

ARTICLE 9

WAGE SCALES AND BENEFITS

Section 9-1. The Employer agrees to pay base hourly wage rates for those classifications outlined in Appendix A covering the signatory International Unions. It is understood that the basis for wage scales and employee benefit contributions as outlined in Appendix A shall be those rates which have been negotiated by the historically recognized bargaining agencies in the local area which has jurisdiction on the proposed project of the Employer. When the Employer determines that modification of existing economic factors is necessary to be competitive, then the Employer shall propose those economic improvements to the local Unions involved and the International Unions agree to actively support and use the best effort of their office to assist the Employer in an expeditious manner in securing the most competitive position that will enhance a successful award.

- a) The Employer and the Unions agree that wage premiums, such as those based on height of work, type of work or materials, special skills, etc., impose unreasonable costs on construction, are considered contrary to the best interest of the industry, and shall not be paid on the approved project of the Employer. Exception: Does not apply to Cooling Tower and Stack Work because of unique construction format.
- b) Base hourly wage rates other than those established in bona fide local collective bargaining will be settled between the Employer and the local Unions affiliated with the local Building Trades Council.
- c) Any wage rates, fringe benefit contributions, classifications, zone or wage/fringe escalations established by local bargaining which target or discriminate against projects covered by this Agreement are contrary to the spirit and intent of the Agreement.

Such rates, contributions, classifications, zones and escalations will not be recognized and are not required to be paid under this Agreement.

Section 9-2. The Employer agrees to pay employees benefit contributions as outlined in each affiliates' annual wage table identified in the Appendix A. Industry promotion or administrative funds or other funds which do not accrue to the direct benefit of employees, covered by this Agreement, are not considered fringe benefits for purposes of this Agreement and will not be surveyed for future adjustments, and need not be paid by the Employer.

Section 9-3. The Employer adopts and agrees to be bound by the written terms of legally established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds. The Employer authorizes the parties to such trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Employer. Nothing contained in this Section is intended to require the Employer to become a party to nor be bound by a local collective bargaining agreement except for the employee benefit fund contributions as required herein, nor is the Employer required to become a member of any employer group or association as a condition for making such contributions.

Section 9-4. In order to assure the payment of all applicable fringe benefits, UCOR shall review the certified payroll reports of the Employers to ensure that all applicable fringe benefits are paid appropriately.

Section 9-5. Wages and Fringes

The Employer will provide a 12% increase in the current wage rates (identified in the current Construction Labor Agreement between UCOR and the Knoxville Building and Construction Trades Council effective date May 1, 2023). This increase is retroactive to October 1, 2023 and will be paid within 30 days of the Agreement being signed. Fringe amounts for 2024 will remain unchanged until October 1, 2024.

- Wages will be increased for October 1, 2024 through September 30, 2025, 4% on the total wage package (wages and fringe). Local Unions will provide updated wage and fringe sheets no later than August 1, 2024.
- Wages will be increased for October 1, 2025 through September 30, 2026, 4% on the total wage package (wages and fringe). Local Unions will provide updated wage and fringe sheets no later than August 1, 2025.
- Increase to all foreman and general foreman rates:
 - Foremen paid at Journeyman rate +10%
 - General Foremen paid at Journeyman rate +15%

UCOR, NABTU and their local Unions will develop a fair, regional wage survey to be utilized for the duration of the agreement. This method will be approved by the Company and Unions for use beginning October 1, 2026 and continue through 2032.

ARTICLE 10

APPRENTICES

Section 10-1. Recognizing the need to maintain continuing support of programs designed to develop adequate numbers of competent workers in the construction industry, the Employer will employ apprentices in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured.

Section 10-2. The Union and Employer agree to the use of pre-apprentices, helpers, sub journeymen or other classifications as applicable to each craft to do work within their craft jurisdiction when these classifications are approved by the Department of Labor as part of a Davis-Bacon wage determination.

Section 10-3. The combined employment of apprentices and other non-journeyman classifications may be thirty-three and one-third percent (33-1/3%) of the craft work force at all times, and the composition of this ratio shall be at the craft's discretion.