

SHEET METAL CONTRACTORS ASSOCIATION OF PHILADELPHIA AND VICINITY

BY-LAWS

ARTICLE I - MANAGEMENT AND FINANCIAL

Section 1-1. Fiscal Year. The fiscal year of this Association shall commence on the first day of July in each year and end on the last day of June of each year.

Section 1-2. Annual Budget. The annual budget to cover the operations of the Association shall be prepared and submitted for approval by the Association Directors at the May Board meeting.

Section 1-3. Annual Audit. The Executive Director/CEO shall annually select and recommend to the Board of Directors for ratification, a certified public accounting firm who shall audit the books of this Association. This audit shall be prepared in accordance with generally accepted auditing standards as soon after the close of the Association's fiscal year as possible and shall be submitted to the Board of Directors.

ARTICLE II - OFFICERS

Section 2-1. The President.

2.1(a). General Duties. The President shall preside at all meetings of the Association, the Board of Directors, and the Executive Committee; shall in consultation with the Executive Director appoint, remove or replace the Chairman and Members of all committees and Task Forces of the Association, all representatives or delegates of the Association to other organizations, Associations or groups, in accordance with the program approved by the Board of Directors for the year. All appointments will be for a one (1) year period and the newly elected President shall meet and consult with the Executive Director in this regard as soon as practical after his election. However, the term of office of the members of the Negotiating Committee is extended until the day after bargaining is concluded.

2-1(b). Appointment of Taft Hartley Fund Trustees. The President, upon ratification by 2/3 of the Board of Directors, shall appoint, remove or replace employer trustees of all funds jointly administered with Local Union #19 as a part of the collective bargaining agreement between the Association and Local Union #19 (hereinafter, "Employer Trustees").

Section 2-2. Vice President. The Vice President shall assume the responsibilities and act in place of the President in his absence.

Section 2-3. Secretary Treasurer. The Secretary Treasurer shall supervise the financial affairs of the Association in conjunction with the Executive Director and shall serve as official witness to documents signed on behalf of the Association.

Section 2-4. Executive Director. The Executive Director shall be responsible for the administration of association functions, including the keeping of records of all meetings; shall attend all meetings of the Board of Directors as a non-voting member; shall attend to and keep all Association correspondence, collect all monies due the Association; shall employ adequate staff and personnel necessary to conduct

the affairs of the Association and in conjunction therewith shall have the power to engage such other employees or services as may be necessary to carry on the work of the Association within the scope and budget approved by the Board of Directors; shall be an ex-officio Member of all Association Committees; and shall be directly responsible to the Association Board of Directors and perform such additional duties related to the purposes of the Association as may be directed by the Board of Directors and/or Executive Committee. The Association may in its discretion hire a full-time employee to serve as Executive Director or may contract with an independent business enterprise to manage the day-to-day affairs of the Association and, with the Board's approval, designate an individual, who shall serve as the Executive Director.

Section 2-5. Executive Committee. An Executive Committee shall be formed at the July meeting of the Board of Directors, which shall consist of the President, Immediate Past President, Vice President, Secretary Treasurer and Executive Director/CEO. The Executive Committee shall consider and decide questions requiring immediate attention and action between meetings of the Board of Directors.

ARTICLE III - DUES AND FEES

Section 3-1. Dues and Fees. The dues and/or fees for each Member of the Association shall be as set from time to time by the Board of Directors of this Association. In the event dues or fees are changed, written notice shall be given to the affected parties at least fifteen (15) calendar days prior to the effective date of these changes. Dues shall be paid monthly directly to the Association.

Section 3-2. Failure to Pay. Upon the failure of any Member to pay any installments of dues within sixty (60) days of the date when the same shall be due and payable, the Board of Directors may, by affirmative vote of two-thirds (2/3) of its members present at a properly convened meeting (of which the delinquent Member is given forty- eight (48) hours' notice) may divest the delinquent Member of all voting rights and/or expel the delinquent Member from membership.

ARTICLE IV - RESIGNATIONS

Section 4-1. Resignations. Resignations from Membership shall be presented in writing to the Association at least thirty (30) days prior to the expiration of the current Membership term. The Association, however, may refuse to accept any resignation within one hundred and fifty (150) days of the expiration of any labor contract by which the resigning Member is bound or during the period when no labor contract is in effect, provided, however, that such resignation shall become effective 180 days from the start of any work stoppage, whichever shall occur later. Resignations shall not terminate any "Bargaining Agent Authorization" then in effect, until the expiration of the 180 days. Any member so resigning shall remain fully bound by the terms of these By-Laws, including Article VII hereof, until the expiration of the said 180 days.

ARTICLE V - WEIGHTED VOTING - LABOR DISPUTE

Section 5-1. When any action is to be taken by the Association Members concerning a labor issue which may result in a strike or the settlement thereof, or for adoption of a new collective bargaining agreement, there shall be weighted voting, so that each Member of this Association shall be entitled to one vote for every 7500 man-hours per year, or fraction thereof, worked by members of the particular union involved for said Member, but not to exceed ten (10) votes for any one Member. Man-hours worked shall be determined from the Industry Fund contribution reports for the twelve (12) months immediately preceding the most recent reporting date for such contribution.

Section 5-2. Voting by Proxy. Voting by proxy on matters concerning a labor issue shall not be permitted.

ARTICLE VI - LABOR CONTRACTS

Section 6-1. Purpose. For the purpose of dealing with labor unions and settling labor disputes between Members of this Association and their employees, there are created two committees, the members of which shall be appointed by the President:

6-1(a) The Joint Adjustment Board. The Joint Adjustment Board shall have as its purposes the settlement of all labor disputes and grievances, exclusive of contract negotiations conducted between Local Union #19 and the Negotiating Committee, as required by the grievance procedures contained in the collective bargaining agreement between the Association and Local Union #19.

6-1(b) The Negotiating Committee. The Negotiating Committee shall be the sole Association representatives in all labor contract negotiations and shall meet with the representatives of Local Union #19 for the purpose of negotiating Association-wide standards of hours and wages. Any and all contracts and agreements negotiated by the Negotiating Committee with the union shall be referred to the members of the Association and approved by a majority of the Members (voting as provided in Article VI of these By-Laws) before the same shall become binding on the Association and its Members. Within the parameters established by applicable Labor and Employment Laws, the Negotiating Committee is authorized to negotiate mid-term extensions or modifications to an existing collective bargaining agreement subject to the voting provisions of Article V of these Bylaws.

6-1(c) The Negotiating Committee shall be the sole Association representatives in all labor contract negotiations and shall meet with the representatives of Local Union #19 for the purpose of negotiating Association-wide standards of hours and wages. The Executive Director/CEO shall Chair the Negotiating Committee. The Chairman may be removed upon recommendation by the President and a vote of two-thirds of the Board affirming the removal. Any and all contracts and agreements negotiated by the Negotiating Committee with the union shall be referred to the members of the Association and approved by a majority of the Members (voting as provided in Article VI of these By-Laws) before the same shall become binding on the Association and its Members.

Section 6-2. Bargaining Agent Authorization. Each Member agrees to execute and deliver to the Association a written "Bargaining Agent Authorization" consistent with the provisions of Article V and VII of these By-Laws.

Section 6-3. Separate Negotiations. No Member of the Association shall at any time conduct any separate negotiations for any purpose for which a Negotiating Committee is authorized to act nor shall any Member sign a separate contract with any labor organization with which the Negotiating Committee is authorized to negotiate. However, the signing of "National Labor Agreements" shall not be a breach of these By-Laws. Each Member agrees to be bound by any Negotiating Committee action (in accordance with this Article VII) concerning or arising out of any negotiations with Local Union #19, when such actions are taken by or on behalf of the Association. The Members shall honor and abide by any labor contract which is agreed upon and entered into by the Association (in accordance with this Article VII) and each Member shall be considered a party to any such properly executed contract as though each Member had executed said contract in its own name. Each Member further agrees to abide by and cooperate with all decisions of the Association Members in dealing with any labor union provided such

decisions are adopted by a weighted vote as set forth in Article VI at a properly convened meeting of the Association.

Section 6-4. Breach of Article VII or IX. Since a breach of this Article VII or of Article IX by one or more Members would cause irreparable harm to the Association and the other Members, and since all Members wish to protect themselves from and be able to prevent such a breach, all the Members of the Association agree that in the event a breach by any Member or Members of Articles VII or IX is determined to exist, by a vote of two-thirds (2/3) of the Directors present at a properly convened meeting, of which at least forty-eight (48) hours' actual personal and/or certified mail notice shall be given to the Member or Members accused of the breach, and at which the member or members accused of the breach shall be given the opportunity to be present and be heard, any or all of the following actions may be taken by the Association:

6-4(a) The Membership of the Member or Members found guilty of said breach may be terminated immediately.

6-4(b) The Association may seek redress in equity and shall be entitled to a special and preliminary injunction without the necessity of posting bond.

The Association may pursue all remedies available to it in law or equity either on the grounds of the breach of the By-Laws or on the grounds of breach of the terms of the Bargaining Agent Authorization. All Members constitute the Association as agent of each of them for the purpose of accepting service of process in connection with any litigation brought against any Member by the Association.

ARTICLE VII - LIMITATION OF DIRECTORS' LIABILITY AND INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER PERSONS

Section 7-1. Limitation of Directors' Liability. No Director of the Association shall be personally liable for monetary damages for any act or omission unless: (a) the Director has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 57 of the PNCL, and (b) Such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Section 7-1 shall not apply to the liability of a Director pursuant to any criminal statute, or for the payment of taxes pursuant to local, Pennsylvania or Federal law.

Section 7-2. Indemnification and Insurance.

7-2(a) Indemnification of Directors and Officers. To the fullest extent permitted by Pennsylvania law, each Director or Officer of the Association, and any individual who, at the request of the Association, is serving as a Trustee of one or more of the Benefit Funds jointly administered by the Association and Local Union #19, who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, investigative or through arbitration (other than action by or in the right of the Association or one or more of the Benefit Funds jointly administered by the Association and Local Union #19) ("Action"), by reason of the fact that he or she is or was a Director or Officer of the Association or is or was serving as a Trustee of a Benefit Fund or in any capacity at the request of or for the benefit of the Association as a Director, officer, employee, agent, partner, or fiduciary of, another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, employee benefit plan, or other enterprise ("Indemnified Party") shall be indemnified and held harmless by the Association for all acts or omissions by him or her (regardless of the date of such

action or omission) against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by the Indemnified Party in connection with any Action; provided he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and the Benefit Funds, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Association and the Benefit Funds, and, with respect to any criminal proceeding, had reasonable cause to believe that his or her conduct was unlawful. The amount of indemnification granted herein shall only be to the extent that insurance coverage is not provided by the Benefit Funds. Indemnification shall cover the deductible on any insurance coverage furnished by the Benefit Funds.

7-2(b) Indemnification in Derivative Actions. To the fullest extent permitted under Pennsylvania Law the Association shall indemnify any Director or Officer of the Association who was or is a party, or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Association or one or more of the Benefit Funds jointly administered by the Association and Local Union #19 to procure a judgment in its favor ("Derivative Action") by reason of the fact that he or she is or was a representative of the Association, or is or was serving at the request of the Association as a Trustee of the Benefit Funds or as a representative of another domestic or foreign corporation for profit or not-for-profit partnership, joint venture, trust or other enterprise ("Indemnitee") against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit; provided if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association or such Benefit Funds. Indemnification shall not be made under this section or any claim, issue or matter which such person has been adjudged to be liable to the Association unless and only to the extent that the court of common pleas of the judicial district in which the registered office of the Association is located or the court in which the action was brought determines upon application that, despite the adjudication of liability ~~but~~ and in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the court of common pleas or such other court shall deem proper.

7-2(c) To the fullest extent permitted by Pennsylvania Law, the right to indemnification provided in this Section 7-2 shall include the right to have the expenses incurred by the Indemnified Party or Indemnitee in defending any Action or Derivative Action paid by the Association in advance of the final disposition thereof; provided that, if Pennsylvania law continues so to require, the payment of such expenses incurred by the Indemnified Party or Indemnitee in advance of the final disposition of an Action or Derivative Action shall be made only upon delivery to the Association of an undertaking, by or on behalf of the Indemnified Party or Indemnitee, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnified Party or Indemnitee is not entitled to indemnification under this Section 7-2 or otherwise.

7-2(d) Indemnification pursuant to this Section 7-2 shall continue as to an Indemnified Party or Indemnitee who has ceased to be a Director or Officer of the Association and shall inure to the benefit of his or her heirs, executors and administrators.

7-2(e) Indemnification of Employees and Other Persons. The Association shall to the extent provided in an action of its Board of Directors, indemnify employees and other persons as though they were an Indemnified Party or Indemnitee.

7-2(f) Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in this Article shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of the Constitution or Bylaws, agreement, vote of Members or disinterested Directors, or otherwise.

7-2(g) Insurance. The Association may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania law against any expense, liability or loss, whether or not the Association would have the power to indemnify such person under Pennsylvania or other law. The Association may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

7-2(h) Fund for Payment of Expenses. The Association may create a fund of any nature, which may, but need not be, under the control of a trustee, to secure in any manner its indemnification obligations, whether arising under the Constitution or Bylaws, by agreement, vote of Members or Disinterested Directors, or otherwise.

Section 7-3. Procedure. Unless ordered by a court, any indemnification under Section 8-2 of this Article shall be made by the Association only as authorized in a specific case upon determination that indemnification of the Director, Officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 5741 or 5742 of the PNCL. Such determination shall be made:

7-3(a) By the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the Action;

7-3(b) If such a quorum is not obtainable or, even if obtainable a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or

7-3(c) By the Members.

Section 7-4. Amendment. The provisions of this Article relating to the limitation of Directors' liability, to indemnification and to the advancement of expenses shall constitute a contract between the Association and each of its Directors and Officers which may be modified as to any Director or Officer only with that person's consent or as specifically provided in this Section. Any repeal or amendment of this Article which is adverse to any Director or Officer shall apply to such Director or Officer only on a prospective basis, and shall not reduce any limitation on the personal liability of a Director of the Association, or limit the rights of an Indemnified Party or Indemnitee to indemnification or to the advancement of expenses with respect to any act or omission occurring prior to the time of such repeal or amendment. No repeal or amendment of these Bylaws shall reduce the limitation of Directors' liability or limit indemnification or the advancement of expenses in any manner unless adopted by the affirmative vote of not less than seventy-five percent (75%) of the votes that all Members are entitled to cast in the election of Directors; provided that no such amendment shall have a retroactive effect inconsistent with the preceding sentence.

Section 7-5. Changes in Pennsylvania Law. References in this Article to Pennsylvania law or to any provision thereof shall be to such law as it existed on the date this Article was adopted or as such law thereafter may be changed; provided that (a) in the case of any change which expands the liability of Directors or limits the indemnification rights or the rights to advancement of expenses which the Association may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article shall continue as prior to such change to the extent permitted by law; and (b) if such change permits the Association without the requirement of any further action by Members

or Directors to limit further the liability of Directors (or limit the liability of officers) or to provide broader indemnification rights or rights to the advancement of expenses than the Association was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

ARTICLE VIII - ANTITRUST COMPLIANCE

Section 8-1. Antitrust. It is the undeviating policy of the Association to comply strictly with the letter and spirit of all federal, state and applicable international trade regulations and antitrust laws. Any activities of the Association or Association-related actions of its Officers, Board of Directors, consultant or members which violate these regulations and laws are detrimental to the interests of the Association and are unequivocally contrary to the Association's policy.

Section 8-2. Implementation of Compliance Policy. Implementation of the antitrust compliance policy of the Association shall include, but shall not be limited to the following:

8-2(a) Association Board of Directors, regular meetings, annual meeting, and other Committee meetings shall be conducted pursuant to agendas distributed in advance to attendees; discussions shall be limited to agenda items; there shall be no substantive discussions of the Association matters other than at official meetings; minutes shall be distributed to attendees promptly.

8-2(b) The Association activities or discussions shall be avoided which might be construed as tending to: (1) raise, lower or stabilize prices; (2) regulate production; (3) allocate markets; (4) encourage boycotts; (5) foster unfair trade practices; (6) assist in monopolization; or in any way violate federal, state or applicable international trade regulations and antitrust laws.

8-2(d) Association Members, Officers, consultants or employees who participate in conduct which the Board of Directors by a two-thirds (2/3) majority vote determines to be contrary to the Association's antitrust compliance policy shall be subject to disciplinary measures up to and including invocation of Article IV, Section 4-3 of the Constitution and Article VII, Section 7-4 of these By-Laws.

ARTICLE IX - CONDUCT OF MEETINGS

When not inconsistent with these By-Laws, applicable rules in the latest revision of Robert's Rules of Order shall be used to govern the conduct of all Meetings.

ARTICLE X - INTERPRETATION OF BYLAWS--SEPARABILITY

Section 10-1. Separability. All words, terms and provisions of the Constitution, the terms of which are incorporated herein by reference, and By-Laws shall be interpreted and defined by and in accordance with the PNCL. The provisions of the Constitution and these By-Laws are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

ARTICLE XI - DEFINED TERMS

The following defined terms used in these By-Laws shall have the meanings specified below:

"Association" has the meaning specified in Article II of the Constitution.

"Bargaining Agent Authorization" means a Bargaining Agent Authorization substantially in the form attached hereto as Exhibit "A", as such form may be amended from time to time by the Association.

"Benefit Fund" means one of the benefit funds jointly administered by the Association and Local Union #19.

"Director" means one of the members of the Board of Directors of the Association, whether or not such member may also be an Officer of the Association.

"Employer Trustees" has the meaning specified in Section 3-1(b).

"Industry Fund" has the meaning specified in the Bargaining Agent Authorization.

"Member" has the meaning specified in Article IV of the Constitution.

"PNCL" means the Pennsylvania Nonprofit Corporation of Law of 1988, 15 Pa. Cons. Stat. Ann. §§ 5101-6162 (West 1995), as amended.

"Officers" means, collectively, the President, Vice President, Secretary-Treasurer, Immediate Past President and Executive Director of the Association.

ARTICLE XII - AMENDMENTS

Section 12-1. The Association Board of Directors shall have the power to adopt, amend or repeal these Bylaws, except those Bylaws relating to any of the following subjects:

- a. the number or percentage of votes for the taking of any action. See PNCL Section 5504(d);
- b. the personal liability of directors. See PNCL Section 5713;
- c. the general powers of the board of directors. See PNCL Section 5721;
- d. the method of electing, appointing, designating or otherwise selecting directors. See PNCL Section 5725(b);
- e. the removal of directors by the members. See PNCL Section 5726 (a);
- f. the removal of directors by the board. See PNCL Section 5726(b);
- g. the voting rights of directors. See PNCL Section 5729;
- h. classes and qualifications of membership. See PNCL Section 5721(a);
- i. the rights of shareholders to vote and the right of shareholders to be paid dividends or earnings. See PNCL Section 5752(c);
- j. the voting rights of local units of members. See PNCL Section 5754(a);
- k. the requirement of at least one meeting of members in each calendar year for the election of directors. See PNCL Section 5755(a);
- l. quorum for a meeting of members. See PNCL Section 5756;
- m. the votes needed for action by the members. See PNCL Section 5757;
- n. the voting rights of members. See PNCL Section 5758;
- o. the right of members to vote by proxy. See PNCL Section 5759(a);
- p. voting by corporate members of a nonprofit corporation. See PNCL Section 5760(a);
- q. judges of election. See PNCL Section 5762;
- r. termination of membership. See PNCL Section 5766(a); or
- s. distribution of surplus upon winding up. See PNCL Section 5975(c).

Any permissible amendment or repeal of these Bylaws by the Board of Directors may be made at any regular or special meeting of the Association Board of Directors by a vote of two-thirds (2/3) of the

Directors present and voting. Written notification of any amendment must be in the hands of the Members of the Board of Directors at least two weeks prior to the meeting and circulated to the Association Membership within 30 days of the Board action amending these By-Laws. In the case of a meeting of members, written notice shall be given to each member entitled to vote that the purpose, or one of the purposes, of a meeting is to consider the adoption, amendment or repeal of the Bylaws. There shall be included in or enclosed with the notice a copy of the proposed amendment or a summary of the changes to be effected thereby. Any change in the By-Laws shall take effect when adopted unless otherwise provided in the resolution effecting the change.

Section 12-2. Unless otherwise restricted in a bylaw adopted by the members, whenever the bylaws require for the taking of any action by the members a specific number or percentage of votes, the provision of the bylaws setting forth that requirement shall not be amended or repealed by any lesser number or percentage of votes of the members.

"EXHIBIT A"

SHEET METAL CONTRACTORS ASSOCIATION OF PHILADELPHIA AND VICINITY BARGAINING AGENT AUTHORIZATION

The Negotiating Committee of the Sheet Metal Contractors Association of Philadelphia and Vicinity is hereby authorized and empowered to act in behalf of the undersigned as its exclusive bargaining agent in negotiations with Sheet Metal Workers' International Association Local Union #19 to act for its benefit and the benefit of the Association. This authorization is given in consideration of the promise of the Association, made through its duly authorized officers and agents, to carry out duties of collective bargaining with the above-named Union and the execution of similar authorizations by other Members of this Association.

It is specifically agreed that the undersigned will be bound by any and all actions taken by the Association in accordance with its By-Laws concerning, or arising out of the negotiations with the said Union, which actions are taken for, or in behalf of, the Association, its members who have authorized the Association to act as their bargaining agent during these negotiations; and that the undersigned will honor and abide by any contract which is agreed upon, and entered into, by and between the Association and the said Union; and with respect thereto, the undersigned shall be considered, for all purposes, to be a party, just as if he had executed said contract in its own name.

The undersigned recognizes and agrees that one element of the contract negotiated with the Union may be contribution by employers to an "Industry Fund" whose purpose is to advance and protect the Sheet Metal Industry; including the negotiations of labor agreements with appropriate Union(s). In the event that Industry Fund contributions are not provided for in the effective collective bargaining agreement and in order to assure the uninterrupted payment of such contributions; the undersigned shall pay to the Sheet Metal Industry Fund of Philadelphia and Vicinity at the rate specified in the most recent collective bargaining agreement requiring payment of the Industry Fund for each hour worked by the productive employees covered under the SMCA's collective bargaining agreement(s) with the Sheet Metal Workers' International Association Local Union #19.

The undersigned further covenants that it will not enter into any individual negotiations or contract with the said Union. The undersigned agrees to abide by all decisions of the Association with regard to concerted action on the part of the Members of the Association in dealing with the said Union, provided such decisions are made in accordance with the By-Laws of the Association. This authorization may only be revoked by written notice from the undersigned to the Association not less than 150 days prior to the expiration of the current labor

agreement between the Association and the Union, but it may not be revoked at a time when no contract is in effect. Upon the giving of such notice to the Association, this authorization will terminate for all purposes.

The undersigned covenants that it will not attempt to revoke this authorization except as provided above nor will any failure to pay dues and assessments that are owed to the Association or the Industry fund effect a withdrawal of bargaining rights during the above stated limitation periods. The undersigned recognized that all other Members of the Association have given this same authorization to the Association and a breach by a Member of the covenants contained in this authorization would inflict damage upon the other to ascertain. Therefore, in the event of a breach by the undersigned, determined to exist by the Directors of the Association as set forth in Article VII, Section 4 of the By-Laws, the undersigned agrees to pay the Association, on a daily basis, liquidated damages equal to \$1,000 times the number of votes allocated to the undersigned, in accordance with the schedule outlined in Article V (Weighted Voting – Labor Dispute) of the Association By-Laws per day for the duration of said breach forthwith to the Association. If suit need be brought for the collection of the said damages, the undersigned constitutes the "Administrator, Industry Advancement Program of the Sheet Metal Contractors Association of Philadelphia and Vicinity" as his agent for the service of process.

Firm Name: _____

Signature: _____

By:(print name) _____

Title: _____

Date: _____

Accepted: SHEET METAL CONTRACTORS ASSOCIATION OF PHILADELPHIA AND VICINITY

By: _____
(SMCA President)

Date: _____