administered by the Northern California Tile Industry Apprenticeship And Training Trust Fund shall be paid as a journeyman.

Whenever an employee whose name has been referred to the JATC under this section fails to report for examination, or fails to obey any order of the JATC to submit to training in any phase or phases of tile work in which it has found and certified the employee to be unqualified for employment, the JATC may notify the Employment Office of the Union and upon receipt of such notice the Employment Office shall bar the employee from registering for employment until such time as it has been notified that the employee has complied. Similarly, whenever the JATC has found that any employee or applicant for employment is unqualified for employment in any phase or phases of tile work, it may certify the employee to the Employment Office of the Union as being so unqualified and the employee or applicant for employment shall not be entitled to be dispatched to any Individual Employer for employment in such phases of tile work.

SECTION 27. NON-DISCRIMINATION BY JATC. All proceedings of the JATC shall be conducted fairly and impartially and without regard to race, color, religion, sex, age, national origin or membership or non-membership in the Union or any other labor organization. The JATC shall formulate and adopt uniform standards for selection, examination and classification of all employees and applicants for employment referred to it, which standards shall comply with all requirements of federal, state or local law.

SECTION 28. APPEALS TO THE JATC. Any action of the JATC affecting an apprentice or applicant for apprenticeship may be appealed by the apprentice or applicant directly to the JATC through written request for an appearance before the Committee.

ARTICLE IV. ARBITRATION

SECTION 29. JOINT ARBITRATION BOARD. A Joint Arbitration Board shall be established to consist of four (4) members to be appointed by the Association and four (4) members to be appointed by the Union. The Joint Arbitration Board shall have the power to hear and adjust any and all disputes between the Union and the Association or an Individual Employer involving the interpretation or application of the provisions of this Agreement arising during the term of this Agreement. Notwithstanding anything in this Agreement to the contrary, the Union and/or any trust fund associated with the Union may bring a civil action against an employer arising solely out of any dispute related to the payment of fringe benefits (including vacation and dues), the audit of an employer's records, the payment of liquidated damages and other matters related to payment of such fringe benefits, without arbitration of such dispute. Neither the Union nor any such trust fund may be compelled to arbitrate such a dispute.

SECTION 30. GRIEVANCE PERIOD. Other than matters concerning discharge, all complaints of alleged violations of this Agreement shall be made within twenty (20) working days of the date of the alleged violation or of when the aggrieved party knew or reasonably should have known of the alleged violation, and shall be referred to the Joint Arbitration Board in writing. All discharge grievances must be made to the Joint Arbitration Board in writing within ten (10) working days of the date of the alleged violation. If a complaint is not filed within these time limits, the grievance shall be deemed waived. The Joint Arbitration Board shall meet within fifteen (15) days of the date the grievance is submitted to hear the complaint. The Joint Arbitration Board shall have the authority after due notice and hearing to determine any and all violations of this Agreement, and by a majority vote, to assess damages for the same. The decision of at least five (5) members of the Joint Arbitration Board shall be final and binding on the parties. In the event of any grievance where any party requests books and records which are relevant to the disposition of the dispute, such books and records shall be brought to the next noticed meeting of the Joint Adjustment Board or its subcommittee, after receipt of written request for the production of books and records, and shall be made available for the inspection and perusal of the parties. The Joint Adjustment Board or its subcommittee in the alternative may delegate one or more of its members or representatives to make an inspection at some other place or time. The employer shall provide to the Union such records including payroll and job records, which are needed to enforce the Agreement upon reasonable request. Should the Employer refuse or fail to provide such information, the Joint Arbitration Board shall have the power to enforce the Union's request and provide appropriate remedies for the Employer's failure to provide such information.

SECTION 31. IMPARTIAL ARBITRATOR. In the event the Joint Arbitration Board is unable to agree within ten (10) days on any matter so referred to it, then it is agreed that the matter shall be submitted to an impartial arbitrator whose decision shall be final and binding. Said arbitrator shall be selected from a panel of five (5) names to be supplied by the Federal Mediation and Conciliation Service. Pending decision of the arbitrator, *status quo* at the time the disagreement arose shall be maintained. The arbitrator may not alter, amend, add to or subtract from the terms of this Agreement.

SECTION 32. JOINT SESSIONS. Upon the request of either the Union or the Association, the Joint Arbitration Board will meet at mutually agreeable times to survey industry conditions and trade problems.

SECTION 33. EXPEDITED ARBITRATION. Any grievance (other than grievances alleging a violation of the subcontracting obligations set forth in Section 5) may by mutual agreement of the Union and the Association be expedited in the following manner:

a) The grievance shall be submitted to a special subcommittee designated by the Joint Adjustment Board. The special subcommittee shall consist of one representative each from the Union and Association representatives on the Board, and, if necessary, to resolve a deadlock, the impartial arbitrator designated under Section 31.

b) The party charged with a violation of the Agreement will be given forty-eight (48) hours notice of the hearing on the charges before the special subcommittee of the Board by telephone conference or in person as determined by the subcommittee. The charging party and the charged party shall present evidence and argument at the hearing and the subcommittee shall resolve and determine the grievance within twenty-four (24) hours after the hearing.

c) Immediate written notice of the Joint Adjustment Board decision by its designated subcommittee shall be given to the parties. In the event the Board's decision sustains the grievance and finds a violation by an employer, the written notice shall advise the charged employer that upon receipt by the employer of the notice of finding of a violation, the provisions of Article XI authorizing direct economic action to enforce the Board's decision are in full force and effect.

d) Neither this expedited arbitration procedure nor any decision of the Joint Adjustment Board resulting from operation of this procedure shall compel the Union to take economic action under the procedure.

ARTICLE V. EQUIPMENT, TOOLS AND SAFETY

SECTION 34. EMPLOYEE HEALTH AND SAFETY. The parties hereto agree to do all in their power to secure the adoption of minimum safety orders by the Division of Industrial Safety, Department of Industrial Relations of the State of California, applicable to tile work. Whenever employees are required to work with materials or other products which are dangerous or harmful to human health or safety,

including but not limited to epoxy or similar resinous materials, the Individual Employer shall furnish them with whatever protective clothing, tools or equipment is required. In the event of a dispute as to what constitutes materials or other products which are dangerous or harmful to human health or safety or as to what protective clothing or equipment is required, the parties shall refer the matter to the Division of Industrial Safety, Department of Industrial Relations of the State of California, and shall be governed by its recommendations.

SECTION 35. EMPLOYER EQUIPMENT. The Employer shall furnish at the job site all necessary equipment not considered the personal tools of the trade of the employee, including but not limited to power saws, mixing boxes, soaking tubs, mortar boards, straight edges and floating strips.

An employee who intentionally or as a result of gross negligence loses or damages any Employer-supplied equipment shall be responsible to replace or pay for it as agreed by the Joint Arbitration Board.

SECTION 36. TILE LAYER'S TOOLS. Tile Layers, Tile Layer Apprentices and Improvers shall provide and have available on the job site all hand tools that are necessary. If a Tile Layer, a Tile Layer Apprentice or a Tile Layer Improver reports to work without the required tools, the employee may be sent home without any obligation to pay show-up pay.

SECTION 37. JOURNEYPERSON TILE FINISHER'S TOOLS. Consistent with section 14 of the Agreement, the Journeyperson Tile Finisher and Tile Finisher Improver shall provide and have available on the job site the following tools:

1/4" Chisel or Screwdriver
Hammer
Utility Knife
Regular Rubber Gloves
Margin Trowel or Pointing Trowel
Knee Pads
Hard Hat
Hose
2-Three Gallon Buckets
Steel Flat Trowel, if required by Employer
1 - 50' Extension Cord, OSHA approved
1 Droplight, OSHA approved
2 Adapters, OSHA approved
1 Hand Mixer (such as potato masher)
1 Floor and Wall Grout Master
1 Hoe
1 Shovel

If a Journeyperson Tile Finisher or Tile Finisher Improver reports to work without the required tools, the employee may be sent home without any obligation to pay show-up pay.

SECTION 38. APPRENTICE TILE FINISHER'S TOOLS. Consistent with section 14 this Agreement, Apprentice Tile Finishers will be expected to buy the tools necessary as they progress through

apprenticeship and to have all the tools listed above by the time of certification as a Journeyperson Finisher. Tile Finisher Apprentices must provide the tools required to perform the job to which they are assigned, provided the Apprentice receives prior notice regarding the job to be performed. If a Tile Finisher Apprentice reports to work without the tools required to perform the job to which the employee is assigned, the employee may be sent home without any obligation to pay show-up pay.

SECTION 39. WORK SHOES. All employees are required to furnish safety work shoes as per OSHA rules.

SECTION 40. VEHICLES. No employee shall be required to furnish a truck or other vehicle to the Employer, whether compensated or not. The Employer shall supply adequate transportation facilities to employees engaged in the patching and servicing of tile work. Employers may require the return of Employer-provided vehicles at any time at their sole discretion.

SECTION 41. USE OF POWER SAWS AND GRINDERS. Employers agree to comply with all new and existing health and Safety regulations. The Union and the Employers agree to jointly take steps to notify all signatory contractors and the union members of all new and existing health and safety regulations.

ARTICLE VI. CLASSIFICATIONS AND DEFINITIONS

SECTION 42. CLASSIFICATIONS. Employees are classified as a Certified Journeyperson, Apprentice, or Improver. New employees shall not be classified, and existing employees shall not be reclassified, as an Improver after April 1, 2007.

SECTION 43. CERTIFIED JOURNEYPERSON. Except as provided in Section 46 (Red-Circled Finishers), a Certified Journeyperson is a Tile Layer or Tile Finisher who has completed all of the requirements of the pertinent apprenticeship program approved by the DAS or whose certification is pending according to records of the JATC office.

SECTION 44. APPRENTICE. For purposes of this Agreement, an Apprentice is an individual currently registered with the DAS in an approved tile apprenticeship program or whose registration is pending according to records of the JATC office. (Employers should note, however, that for public works or other government purposes, the term "Apprentice" refers only to individuals whose registration is complete and on file with the DAS.) An individual employed as a finisher in those counties covered by Appendices A through E, shall not be considered to be an Apprentice and need not be registered in an approved apprenticeship program (or pending with the JATC office) for the first 80 hours of employment.

SECTION 45. IMPROVER. Any existing Improver may apply to and be considered for acceptance in the appropriate apprenticeship program to become a certified Journeyperson.

SECTION 46. CLASSIFICATION OF RED-CIRCLED FINISHERS. For purposes of the various ratios set forth in Article VII, an employee who was a Journeyman Finisher prior to July 1, 1992 will be classified as follows. If the Journeyman Finisher was receiving the red-circled wages and benefits or higher, the employee will be considered a Journeyperson. If the Journeyman Finisher voluntarily drops down to a lower rate in order to obtain more work, the employee will be classified as an Improver. If the Journeyman Finisher entered the Tile Layers apprenticeship program at wages and benefits less than the red-circled rate with the goal of becoming a Journeyperson Tile Layer, the employee will be considered an Apprentice. A Journeyman Finisher who entered the Tile Layers apprenticeship program and receives wages and benefits equivalent to or greater than the red-circled Journeyman Finisher rate will be considered a Journeyperson.

SECTION 47. NEW HIRES. A new hire will be considered any employee who is hired after March 31, 2001 and who has worked fewer than 1,500 hours under this Agreement. The term "new hire" does not include an employee who discontinues work for one signatory Employer and becomes employed by another signatory Employer, except those individuals whose total employment at an F3 skill level for all Employers under this Agreement is less than 80 hours (in counties covered by Appendices A through E) is terminated through no fault of their own without a reasonable opportunity for evaluation shall, upon the employee's request, be eligible for referral to another Employer as a new hire. For purposes of the "new hire" ratio set forth in Section 56 below, if the Union's Employment Office is unable to supply personnel requested by an Employer within forty-eight (48) hours and the Employer exercises its right to hire employees from other sources, such employees will not be considered new hires for purposes of the ratio.

SECTION 48. ASSIGNMENT OF CLASSIFICATIONS. New hires and new referrals whose skills are not readily verifiable shall, upon occasion of their first employment with any Employer signatory to this Agreement, be assigned a provisional classification and wage rate based upon the skill level disclosed in their application, and subject to evaluation over the first thirty (30) days of employment with the Employer. Such provisional initial assignment shall be made by the Union Dispatch Officer in the case of new hires referred by the Union Employment Office and by the Employer in the case of new hires secured by the Employer as provided for in Article II. At no time and in no case shall a new hire be classified at less than an F3 skill level if the new hire is a finisher or a S-7 skill level if the new hire is a layer. Any adjustment of the provisional rate shall be made within thirty (30) days of initial employment and shall be agreed upon by the Employer and the employee. Failure of either party to seek adjustment during that time shall mean the provisional rate and classification is agreed to be the established rate and classification; disputes or disagreements after that time shall be subject to the procedures of Sections 49 and 50 (Appeals and Grievances).

In order that the Union may dispatch effectively, any classification or re-classification made without the knowledge and confirmation of the Union shall be without effect. Confirmation shall consist of

issuance to all concerned parties of a new dispatch slip reflecting the changed classification.

SECTION 49. APPEAL OF CLASSIFICATION. Any employee or applicant for employment who is dissatisfied with the classification so assigned to the employee or applicant may apply to the JATC in writing for examination and review of that classification at its next regular meeting but shall continue in the assigned classification until such time.

SECTION 50. GRIEVANCES UNDER ARTICLE VI. Any employee or applicant for employment who is aggrieved by the application of any of the provisions of this Article may submit a grievance to the Joint Arbitration Board. Such grievances must be submitted in writing within fifteen (15) days of the action giving rise thereto or of when the aggrieved party knew or reasonably should have known of the alleged violation, failing which the grievance shall be deemed waived.

ARTICLE VII. WORK FORCE RULES AND RATIOS

SECTION 51. NUMBER OF EMPLOYEES. There shall be no limitation as to the number of employees to be employed on any job, this being a matter to be determined by the Employer's good judgment.

SECTION 52. WORKING OWNERS. No more than one (1) owner, proprietor or partner of an Individual Employer may work with the tools of the trade. Any contractor who works with the tools must abide by all the provisions of this Agreement as applied to any Union Employee and Employer.

SECTION 53. TRADE JURISDICTION RATIO. Disputes regarding Section 4 of this Agreement shall be subject to the grievance and arbitration procedure set forth in Article IV; however, in order to minimize jurisdictional disputes, the parties agree that each Individual Employer will be deemed to be in compliance with such jurisdictional provisions, so long as the ratio of Tile Finisher hours to Tile Layer hours and the ratio of Tile Layer hours to Tile Finisher hours are no greater than 2:1. (In other words, one-third of each Employer's total work force hours shall be guaranteed to Tile Layer employees and one-third shall be guaranteed to Tile Finisher employees.)

SECTION 54. IMPROVER RATIO. The maximum ratio of Improver hours shall not exceed $33^1/_3$ percent of the Employer's total Local 3 work force hours.

SECTION 55. JOURNEYPERSON RATIO. Journeyperson hours shall constitute at least $33^1/_3$ percent of the Employer's total Local 3 work force hours.

SECTION 56. NEW HIRE RATIO. The maximum ratio of "new hire" hours shall not exceed $33^1/_3$ percent of the Employer's total Local 3 work force hours.

SECTION 57. EXCEPTION FOR SMALL EMPLOYERS. The ratios set forth in Sections 55 and 56 do not apply to Employers who employ four or less Local 3 members. Such Employers may employ a maximum of one (1) Improver.

SECTION 58. MEASUREMENT OF RATIOS AND PENALTIES. Each Employer's compliance with Sections 53, 54, 55 and 56 will be measured by the calendar month based on the hours reported to the Trust Funds for that month. Monthly reporting forms must be compiled by the Administrator of the Trust Funds and submitted to the Joint Trust Delinquency Committee for review on a monthly basis. If an Employer exceeds the 2:1 ratio for work performed within the geographical boundaries covered by this Agreement, the Employer shall be obligated to pay to the Apprenticeship Trust Fund the applicable Journeyperson wage rate (either the skill level F-6 wage rate or the Certified Tile Layer wage rate) for each hour by which the Employer exceeds the 2:1 ratio. If the Employer exceeds the 33-1/3 percent ratios set forth in Sections 54 and 56, the Employer shall be obligated to pay to the Apprenticeship Trust Fund the difference between the new hire wage and the Journeyperson Finisher wage (skill level F-6) for all hours by which the Employer exceeds either ratio. No pyramiding of penalties will be allowed.

ARTICLE VIII. WAGES, HOURS AND WORKING CONDITIONS

SECTION 59. PIECE WORK. No Employer shall offer and no employee shall accept employment on any piecework basis.

SECTION 60. PAYMENT OVER SCALE. It shall not be a violation of this Agreement to pay any employee over scale. Apprentices may be paid more than the S-10 wage rate but may not be classified above skill level S-10 unless they have completed the school hours required by the JATC. Employers may discontinue over scale wage payments at any time at their sole discretion.

SECTION 61. EFFECT OF THE 1992-1995 AGREEMENT. Employees began working under the new system at their then-current rate of pay and the benefits which corresponded to that rate of pay under the new system. However, any employee, including an existing Journeyman Finisher, may progress to higher skill levels by satisfying the applicable hours and education requirements and with the mutual agreement of the Employer, Union and employee. Subject to DAS approval, any employee who is not receiving a sufficient amount of work under the new system may voluntarily drop down to a lower skill level in order to receive additional hours, training and schooling.
Red-circled Journeyman Finishers and all Apprentices indentured prior to July 1, 1992 shall be considered "grand fathered" with respect to their combined wage and vacation package; provided, however, that the red-circled Journeyman Finishers will receive the lower vacation amounts set forth in Appendices A, B, C, D, and E.

SECTION 62. WORK DAY AND WORK WEEK. Except as otherwise noted, eight (8) consecutive hours between 6:00 a.m. and

5:00 p.m. will constitute a day's work, and five days, consisting of not more than eight hours per day, Monday through Friday, not exceeding forty hours per week, will constitute a week's work; provided however, that an Individual Employer may, upon advance written notice to the Union, implement a 4-day, 40-hour work week. In the latter case, ten (10) consecutive hours between 6:00 a.m. and 6:00 p.m. will constitute a day's work, and four days, consisting of not more than ten hours per day, Monday through Thursday or Tuesday through Friday, will constitute a week's work. All such hours will be paid for at the employee's regular rate of pay. An Individual Employer may implement a 4-day, 40-hour work week for purposes of one or more specific projects.

SECTION 63. STARTING TIME. Employees ordered to report at the Employer's shop or other place of business before going to the job site shall be deemed to work from the time of so reporting.

SECTION 64. LUNCH BREAK. All employees are required to take a one-half hour unpaid lunch break sometime near the midpoint of their eight-hour shift. A break not to exceed ten (10) minutes shall be allowed each morning and afternoon, in accordance with California state law. Any disputes over the provision of rest breaks shall be resolved through the grievance procedure.

SECTION 64. REDUCTION IN 40-HOUR WEEK. In the event that a condition of unemployment prevails within the industry, whereby a surplus of unemployed and skilled employees exists, or for any other reason a reduction in the regular work week appears necessary, the Joint Arbitration Board shall meet for the purpose of reviewing this condition. The Joint Arbitration Board shall determine to what extent the regular workweek of forty (40) hours should be reduced.

SECTION 66. HOLIDAYS. Recognized (unpaid) holidays will be New Year's Day, President's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and the day after, and Christmas Day. If a holiday falls on a Sunday, the following Monday shall be observed as a legal holiday. Employees may take Dr. Martin Luther King Jr. Day off without pay and without adverse consequences; employees that work will not be paid premium time.

SECTION 67. WAGE AND BENEFIT PACKAGE.
Effective April 1, 2011, the straight-time wage and benefit rates for employees covered by this Agreement are those set forth in Appendices A, B, C, D, and E , depending on the county in which the work is performed. The wage and fringe benefit rates from skill level F3 through Journeyperson Finisher (skill level F-6) constitute a separate, independent schedule for all purposes involving Finishers, such as prevailing wages and apprenticeship standards and the skill level F-6 wages and benefits constitute 100% of the Journeyperson Finisher's wages and benefits.

The allocation of the negotiated labor cost increases to wages and /or benefits scheduled for April 1, 2011 and subsequent anniversary dates must be referred to the Joint Arbitration Board for decision. In the event that the Labor and Management parties of the Joint Arbitration

Board are unable to agree on the allocation of the negotiated increases, the dispute shall be referred to final and binding interest arbitration in accordance with Article IV.

It is agreed by the parties hereto that whenever the prevailing wage/ fringe package as established by the State or Federal Government for a particular public works project is lower than the wage/fringe package set forth in this Agreement, the Employer may pay the prevailing wage/fringe established by the State or Federal Government to all employees on that public works project. For purposes of this paragraph, the phrase "public works" shall have the same meaning as set forth in California Labor Code Section 1720. For this paragraph to apply to any project, the Employer must request that the Union allocate, in writing, the prevailing rate for the project. The allocation by the union need not be approved by the Association or by any Employer if: (i) the total taxable portion of the prevailing rate is equal to the total taxable portion of the Union's allocation; (ii) the total nontaxable portion of the prevailing rate is equal to the total nontaxable portion of the Union's allocation; (iii) the amount allocated to Union dues shall be an amount such that the ratio of allocated Union dues to current Union dues is equal to or less than the ratio of the total prevailing rate (wages + fringes) to the current total collective bargaining agreement rate (wages + fringes); (iv) the percentage by which promotion fund and contract administration are reduced shall be the same as the percentage by which Union dues is reduced. The Association must approve any allocation of the prevailing rate which does not satisfy the criteria set forth in the preceding sentence."

a) BAY AREA, NORTHERN COUNTIES WAGE RATES (APPENDIX A). For work performed in the counties of San Francisco, Alameda, Contra Costa, San Mateo, Santa Clara, Solano, Marin, Napa, San Benito, Monterey, Santa Cruz, and Del Norte, Humboldt, Siskiyou and Trinity (the "Northern Counties") , wages and benefits shall be in accordance with Appendix A.

b) Effective April 12, 2004, subject to DAS approval, the only skill levels for Tile Finisher Apprentices shall be F3, F4 and F5. The number of hours required to complete each skill level (F3 through F5) shall be 700 hours.

c) WINE COUNTIES WAGE RATES (APPENDIX B). For all work performed in the counties of Mendocino, Lake and Sonoma (the "Wine Counties"), wages and benefits shall be in accordance with Appendix B.

d) FOOTHILL COUNTIES WAGE RATES (APPENDIX C). For all work performed in the counties of Alpine, Amador, Calaveras, San Joaquin, Stanislaus and Tuolumne (the "Foothill Counties"), wages and benefits shall be in accordance with Appendix C.

e) FRESNO AREA WAGE RATES (APPENDIX D). For all work performed in the counties of Fresno, Kings, Madera, Mariposa, Merced and Tulare, wages and benefits shall be in accordance with Appendix D.

f) SACRAMENTO AREA WAGE RATES (APPENDIX E). For all work performed in the counties of Butte, Colusa, El Dorado, Glenn, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Sutter, Tehema, Yolo and Yuba, wages and benefits shall be in accordance with Appendix E.

SECTION 68. WAIVER OF SAN FRANCISCO PAID SICK LEAVE ORDINANCE. To the fullest extent permitted, this agreement shall operate to waive any provisions of the San Francisco Paid Sick Leave Ordinance, San Francisco Administrative Code Section 12W, and shall supersede and be considered to have fulfilled all requirements of said Ordinance as presently written, and or amended.

SECTION 69. OVERTIME. Except as provided in Section 72 (Rehab Work), work performed outside the Work Day and Work Week, as defined in Section 62, shall be classified as overtime and wages shall be paid for at the rate of time and one-half. Except as provided in Section 71 (Saturday Work), wages for all work performed on Saturday shall be paid for at the rate of time and one-half. Wages for all work performed on Sundays and Holidays shall be paid for at the rate of double time. Wages and Benefits established in Appendices A, B, C, D and E, shall be paid on all hours worked.

SECTION 70. OVERTIME PERMIT. Employers wishing to work overtime must notify the Union in advance by phone or fax. The Employer shall advise the Union of the company name, job site address, date and time the overtime will be worked, and the names of the employees who will be working (or the approximate number of employees if the names are not yet known).

SECTION 71. SATURDAY WORK. Notwithstanding the foregoing, employees may, by mutual agreement, work up to eight (8) hours on Saturday, or ten (10) hours in the case of a 4-day, 40-hour work week, as part of their regular work week if they were prevented from working forty (40) hours Monday through Friday due to inclement weather. In addition, if an employee requests a day off during the regular work week, and as a consequence fails to accumulate forty (40) hours, the employee may voluntarily agree to work Saturday at straight-time rates, upon Union approval, which shall not be unreasonably withheld. Employee must clear through Union Office, Union Office to issue permit to contractor.

SECTION 72. PREMIUM PAY FOR REHAB WORK. Notwithstanding the foregoing, all rehab work performed outside the normal Work Day or Work Week, as defined in Section 62, shall be compensated at a premium rate of $4.00 per hour above the regular straight-time rate for Tile Finishers and $5.00 per hour above the regular straight-time rate for Tile Layers. The rehab rate applies only if the employee has not worked a regular straight-time shift that day. Any employee who works more than a normal workday, Monday through Friday, is entitled to overtime pay at the rate of time and one-half. On all projects where a swing shift or a night work is implemented for less than one calendar week the pay rate shall be 1 ½ times the total taxable hourly rate.

SECTION 73. PREMIUM PAY FOR UNDERGROUND WORK. Any employee working underground shall receive $1.00 per hour in addition to regular wages. The foregoing underground rate shall be applicable solely to tunnels beneath the surface of the ground, specifically including subsurface transit stations. The foregoing underground rate shall not be applicable to work performed in the basements of commercial buildings or residences.

SECTION 74. FOREMAN PAY. When more than one Journeyperson is employed on a job, the Employer may designate a foreman who shall be a Journeyperson Tile Layer, unless the job consists solely of Finishers' work. If a foreman is so designated, the foreman shall receive, in addition to Journeyperson wages, an additional $2.00 per hour to $4.00 per hour, as agreed by the Employer and the foreman.

SECTION 75. SHOW-UP PAY. Except as provided in Sections 14, 36, 37 and 38, employees ordered to report for work for which no employment is provided shall be paid two (2) hours pay at the straight-time rate. Show-up pay shall be waived in the event no work is provided due to causes beyond the Employer's control, such as inclement weather, labor disputes or power failures. Show-up pay shall also be waived if the employee or applicant appears to be under the influence of drugs or alcohol.

SECTION 76. PARTIAL DAYS. In the event an employee shall report to work and is given less than two (2) hours work, the employee shall be paid for two (2) hours minimum. In the event that a tile job is completed after two (2) hours but in less than eight hours, and no other work is provided, the employee shall be paid for hours worked.

SECTION 77. TOLLS AND PARKING. Where an employee in traveling to or from work for an Individual Employer incurs a bridge or any other kind of toll or fare, or is required to park in a parking lot in a metropolitan area, the employee shall be reimbursed by the Individual Employer upon presentation of the receipt with the employee's current time card. The maximum reimbursement for parking expenses is $40.00 per day, unless prior written approval is obtained for a higher amount. Mass transportation, such as BART, or Public transportation expenses shall be reimbursed to a maximum of fifteen ($15.00) per day upon production of receipts.

SECTION 78. PAYCHECKS. Each employee shall be paid in full, on the job site or at the Employer's shop, unless otherwise arranged, for hours worked to within four (4) working days of the end of the weekly payroll period not later than 4:30 p.m. on Friday of the same week, unless earlier payment is required by Sections 201 or 202 of the Labor Code. At the time of payment, each employee shall be furnished a statement in writing and dated showing all payments made by the Employer and all deductions from the employee's wages, including all amounts deducted and allocated to dues check off. When checks are mailed, they shall be mailed postdated not later than Wednesday of the same week or in sufficient time that employees will receive their check at their residence on Friday of the same week. In cases where checks have not been received by the following Saturday, the

employee may contact the shop on Monday morning and a new check will be made available for the employee at the shop by the end of that day. Any employee may be requested to provide a weekly time card. For the purpose of determining compliance with this Agreement, the Union may inspect payroll check stubs.

Any Employee who does not receive full payment of all wages due upon layoff or discharge as required under Section 201 of the Labor Code, or does not receive full payment of all wages due within 72 hours of voluntary resignation of employment as required under section 202 of the Labor Code, or whose paycheck is dishonored as prohibited by Section 203.1 of the Labor Code, shall receive additional waiting time pay, per the scheduled rate of wages, not to exceed 8 hours per day, for each 24 hour period until the Employee is paid in full, not to exceed 30 days as provided in Sections 203 and 203.1 of the Labor Code. Wage payment for layoff with reasonable expectation of recall within one week may be made on the regular payday cycle.

Any Employee who does not receive full payment of all wages due upon the regular payday as required by sections 204 and 204b of the Labor Code, shall receive a penalty of $100 for each initial violation, and $200 for each subsequent violation, as provided in Section 210 of the Labor Code.

In cases where checks are mailed, it is the employee's responsibility to notify his employer immediately of any address change. In the event the employee fails to give timely notice, no violation of this section 78 shall be recognized. In cases where an employee reports not receiving a paycheck on time, requests a replacement check, and subsequently cashes the original and the replacement check the union will assist the employer in obtaining reimbursement from employee.

Any employee who is aggrieved by the actions of the individual employer believed to be in violation of this Section 78, may submit such grievance to the Joint Arbitration Board. Such grievances must be submitted in writing within 15 days of the occurrence or when the employee knew or reasonably should have known of the occurrence, failing which the grievance shall be deemed waived.

ARTICLE IX. TRAVEL ALLOWANCES, TRAVEL TIME, MILEAGE AND SUBSISTENCE

SECTION 79. MILEAGE DETERMINATION. For the purpose of determining travel allowances, travel time, mileage and subsistence, distance shall be measured from the Individual Employer's principal place of business or the employee's residence; whichever is closer to the job site..

The Individual Employer's principal place of business is the city or town recognized as such by the California State Contractor's Licensing Division. Each Employer may have a number of shops on the condition that it has a license which is currently valid under the California Contractor's License Law; provided, however, that each shop must be a bona fide place of business which is permanent, used

for both the transaction of business and the storage of materials, from which vouchers are dispatched and where day-to-day operations are carried out. Temporary offices or other places of business established at or near the job site after bid opening date shall not be recognized as principal places of business for purposes of this Article.

Any Individual Employer, which has no principal place of business within the area covered by this Agreement, shall use only the employee's residence for the purposes of this Article.

SECTION 80. UNCOMPENSATED TRAVEL. As determined in accordance with Section 79, on all jobs forty (40) miles or less from the Individual Employer's principal place of business, travel to and from the job site, unless within the regular workday, shall be on the employee's own time and expense, regardless of the actual distance traveled..

SECTION 81. TRAVEL ALLOWANCES.

40 miles or less.....Free Zone
41 to 50 miles.....$20.00 per day
51 to 60 miles.....$24.00 per day
61 to 80 miles.....$37.00 per day
(or any portion of a day worked on all job)

a) Travel allowances shall be included and shown as such on the employee's regular paycheck. No travel allowance will be paid pursuant to this section for any day on which subsistence is paid pursuant to Section 82.

b) Employees traveling in the Employer's vehicles, or to whom Employer offers in writing the option of traveling in the Employer's vehicles, shall not be entitled to the travel allowances provided in this Section. Any employee traveling to and from the job at the beginning and end of the workday in an Employer-provided vehicle, or any employee who was provided such an option in writing, shall travel on his own time and shall not be entitled to the travel allowance provided in this Section.

c) An employee required to transfer from one job location to another during the workday shall do so on the Employer's time.

SECTION 82. SUBSISTENCE, TRAVEL TIME AND MILEAGE. On all jobs eighty- one (81) miles or more from the Individual Employer's principal place of business or the employee's residence, whichever is closer to the job site, any employee who chooses to remain at the job site overnight shall receive a subsistence allowance for food, laundry and lodging equal to the amount for which receipts are provided, not to exceed $85.00 per day and shall not receive any travel allowance except as provided below. If no receipts are provided for jobs which would otherwise qualify for a subsistence allowance, the employee shall be paid the travel allowance of $37.00 for each day of work in lieu of the subsistence allowance.

a) Regardless of the distance actually traveled, on all jobs eighty-one (81) miles or more from the Individual Employer's principal place of

business or the employee's residence, whichever is closer to the job site, as defined in Section 79, employees shall be entitled to travel time and mileage, once at the start and once at the conclusion of the job. Travel time and mileage allowances shall be computed without regard to the forty-one to fifty, fifty-one to sixty, and sixty-one to eighty mile limits stated in Section 80.

b) Travel time shall be computed by dividing the mileage from the Individual Employer's principal place of business or the employee's residence, whichever is closer to the job site by fifty (50) and multiplying the result by the employee's regular straight-time hourly wage rate.

c) Travel Mileage shall be computed at the standard business mileage rate established by the IRS, per mile based on the mileage from the job site to Individual Employer's principal place of business or the Employee's residence which ever is closer to the job site. Employees traveling in Employer-provided vehicles, or employees given such option in writing, shall not be entitled to a mileage allowance.

d) Travel time and mileage shall be paid once at the beginning of the project and once at the completion of the project.

ARTICLE X. TRUST FUNDS AND FRINGE BENEFIT CONTRIBUTIONS

A. General Provisions

SECTION 83. TRUST AGREEMENTS. Each Individual Employer signatory or bound to this Agreement agrees to comply with and be bound by the various Trust Agreements creating the following trust funds and plans: Northern California Tile Industry Health and Welfare Trust Fund, Northern California Tile Industry Pension Trust Fund, Northern California Tile Industry Defined Benefit Pension Plan, Northern California Tile Industry Apprenticeship and Training Trust Fund, Tile Employers Contract Administration Fund, Northern California Tile Industry Labor Management Cooperation Committee and Tile Industry Promotion Fund of Northern California, Inc. Each Individual Employer hereby acknowledges receipt of the various Trust Agreements, as amended, or has been advised of the right to request copies of the Trust Agreements from the Trust Fund Administrator.

SECTION 84. CONTRIBUTIONS. On or before the 15th day of each month, the Individual Employer shall pay to the various Trust Funds and to the administrator appointed by the Union and the Association for the receipt of vacation pay and dues check-off, the amounts specified in Appendices A, B, C, D, and E and such further amounts as may be allocated in accordance with Section 67 (Wage and Benefit Package), for each hour worked by each of its employees in the preceding month, or for which such employees became entitled to be paid in the preceding month. The payments described in this section shall be made by one check sent to the administrator designated by the Union and the Association and must be postmarked no later than by the 15th day of the month following the month in which the work was

performed. On or before the 15th day of each month, the Individual Employer shall submit to the Trusts, on a form provided by the Trusts, a contribution report for hours worked during the prior calendar month, signed by the employer, regardless of whether that employer had any employees for that particular month. Effective September 1, 2012, the contribution to the International Masonry Institute ("IMI") will be reduced to one percent (1%) of the wage and benefit package applicable to each classification (exclusive of the contribution to IMI), and the dues check-off amount will be increased to three percent (3%) of the wage and benefit package applicable to each classification (exclusive of the contribution to dues check-off, as set forth in the Appendices attached hereto. When the wage and benefit packages are increased, IMI and dues check-off will be recalculated to remain at one percent (1%) and three percent (3%), respectively, of the wage and benefit package applicable to each classification (exclusive of the contributions to IMI and dues check-off).

SECTION 85. LIQUIDATED DAMAGES. It is agreed that timely payment to the Trust Funds provided for in this Agreement is essential for the protection of the beneficiaries and that delinquent contributions entail additional trust administration expenses. Since the exact amount of monetary damages to the beneficiaries and the additional cost of trust administration are impossible to measure, liquidated damages for delinquent contributions shall be assessed as follows: for any amount which is delinquent thirty (30) days or less, liquidated damages shall be assessed in the amount of $200.00 or ten percent (10%) of the amount due, whichever is greater; for amounts which are delinquent more than thirty (30) days, liquidated damages shall be twenty percent (20%) of the amount due or $300.00, whichever is greater. No liquidated damages will be assessed if the delinquency is caused by a bank's error or the error of the administrator chosen by the Union and the Association to receive payments.

SECTION 86. LITIGATION COSTS AND ATTORNEYS' FEES. In the event that it becomes necessary for the Trustees to engage legal counsel or initiate litigation in order to recover unpaid contributions, to compel the production of payroll records and other relevant records for audit, or to receive monthly reporting forms, the Individual Employer shall pay, in addition to the principal amount of fringe benefit contributions and liquidated damages, pre-judgment interest at the rate of ten percent (10%) per annum, attorneys' fees, court costs, audit costs and any other costs or expenses incurred by the Trust Funds in connection with such suit, claim or demand.

SECTION 87. AUDITS. The Trustees of any Trust Fund under this Agreement through a duly-appointed independent auditor, may inspect or audit the payroll and other relevant records of any Employer at any reasonable time for the purpose of ascertaining whether contributions to the Trust Funds have been made as required by this Agreement, and should it be determined by the Trustees that such contributions have not been made, the Employer shall be liable for the cost of such inspection or audit, provided the audit discloses additional contributions to be in excess of contributions actually paid by the Employer and exceeding one percent (1%) or more per year of any period covered by the initial

audit. The information and records provided to the Trustees or their auditor will not be disclosed to third parties, except as necessary to enforce the terms of this Agreement.

SECTION 88. RECIPROCITY. In the event the parties enter into a Reciprocity Agreement permitting the payment of certain fringe benefit contributions to the home trust of any employee temporarily working in the geographic or trade jurisdictions covered by this Agreement, payment shall be made in accordance with such Reciprocity Agreements that are agreed to by the Trustees of each home trust, provided further that such trusts are qualified under the provisions of the applicable Internal Revenue Code regulations permitting the payments to be tax deductible by the Employer.

B. Health and Welfare Qualification and Restrictions

SECTION 89. QUALIFYING HOURS. Qualifying hours for continued health and welfare coverage shall be one hundred, twenty (120) per month for all employees who are eligible for health and welfare benefits.

SECTION 90. HOUR BANK. Hours worked by each employee in excess of qualifying hours each month will accumulate as the employee's Health and Welfare reserve bank of hours, up to a maximum of 360 hours. Any employee found performing work for a non-signatory, non-contributing employer shall lose coverage for himself/herself and his/her dependents as of the first day of the month in which such employment commences and shall forfeit all hours in his/her Health & Welfare reserve bank of hours, in accordance with the Loss of Coverage provision of the Health & Welfare Trust Agreement.

C. Pension Contributions

SECTION 91. PENSION CONTRIBUTIONS. A portion of the pension contributions specified in Appendices A, B, C, D, and E shall be applied by the Trust Fund Administrator to the Bricklayers and Trowel Trades International Pension Fund.

D. Vacations and Dues Check off

SECTION 92. VACATION SCHEDULING AND TAX REPORTING.
All vacations (except family emergencies) will be scheduled by mutual agreement between the Individual Employer and the employee. The amounts due each employee for vacation pay and the total amount of taxes deducted shall be entered upon the employee's regular paycheck stub or accompanying voucher.

SECTION 93. DUES CHECKOFF.

a) The hourly working dues of each employee covered by this Agreement who has executed an authorization in writing as required by law, shall be checked off and deducted from the employee's pay

when and as the same is paid to the administrator or bank designated for that purpose by the Union, and shall forthwith be deposited by the administrator or bank in the Dues Account of the Union. The amount deducted from each employee's pay for purposes of dues check off shall be shown separately on each employee's paycheck stub or accompanying voucher.

b) Each employee desiring to have hourly working dues so checked off shall execute the required authorization and lodge the same with the administrator or bank designated by the Union; the authorization shall be irrevocable for a period of not more than one year or until the termination date of this Agreement, whichever first occurs. No employee shall be forced or in any manner required to execute the authorization other than by his own free act and will.

c) The Individual Employers do, for the purpose of this Section, authorize the administrator or bank so designated by the Union as their agent, and the agent of each of them, to deduct the working dues of each such employee from his pay, as provided in subparagraph (a), and to deposit the same in the Dues Account of the Union.

d) The Union shall, at the end of each calendar year, or more often upon written request by the employee, supply each employee with a statement mailed to the last known address shown on their records, showing the amounts, if any, so checked off and deducted as working dues.

e) No employee who has failed to execute the required authorization shall be relieved of his obligation to pay hourly working dues. In each such case, the obligation to pay working dues shall be as provided in the Bylaws of the Union.

The Union shall hold harmless the Individual Employer and the Association and any designated administrator or bank from any and all claims, which may be made against them, or any of them, by any employee claiming misapplication of the provisions of this Section to himself.

E. Apprenticeship and Training Trust Fund

SECTION 94. APPRENTICESHIP CONTRIBUTIONS. Contributions shall be made as indicated in Appendices A, B, C, D and E to the Northern California Tile Industry Apprenticeship and Training Trust Fund, for each hour worked by all employees.

F. Industry Promotion Fund

SECTION 95. PURPOSE OF THE PROMOTION FUND. The Tile, Terrazzo, Marble and Restoration Industry Promotion Fund of Northern California, Inc. shall be used for the purpose of promoting the interests of the Tile Industry in the area covered by this Agreement. The funds collected shall not be used for any purpose inimical to the interests of the Union or of the employees represented by the Union.

SECTION 96. GOVERNANCE OF THE PROMOTION FUND. The formation, control, management and determination of the policies of the Promotion Fund shall be the sole responsibility of the Association, and neither the Union nor the employees covered hereby shall have any responsibility, or for the collection of monies due the Industry Promotion Fund. The cost of establishing, maintaining and operating the Industry Promotion Fund shall be paid entirely out of the monies contributed to the Fund. The Board of Directors of the Fund shall have the right to direct and control the use of the monies contributed to the Fund.

SECTION 97. PROMOTION FUND CONTRIBUTIONS. Effective April 1, 2007, each Employer shall pay to the Industry Promotion Fund the amount, if any, indicated in Appendices A, B, C, D, and E for each hour worked by each of its employees upon work covered by this Agreement, or for which such employees are entitled to be paid, whether worked or not; provided, however, that the Association may unilaterally increase, decrease or eliminate contributions to the Industry Promotion Fund upon notice to the Union and the Trust Fund Administrator; and further provided that the Association may, upon notice to the Union and the Trust Fund Administrator, divert contributions from the Contract Administration Fund to the Industry Promotion Fund. No Employer shall be required to make contributions to the Promotion Fund for more than 100,000 hours in a contract year (April 1 through March 31).

G. Contract Administration Fund

SECTION 98. PURPOSE AND GOVERNANCE OF THE CONTRACT ADMINISTRATION FUND. The Tile Employers Contract Administration Fund is a non-profit corporation established for the purpose of negotiating and administering the collective bargaining agreement and the grievance procedure on behalf of all Individual Employers signatory to this Agreement. The corporation shall be administered by a Board of Directors comprised solely of Employers appointed by the Association, and the Union shall not have any voice in the administration of the Fund.

SECTION 99. CONTRACT ADMINISTRATION FUND CONTRIBUTIONS. Effective April 1, 2011, each Employer shall pay to the Contract Administration Fund the amount indicated in Appendices A, B, C, D, and E for each hour worked by each of its employees upon work covered by this Agreement, or for which such employees are entitled to be paid, whether worked or not; provided, however, that the Association may unilaterally increase, decrease or eliminate contributions to the Contract Administration Fund upon notice to the Union and the Trust Fund Administrator.

SECTION 100. JOINT MASTER TRUST COMMITTEE. The Joint Trustees of the Northern California Tile Industry Health and Welfare and Pension Trust Funds shall act as the Joint Master Trust Committee. The Committee's duties shall be to negotiate with the Administrator as to its fees, to put the selection of the Administrator out to bid and to select the Administrator.

H. International Masonry Institute

SECTION 101. The Employer agrees to contribute to the International Masonry Institute for all hours worked by Employees covered by this Agreement the hourly contribution rates set forth in the Appendices A, B, C, D & E hereof. The payments required by this Subsection shall be made to the International Masonry Institute, which was established under an Agreement and Declaration of Trust, March 14, 1961, as the successor trust to the predecessor International Masonry Institute (established under an Agreement and Declaration of Trust, July 22, 1970, as amended November 11, 1988) and/or to the predecessor International Masonry Apprenticeship Trust established under an Agreement and Declaration of Trust, November 6, 1974.

ARTICLE XI. PROTECTED AND UNPROTECTED ACTIVITIES

SECTION 102. NO CESSATION OF WORK. It is mutually agreed that during the term of this Agreement the Union will not initiate, authorize or condone any strikes, slowdowns or work stoppages involving any disputes, complaints or grievances arising under or out of the terms and conditions of this Agreement; provided, however, that if the Union files a grievance against an Employer and either the Joint Arbitration Board or an impartial arbitrator sustains the grievance, the Union may strike the Employer until the Employer complies with the decision of the Joint Arbitration Board or the impartial arbitrator. The Joint Arbitration Board or the impartial arbitrator may authorize such action for a period up to six (6) months following the hearing date.

SECTION 103. PICKET LINES. Notwithstanding anything in Section 107 to the contrary, it shall not be a violation of this Agreement for an employee to respect a primary picket line, supported, established and sanctioned by the local Building Trades Council or Central Labor Council having jurisdiction over the area where the job is being picketed. Employees may not honor any picket line, including a picket line described in the preceding sentence, if the picket line is both directed at an employer who is bound to this Agreement and if the subject of the picketing is work which is covered by this Agreement including, but not limited to, claims by other unions that such work is within their jurisdiction or claims by other unions that the appropriate wage rates are not being paid to the persons performing that work. In the event that an employer, against whom the picket is directed, claims that the work which is the subject of the picketing is work which is covered by this Agreement, and if the Union disagrees with that claim, that issue, and only that issue, will be subject to binding arbitration to be heard by John Kagel , Chuck Askin, or David Nevins, (first one available) within one (1) working day following such disagreement, or as soon thereafter as the arbitrator's schedule permits.

ARTICLE XII. LIABILITY OF THE PARTIES

SECTION 104. INDIVIDUAL ACTIONS. It is mutually understood and agreed that neither the Association, any Individual Employer nor the Union shall be liable for damages caused by the acts or conduct of

any individual or group of individuals who are acting or conducting themselves in violation of the terms of this Agreement without authorization of the respective party, provided that such action or conduct has not been specifically authorized, participated in, fomented or condoned by the Association, the Individual Employer or the Union, as the case may be.

SECTION 105. CORRECTIVE ACTION. In the event of any violation of the terms of this Article, responsible and authorized representatives of the Union, the Association or the Individual Employer, as the case may be, shall promptly take such affirmative action as is within their power to correct and terminate such violation for the purpose of bringing such unauthorized persons into compliance with the terms of this Agreement. Such individuals acting or conducting themselves in violation of the terms of this Agreement shall be subject to discipline, up to and including discharge.

SECTION 106. SUB-STANDARD WORK . All complaints of sub-standard work by Journeyman Tile Layers and Journeyman Tile Finisher/Helpers shall be promptly reported by the Employer to the Union. In all cases of gross negligence or intentional misconduct, an employee may be liable to the Employer to repair all work in question. The Employer shall notify the principal officer, or his designated representative, of BAC Local #3 California while the job is still in progress. If the employee is found negligent, he shall repair his own work at the applicable minimum wage without delay. This section is enforceable only to the extent permissible by law.

SECTION 107. BOND. As of October 1, 2012, all new signatory employers must, as a condition of contributing to the Northern California Tile Industry Trust Funds (NCTI Trust Funds"), post a bond in the amount of at least $25,000 to secure the payment of future fringe benefit contributions. The Union and the Association shall have the authority to agree to set any such new signatory's bond at an amount higher than $25,000. Further, as of October 1, 2012, the Trustees of the NCTI Trust Funds shall have the discretion to agree to require any signatory employer to post a bond in an amount not less than $25,000 if such employer becomes delinquent in the payment of fringe benefit contributions or otherwise breaches its obligations to the NCTI Trust Funds. Additionally, the Joint Arbitration Board may require each and every Employer to obtain a bond in an amount not to exceed three times that Employers average fringe benefit payments in the preceding 12 months to guarantee compliance with the collective bargaining agreement and payment of wages and fringe benefits. This bond shall be presented to the Union within ten (10) days of the date of the decision of the Joint Arbitration Board. A cash deposit in the amount determined by the Joint Arbitration Board may be substituted for a bond. Otherwise, all bonds required under this provision shall be evidenced by completion by the Employer and its surety of the bond instrument as set forth in Appendix G to this Agreement. A bond containing terms different in any manner from that set forth in Appendix G to this Agreement is not acceptable.

ARTICLE XIII. SUBSTANCE ABUSE

SECTION 108. COMMITMENT. The Individual Employers and the Union are committed to providing a safe and productive work environment. Substance abuse decreases efficiency, increases the risk of property loss or damage, and increases the risk of injury to employees.

SECTION 109. POLICY. Accordingly, the Union and the signatory Employers agree that:

a) Employees shall not use, possess, dispense or receive alcohol or controlled substances (other than prescription drugs which do not impair job performance) during working hours, on company property, at a job site, or in Company vehicles.

b) Employees will not report for work while impaired by alcohol or controlled substances.

c) Employees who violate the above work rules are subject to disciplinary action up to and including discharge.

SECTION 110. TESTING.

a) Reasonable Suspicion Testing. Where the Individual Employer has "reasonable suspicion" to believe that an employee is under the influence of alcohol or a controlled substance, the Employer may require the employee to submit to a urine, blood or breathalyzer test to determine the presence of alcohol or drugs, subject to the following conditions:

(1) Reasonable suspicion means suspicion based on specific personal observations, such as abnormal coordination, appearance, behavior, speech or breath odor of the employee. It can also include work performance, safety or attendance problems.

(2) Employers who choose to compel an employee to submit to a drug/alcohol test must make a contemporaneous written record of the personal observations which amount to reasonable suspicion.

(3) Employees asked to submit to a drug/alcohol test must be informed of the basis for the Employer's reasonable suspicion and be given the opportunity to explain their conduct.

(4) Employees required to take a drug/alcohol test will be placed on unpaid leave of absence pending receipt of the test results. If the test results are negative, the employee will be reinstated with back pay, unless there was an independent reason for the Employer's actions, which reason was contemporaneously documented by the Employer.

(5) Failure to submit to a drug/alcohol test will be grounds for termination. Employees who believe there was not reasonable suspicion to require them to submit to a drug/alcohol test must still submit to the test and then file a grievance in accordance with this Agreement.

b) Other Testing. Individual Employers may require an employee to submit to a urine, blood or breathalyzer test to determine the presence of alcohol or drugs, at the Employer's expense, in the following situations:

(1) If a prime contractor, project owner or customer requires it;

(2) If the employee drives or operates a Company-owned vehicle; or

(3) If such testing is required by state, federal or local law, regulation or ordinance.

Such other testing in the foregoing situations can include random, reasonable suspicion, post-accident, follow-up and/or return-to-duty testing; provided, however, that if such other testing is based on the fact that an employee drives or operates a Company-owned vehicle, random testing will not be used.

When an Employer learns that such other testing will be required by a prime contractor, project owner or customer, the Employer will promptly notify the Union, but not sooner than the contract award. Employees asked to work on a job where such other testing is required by the prime contractor, project owner or customer will be so informed before the project starts.

Employees required to submit to such other testing will be compensated for the time required to complete the testing. Failure to submit to a drug/alcohol test in any of the foregoing situations will be grounds for termination. Employees who believe they are not required to submit to a drug/alcohol test must still submit to the test and then file a grievance in accordance with this Agreement.

c) Testing Procedures.

(1) The drug/alcohol test will be performed at the Employer's expense by PharmChem Laboratories, Inc. or another laboratory mutually agreeable to the Union and the Association.

(2) The employee shall be given a reasonable opportunity to contact a Union representative by telephone prior to submitting to the drug/alcohol test. A Union representative may accompany the employee to the laboratory or medical facility where the test will be conducted.

(3) If the employee tests positive, the employee may request that the blood or urine sample be tested by another independent laboratory or medical facility at the Employer's expense.

(4) All laboratory reports and test results shall be treated as confidential medical information and shall be maintained in a medical file separate from the employee's personnel file. Access to the medical file containing laboratory reports and test results shall be on a need-to-know basis.

(5) Notwithstanding subsection (4) above, at the request of the employee, copies of the laboratory reports and test results will be provided to the Union.

ARTICLE XIV. UNFAIR COMPETITION AND WORK PRESERVATION

SECTION 111. UNFAIR COMPETITION. It is agreed that the Union's Field Representatives, officers and members will work with the Association and Individual Employers in gaining help from state and federal authorities and local building trades councils to curb any non-licensed, nonunion tile contracting.

a) Labor Management Cooperation Committee. The parties hereby form the Tile Industry Labor Management Cooperation Committee. This Committee is established pursuant to 29 U.S.C. Section 186(c)(9). The purpose of the Committee shall be to foster cooperation between labor and management of the Tile Industry for the advancement of the Tile Industry. The Committee shall be jointly administered by an equal number of Union representatives and Association representatives, each of whom shall have not less than five (5) years experience working directly in the Tile Industry; provided, however, that the President of the Union or his/her designee may represent the Union and the President of the Association or his/her designee may represent the Association without regard to their years of experience in the Tile Industry. The Committee shall be organized in the form of a Trust or similar type of structure. The parties will cooperate in the establishment of the Committee. Sections 83 through 87 of this Agreement shall apply to this Committee. The Committee shall be funded by the Employer contributions set forth in Appendices A-E; provided that the Union and the Association shall meet to review the continued existence of the Committee on each anniversary of this Agreement and the parties must mutually agree for the Committee to continue for the following year. In the event that the parties do not agree to continue the Committee for another year, the Employer contributions shall revert back to the Individual Employers.

SECTION 112. WORK PRESERVATION COMMITTEE. In order to combat competition from nonunion employers, the parties to this Agreement have established the Tile Industry Work Preservation Committee. The Committee is composed of four (4) members appointed by the Association and four (4) members appointed by the Union. The Committee is authorized to approve such changes in the wages, fringe benefits and working conditions of this Agreement on a project or area basis, as are needed to preserve work opportunities for employees and Employers covered by this Agreement. The most favored nations clause of this Agreement (section 6) will not apply beyond the project or area for which the Committee has granted more favorable terms and conditions. Pursuant to this section, the Work Preservation Committee has adopted the Memorandum of Agreement dated April 28, 1995.

ARTICLE XV. EFFECT OF AGREEMENT

SECTION 113. ASSOCIATION EMPLOYER MEMBERSHIP. This Agreement is made by the Association for and on behalf of its members and other Individual Employers who have authorized it to represent them, and the Association warrants and represents that upon

the date of execution of this Agreement, its membership included those individual Employers whose names are listed on Appendix F attached hereto.

SECTION 114. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the successors, purchasers and assigns of the Individual Employers and the Union. Each employer bound by the terms of this Agreement agrees to promptly notify the Union in writing by registered or certified mail of the addition of new members to a partnership, or the creation of any new company or corporation that will perform work described in Section 4 of this Agreement for which the employer or any of the employer's owners are owners in whole or part. In the event of failure to notify the Union, the individual, partnership or corporation executing this Agreement shall continue to be individually responsible and liable for the observance of the terms and conditions of this Agreement, to the full extent permitted by law, by such firm, partnership, joint venture, corporation, individual or affiliate, until the required notices are given to the Union. Such notices may not be retroactive in effect. In interpreting the above clause, the purpose and spirit is to preclude the employer from circumventing this Agreement by the formation of joint ventures, new corporations, firms, partnerships, or any other paper transaction; provided, however, that this provision shall be interpreted and applied consistent with and no broader than the broadest interpretation permitted by federal case labor law or any applicable federal labor statute.

SECTION 115. GENERAL SAVINGS CLAUSE. 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 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, the remainder of this Agreement shall remain in full force and effect, unless the parts so found to be void are wholly inseparable from the remaining portions of this Agreement. The clauses relating to Employment (Article II), No Cessation Of Work (section 102) and Picket Lines (section 103) are intended to be inseparable and mutually interdependent. Should any of such provisions be held or determined to be illegal or void for any reason, then all of said provisions shall forthwith become of no further force or effect and neither party shall by implication be bound thereby. The parties agree that if and when any provision of this Agreement is finally held or determined to be illegal or void, they will then promptly enter into lawful negotiations concerning the substance thereof.

ARTICLE XVI. TERM OF AGREEMENT

SECTION 116. DURATION AND TERMINATION

This Agreement shall become effective on April 1, 2011, for the Association, its members and all other Individual Employers (except that, for newly-organized Individual Employers who become signatory to this Agreement after the effective date of this Agreement, it shall become effective on the date agreed to by the Union and such Individual Employer). The Agreement shall remain in effect, for the

Association, its members and all other Individual Employers, up to and including midnight of March 31, 2016, and from year to year thereafter, unless the Association or the Union shall, not less than sixty (60) days nor more than ninety (90) days prior to the expiration date, serve upon the other notice in writing by Registered or Certified Mail of its desire to terminate or modify this Agreement. If such notice is not given, the Agreement shall continue from year to year thereafter, unless the Association or the Union shall give the other written notice not less than sixty (60) days nor more than ninety (90) days prior to the anniversary of the expiration date of their intention to amend or modify this agreement.

An Individual Employer may terminate this Agreement, or any successor Agreement negotiated by the Union and the Association, only by written notice to both the Union and the Northern California Tile Industry Trusts, sent by certified mail at least sixty (60) days but not earlier than ninety (90) days prior March 31, 2016 or the termination date of a successor agreement. Notice given to only the Union or to only the Northern California Tile Industry Trusts shall not be effective to terminate this Agreement or any successor Agreement. Notice to the Northern California Tile Industry Trusts should be addressed to "Northern California Tile Industry Trusts, Notice of Contract Termination, c/o Allied Administrators, P.O. Box 2500, San Francisco, CA 94126." If notice of termination is not sent as described above, the Individual Employer shall remain bound to any successor Agreement negotiated by the Union and the Association or to this Agreement if no successor Agreement has been negotiated, and to any amendments to such Agreements which may be negotiated from time-to-time by the Union and the Association.

SECTION 117. NOTICE TO AND BY THE ASSOCIATION. For the purpose of this Article only, notice by the Union to the Association shall be deemed notice to all Association members listed on Appendix F, and to those Individual Employers who subsequently become members of the Association. Similarly, notice by the Association to the Union shall be deemed notice on behalf of all such Association members and Individual Employers who subsequently become members of the Association.

SECTION 118. ECONOMIC ACTION. In the event satisfactory agreement has not been reached prior to midnight March 31, 2016, the provisions of section 102 (No Cessation Of Work) and Article IV (Arbitration) shall be suspended and the parties shall be entitled to engage in economic action, as permitted by law, until such time as satisfactory agreement shall have been reached between them.

IN WITNESS WHEREOF, the parties hereto, through their duly authorized officers or representatives, have executed this Agreement on the day and year first hereinbefore mentioned.

BRICKLAYERS AND ALLIED CRAFTWORKERS
LOCAL UNION NO. 3, CA, IUBAC, AFL-CIO

Tom Spear X _____
President

Bob Edwards
David Jackson
David Danner
Dennis Cookson
Gary Peifer
Hugo Marquez
Manuel "Manny" Sears
Tony Santos

TILE, TERRAZZO, MARBLE & RESTORATION
CONTRACTORS ASSOCIATION
OF NORTHERN CALIFORNIA, INC.

Richard Papapietro X _____
(De Anza Tile) Co-Chairman, Negotiating Committee

Tommy A. Conner X _____
(Superior Tile & Stone) Co-Chairman, Negotiating Committee

Jerry Riggs (Superior Tile & Stone)
Ben DeAlba (De Alba Brothers Tile)
Cliff Jacobson & Wayne Jackson (Tile West Inc.)
Dave Newman (D&J Tile Company)
James Mullen (Mullen Tile)
Julie Miller & John Szotkowski (Reputable Tile Company, Inc.)
Gino Rinaldi (Rinaldi Tile & Marble)
Larry Bloom (California Tile Installers)
Mike Wright/Scott Berg (Ballard Tile)
Ray Roberts (Roberts Tile)
Rich Della Maggiore (Della Maggiore Tile Inc.)

MEMORANDUM AGREEMENT
FOR INDIVIDUAL EMPLOYER

IT IS AGREED between the undersigned Contractor and BAC Local 3, California ("Union") in consideration of services performed and to be performed by Tile employees for the Contractor as follows:

1. The Contractor agrees to comply with all of the terms, including wages, hours, and working conditions, as set forth in the agreement between the Union and the Tile, Terrazzo, Marble & Restoration Contractors Association of Northern California Association, Inc. Effective April 1, 2011 through March 31, 2016 (which Agreement is incorporated herein by reference and a copy of which has been delivered to me and receipt of which is hereby expressly acknowledged).

2. The term "Master Agreement" referred to in this Memorandum Agreement shall be the Master Agreement referred to above or any other agreement designated in writing by BAC Local 3, California as the "Master Agreement" for a term or period subsequent to April 1, 2011 or any subsequent modification, changes, amendments, supplements, extensions or renewals of or to said designated Master Agreement.

3. The Contractor agrees to comply with all of the terms, including wages, hours, and working conditions of the Master Agreement and to any future modifications, changes, amendments, supplements, extensions or renewals of or to said Master Agreement which may be negotiated between the parties thereto for the term thereof.

4. The Contractor agrees that he or it does irrevocably designate and appoint the employer members of said Trust Funds and Plans mentioned in the Master Agreement as his or its attorneys in fact for the selection, removal and substitution of Trustees or Board members as provided in the Trust Agreements or Plans as may be hereinafter provided by or pursuant to said Trust Agreements or Plans.

5. Each Contractor signatory hereto specifically waives any right that he or it may have to terminate, abrogate, repudiate or cancel this Agreement during its term or during the term of any future modifications, changes, amendments, supplements, extensions or renewals of or to said Master Agreement, or to file any petition before the National Labor Relations Board seeking to accomplish such termination, abrogation, cancellation or repudiation or to file a petition seeking clarification or redefinition of the bargaining unit covered by this Agreement.

6. This Agreement shall remain in full force and effect for the period of the term of the Master Agreement between the Tile, Terrazzo, Marble & Restoration Contractors Association of Northern California Association, Inc. (the "Association") and BAC Local 3, California for the period April 1, 2011 through March 31, 2016 and for the term of any successor Master Agreement and the Contractor does hereby authorize the Association to represent the Contractor, unless the Union or the

Contractor shall give written notice by certified mail to the other of desire to change or cancel this Memorandum Agreement at least sixty (60) days, but not earlier than ninety (90) days prior to the termination date of a successor Master Agreement. All notices given by BAC Local 3, California to the Association shall constitute sufficient notice to the Contractor by BAC Local 3, California, provided that a notice to the Association by the Contractor shall not constitute sufficient notice of intent not to be bound by a new Master Agreement or renewal or extension of the Master Agreement and Trust Agreements.

Company Name _____

Print Name _____

Signature _____

Title _____

Date _____

Address _____

City and State and ZIP _____

Telephone _____

Fax _____

Contractors License No. _____

E-Mail: _____

Web Site _____

BAC Local 3, California
Union Representative:

Name _____

Signature _____

Date _____

APPENDIX A

TILE WAGE/BENEFIT SCHEDULE

04/01/13 -03/31/14

BAY AREA/NORTHERN COUNTIES OF: SAN FRANCISCO, ALAMEDA, SANTA CLARA, SAN MATEO, SOLANO, CONTRA COSTA, MARIN, NAPA, SAN BENITO, MONTEREY, SANTA CRUZ, DEL NORTE, HUMBOLDT, SISKIYOU, TRINITY.

Skill Level	Hours	Wage Rate	Vac	Dues	Taxable Wages	Health Welfare	Def Ben Pension	I.U. Pension	Def Cont Pension	JATC Trng	MI	Promo.	LMCC	Cntrct Admin	Total Package
F-3 Apprentice Fin	700	15.78		.68	16.46	8.53	2.20	.50	.00	.15	.29	.34	.00	.08	28.55
F-4 "	700	16.87		.68	17.55	8.53	2.20	.50	.00	.15	.30	.36	.00	.08	29.67
F-5 "	700	17.27	.70	.69	18.66	8.53	2.20	.50	.00	.15	.31	.38	.00	.08	30.81
F-6 Certified Journey Finisher		20.28	.70	1.03	22.01	8.53	2.45	.50	.47	.40	.35	.45	.00	.08	35.24
S-7 Apprentice Layer	900	19.20	1.10	1.33	21.63	8.53	2.45	.50	.47	.45	.35	.36	.00	.08	34.82
S-8 "	900	21.17	1.10	1.33	23.60	8.53	2.45	.50	.47	.45	.37	.39	.00	.08	36.84
S-9 "	900	23.11	1.10	1.34	25.55	8.53	2.45	.50	.47	.45	.39	.42	.00	.08	38.84
S-10 "	900	26.89	1.10	1.34	29.33	8.53	2.45	.50	1.40	.45	.44	.48	.00	.08	43.66
S-11 "	900	31.55	1.10	1.35	34.00	8.53	2.45	.50	1.40	.45	.48	.54	.00	.08	48.43
S-12 Certified Journey Layer		35.48	2.35	1.59	39.42	8.53	2.45	.50	1.70	.59	.55	.60	.00	.22	54.56
Red Circled Finisher		25.79	1.30	1.21	28.30	8.53	2.20	.50	.95	.30	.42	.39	.00	.08	41.67

Wage Increases:

The current CBA, is extended for two years to March 31, 2016; Journeyman Tile Layer wage & benefit package will be increased by: $1.50 effective April 1, 2014; $1.75 effective April 1, 2015. Journey Tile finisher F-6, Red Circled Finisher will be increased by: $ 0.98 effective April 1, 2014; $1.14 effective April 1, 2015; and Apprentices increase based on percentage.

APPENDIX B
TILE WAGE/BENEFIT SCHEDULE
04/01/13 - 03/31/14
COUNTIES OF: MENDOCINO, LAKE AND SONOMA

Skill Level	Hours	Wage Rate	Vac	Dues	Taxable Wages	Health Welfare	Def Ben Pension	I.U. Pension	Def Cont Pension	JATC Trng	MI	Promo Fund	LMCC	Cntrct Admin	Total Package
F-3 Apprentice Fin	700	15.73		.69	16.42	8.53	2.20	.00	.00	.15	.28	.34	.00	.08	28.00
F-4 "	700	16.56		.71	17.27	8.53	2.20	.00	.00	.15	.29	.36	.00	.08	28.88
F-5 "	700	17.05	.70	.71	18.46	8.53	2.20	.00	.00	.15	.30	.38	.00	.08	30.10
F-6 Certified Journey Finisher		19.81	.70	1.00	21.51	8.53	2.45	.50	.00	.35	.34	.45	.00	.08	34.21
S-7 Apprentice Layer	900	18.95	1.10	1.33	21.38	8.53	2.45	.50	.00	.40	.34	.36	.00	.08	34.04
S-8 "	900	20.91	1.10	1.33	23.34	8.53	2.45	.50	.00	.40	.36	.39	.00	.08	36.05
S-9 "	900	22.80	1.10	1.35	25.25	8.53	2.45	.50	.00	.40	.38	.42	.00	.08	38.01
S-10 "	900	26.22	1.10	1.35	28.67	8.53	2.45	.50	.95	.40	.42	.48	.00	.08	42.48
S-11 "	900	30.71	1.10	1.37	33.18	8.53	2.45	.50	.95	.40	.47	.54	.00	.08	47.10
S-12 Certified Journey Layer		32.46	2.35	1.49	36.30	8.53	2.45	.50	1.70	.54	.51	.60	.00	.22	51.35
Red Circled Finishers		22.85	1.30	1.13	25.28	8.53	2.20	.50	.95	.35	.39	.39	.00	.08	38.67

Wage Increases:
The current CBA, is extended for two years to March 31, 2016; Journeyman Tile Layer wage & benefit package will be increased by: $1.50 effective April 1, 2014; $1.75 effective April 1, 2015. Journey Tile finisher F-6, Red Circled Finisher will be increased by: $ 0.98 effective April 1, 2014; $1.14 effective April 1, 2015; and Apprentices increase based on percentage.

APPENDIX C
TILE WAGE/BENEFIT SCHEDULE
04/01/13 - 03/31/14
ALPINE, AMADOR, CALAVERAS, SAN JOAQUIN, STANISLAUS AND TUOLUMNE.

Skill Level	Hours	Wage Rate	Vac	Dues	Taxable Wages	Health Welfare	Def Ben Pension	I.U. Pension	Def Cont Pension	JATC Trng	IMI	Promo Fund	LMCC	Cntrct Admin	Total Package
F-3 Apprentice Fin	700	15.71		.68	16.39	8.53	2.20	.50		.15	.28	.34	.00	.08	28.47
F-4 "	700	16.73		.68	17.41	8.53	2.20	.50		.15	.30	.36	.00	.08	29.53
F-5 "	700	17.12	.70	.69	18.51	8.53	2.20	.50		.15	.31	.38	.00	.08	30.66
F-6 Certified Journey Finisher		20.10	.70	1.03	21.83	8.53	2.45	.50	.65	.35	.35	.45	.00	.08	35.19
S-7 Apprentice Layer	900	17.94	1.10	1.34	20.38	8.53	2.45	.50	.00	.40	.33	.36	.00	.08	33.03
S-8 "	900	19.73	1.10	1.35	22.18	8.53	2.45	.50	.00	.40	.35	.39	.00	.08	34.88
S-9 "	900	21.61	1.10	1.36	24.07	8.53	2.45	.50	.00	.40	.37	.42	.00	.08	36.82
S-10 "	900	25.00	1.10	1.36	27.46	8.53	2.45	.50	.95	.40	.41	.48	.00	.08	41.26
S-11 "	900	29.36	1.10	1.38	31.84	8.53	2.45	.50	.95	.40	.46	.54	.00	.08	45.75
S-12 Certified Journey Layer		31.46	2.35	1.46	35.27	8.53	2.45	.50	1.70	.54	.50	.60	.00	.22	50.31
Red Circled Finishers		24.57	1.30	1.19	27.06	8.53	2.45	.50	.95	.35	.41	.39	.00	.08	40.72

Wage Increases:
The current CBA, is extended for two years to March 31, 2016; Journeyman Tile Layer wage & benefit package will be increased by: $1.50 effective April 1, 2014; $1.75 effective April 1, 2015. Journey Tile finisher F-6, Red Circled Finisher will be increased by: $ 0.98 effective April 1, 2014; $1.14 effective April 1, 2015; and Apprentices increase based on percentage.

APPENDIX D
TILE WAGE/BENEFIT SCHEDULE
04/01/13 - 03/31/14
FRESNO, KINGS, MADERA, MARIPOSA, MERCED AND TULARE.

Skill Level	Hours	Wage Rate	Vac	Dues	Taxable Wages	Health Welfare	Def Ben Pension	I.U. Pension	Def Con Pension	JATC Trng	IMI	Promo Fund	LMCC	Cntrct Admin	Total Package
F-3 Apprentice Fin	700	15.73		.69	16.42	8.53	2.20	.00		.05	.28	.34	.00	.08	27.90
F-4 "	700	16.55		.76	17.31	8.53	2.20	.00		.05	.29	.36	.00	.08	28.82
F-5 "	700	17.58		.77	18.35	8.53	2.20	.00		.05	.30	.38	.00	.08	29.89
F-6 Certified Journey Finisher		19.34	1.30	.99	21.63	8.53	2.45	.00	.25	.35	.34	.45	.00	.08	34.08
S-7 Apprentice Layer	900	18.34	1.00	1.06	20.40	8.53	2.45	.00	.25	.20	.33	.36	.00	.08	32.60
S-8 "	900	19.91	1.00	1.07	21.98	8.53	2.45	.00	.25	.20	.34	.39	.00	.08	34.22
S-9 "	900	21.45	1.00	1.09	23.54	8.53	2.45	.00	.25	.20	.36	.42	.00	.08	35.83
S-10 "	900	23.44	1.15	1.11	25.70	8.53	2.45	.00	.45	.20	.38	.48	.00	.08	38.27
S-11 "	900	25.92	1.15	1.15	28.22	8.53	2.45	.00	.65	.20	.41	.54	.00	.08	41.08
S-12 Certified Journey Layer		27.03	2.35	1.31	30.69	8.53	2.45	.62	1.00	.54	.45	.60	.00	.22	45.10

Wage Increases:
The current CBA, is extended for two years to March 31, 2016; Journeyman Tile Layer wage & benefit package will be increased by: $1.50 effective April 1, 2014; $1.75 effective April 1, 2015. Journey Tile finisher F-6, Red Circled Finisher will be increased by: $ 0.98 effective April 1, 2014; $1.14 effective April 1, 2015; and Apprentices increase based on percentage.

APPENDIX E

TILE WAGE/BENEFIT SCHEDULE

04/01/13 - 03/31/14

16 GREATER SACRAMENTO COUNTIES OF:

BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA, PLACER, PLUMAS, SACRAMENTO, SHASTA, SIERRA, SUTTER, TEHAMA, YOLO AND YUBA.

Skill Level	Hours	Wage Rate	Vac	Dues	Taxable Wages	Health Welfare	Def Ben Pension	I.U. Pension	Def Cont Pension	JATC Trng	IMI	Promo Fund	LMCC	Cntrct Admin	Total Package
F-3 Apprentice Fin	700	15.93		.49	16.42	8.53	.95	.20	.10	.15	.27	.23	.00	.08	26.93
F-4 "	700	16.92		.49	17.41	8.53	.95	.20	.10	.15	.28	.24	.00	.08	27.94
F-5 "	700	17.59	1.00	.50	19.09	8.53	.95	.20	.10	.15	.30	.25	.00	.08	29.65
F-6 Certified Journey Finisher		19.86	1.00	.96	21.82	8.53	.95	.20	.10	.25	.33	.30	.00	.08	32.56
S-7 Apprentice Layer	900	20.66	1.00	.94	22.60	8.53	.95	.20	.10	.30	.33	.36	.00	.08	33.45
S-8 "	900	22.30	1.00	.94	24.24	8.53	.95	.20	.10	.30	.35	.39	.00	.08	35.14
S-9 "	900	23.85	1.00	.96	25.81	8.53	.95	.20	.10	.30	.37	.42	.00	.08	36.76
S-10 "	900	25.86	1.00	.99	27.85	8.53	.95	.20	.10	.30	.39	.48	.00	.08	38.88
S-11 "	900	29.06	1.00	1.01	31.07	8.53	.95	.20	.10	.30	.42	.54	.00	.08	42.19
S-12 Certified Journey Layer		33.49	2.00	1.47	36.96	8.53	2.45	.20	.25	.54	.50	.60	.00	.22	50.25

Wage Increases:

The current CBA, is extended for two years to March 31, 2016; Journeyman Tile Layer wage & benefit package will be increased by: $1.50 effective April 1, 2014; $1.75 effective April 1, 2015. Journey Tile finisher F-6, Red Circled Finisher will be increased by: $ 0.98 effective April 1, 2014; $1.14 effective April 1, 2015; and Apprentices increase based on percentage.

APPENDIX F

TILE, TERRAZZO, MARBLE & RESTORATION CONTRACTORS ASSOCIATION OF NORTHERN CALIFORNIA, INC.

MEMBERS 10/8/2013

California Tile Installers

D & J Tile Company, Inc.

De Alba Brothers Tile, Inc.

De Anza Tile Company, Inc.

Deason Tile Company

Della Maggiore Tile, Inc.

Galliani Tile

J. Dean Ballard & Sons Tile & Marble Co.

Jones Tile & Marble, Inc.

Mullen Tile, Inc.

Rinaldi Tile & Marble

Superior Tile & Stone (TRM Corp.)

T & D Tile Company, Inc.

Tile West, Inc.

Tileworks, Inc.

APPENDIX G

BOND NO_____
Premium _____

Effective Date _____

BOND

Know all men by these presents:

That we, _____
Contractor's Firm Name

_____
Address

Hereinafter referred to as "Principal" and

_____
Surety Firm Name

hereinafter referred to as the "Surety," a corporation created, organized and existing under and by virtue of the laws of the State of _____ are held and firmly bound into International Union of Bricklayers and Allied Craftworkers, AFL-CIO, Local Union No. 3 and its successors and assigns (hereafter "Bricklayers Local 3") in the sum of _____ Dollars ($_____), lawful money of the United States of America, to be paid to Bricklayers Local 3, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors jointly and severally firmly by these presents.

The condition of the above obligation is such that:

Whereas, the Collective Bargaining Agreement between the Tile, Terrazzo, Marble and Restoration Contractors' Association of Northern California Inc., on behalf of individual contractors, and Bricklayers Local 3, requires that each contractor post a surety bond executed by a Surety Company in the amount of _____ Dollars against a Contractor for violations of this Agreement, ($_____) to guarantee compliance by the Contractor to all the terms and conditions of the Collective Bargaining Agreement, and shall guarantee payments by the Contractor of wages and/or or all fringe benefit amounts (herein defined as Health and Welfare, Pension, Dental, Vacation, Union Administration ("Dues"), Apprenticeship Training, and Promotion payments) on a local or national plan, including costs of collection, liquidated damages, audit fees and charges, attorney's fees, and all other charges.

Now, therefore, if said Contractor shall pay all damages and all fringe benefit contributions or deductions, as defined above, including cost of collection, liquidated damages, audit fees and charges, attorney's fees, and all other charges, then this obligation shall be null and void; otherwise, to remain in full force and effect.

Provided that this bond is conditioned upon the following conditions and limitations:

1. In the event, after thirty (30) days written notice by certified mail to the last known address of the contractor, the contractor fails to pay, in full, all amounts due under the provisions of preceding paragraphs, whether by virtue of bankruptcy or any other reason, the Surety shall guarantee under this Bond payment of all damages, wage and/or fringe benefit amounts previously set forth, including costs of the collection, liquidated damages, audit fees and charges, attorney's fees, and all other charges.

2. Payment shall be made by the Surety Company under this Bond within thirty (30) days of the date of notification to the Surety that the Contractor, notwithstanding the written notice set forth herein in paragraph 1, has neglected, failed or refused to pay the amounts claimed to be due. The Contractor consents to any payment made by the Surety Company in reliance upon notification of the Surety.

3. The aggregate liability of the Surety hereunder for all causes of action arising under this Bond shall not exceed the total sum of _____ Dollars ($_____), plus all reasonable attorney's fees and costs incurred by Bricklayers Local 3 and its affiliated trust funds in enforcing this Bond agreement.

4. This Bond shall not apply to any debt of the Contractor existing prior to the effective date of this Bond.

5. The Surety named herein may cancel this Bond and be relieved of any further liability hereunder at any time after one year from the effective date of this Bond, except as to any liability incurred or accrued, and any damages or delinquencies committed, prior to the giving of sixty (60) days notice in writing to Bricklayers Local No. 3, and upon the giving of at least sixty (60) days notice in writing by certified mail, return receipt requested, to Bricklayers Local No. 3.

6. No right of action shall accrue under this Bond to or for the use of any person other than the obligee, Bricklayers Local 3, its successor Unions and their affiliated trust funds.

In Witness Whereof, the seal and signature of the Surety and the Principal is hereto affixed, and the corporate seal and name of said Surety is hereto affixed and attested by its duly authorized attorney-in fact,

In the City of _____, State of _____ this _____ day of _____, 20_____.

State Contractor's Lic. Classification	Company Name
Contractor's Address	Principal (Contractor)
State Contractor's License No.	Surety
	Attorney

All communications relative to the Bond shall be mailed to:
Bricklayers Local No. 3
10806 Bigge Street
San Leandro, CA 94577