

COLLECTIVE BARGAINING PROVISIONS

Health, Insurance, and Pensions

Bulletin No. 908-17

UNITED STATES DEPARTMENT OF LABOR

Maurice J. Tobin, *Secretary*

BUREAU OF LABOR STATISTICS

Ewan Clague, *Commissioner*



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Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., December 30, 1949.

The SECRETARY OF LABOR:

I have the honor to transmit herewith the seventeenth bulletin in the series on collective bargaining provisions. The bulletin consists of two chapters: (1) Health, Welfare, and Insurance Plans, and (2) Pension Plans, and is based on an examination of collective bargaining agreements and related materials on file in the Bureau. Both chapters were prepared in the Bureau's Division of Industrial Relations by Thurza J. Brannon and Evan Keith Rowe, under the direction of Abraham Weiss.

EWAN CLAGUE, *Commissioner.*

HON. MAURICE J. TOBIN,
Secretary of Labor.

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Preface

As early as 1902 the Bureau of Labor Statistics, then the Bureau of Labor in the Department of the Interior, recognized the growing importance of collective bargaining, and published verbatim the bituminous-coal mining agreement of 1902 between the Associations of Coal Mine Operators of Pennsylvania, Ohio, Indiana, and Illinois and the respective districts of the United Mine Workers of America. Since 1912 the Bureau has made a systematic effort to collect agreements between labor and management in the leading industries and has from time to time published some of those agreements in full or in summary form in the *Monthly Labor Review*.

The first bulletin entirely devoted to collective bargaining agreements was published in 1925 under the title "Trade Agreements in 1923 and 1924." Similar annual bulletins were published in 1926, 1927, and 1928. These bulletins analyzed only outstanding agreements affecting certain industries and certain skilled crafts in which collective bargaining has followed a more or less established pattern.

No bulletins in this field were published by the Bureau between 1928 and 1942—a period during which collective bargaining first lost ground in the depression and then made rapid strides following the enactment of the National Labor Relations Act in 1935. The growth in trade-union membership from fewer than 4,000,000 workers in 1935 to more than 10,000,000 in 1942 not only resulted in a large increase in the number of collective agreements covering industries hitherto not included under collective bargaining, but also extended the scope and area of bargaining in individual industries. In recognition of this development, the Bureau's 1942 report on union agreements (Bulletin No. 686) dealt with provisions and clauses on particular labor-management problems rather than with the agreements of each union or industry separately.

The substance and character of collective bargaining agreements change continuously, and many of the clauses and provisions covered in Bulletin No. 686 underwent significant changes during the war emergency, as a result not only of the normal processes of collective bargaining but of the decisions of the National War Labor Board. New problems meant new clauses and new provisions. The Board also gave added impetus to certain forms of union security, and to certain

practices, now deeply imbedded in the entire field of labor-management relations.

The liquidation of the Board, and the renewal of emphasis on free collective bargaining after VJ-day, led to a tremendous increase in the demand for information on specific current provisions in agreements. Urgent requests came from employers and unions, from the United States Conciliation Service, and from mediators and arbitrators engaged in settling or preventing labor-management disputes. It was largely in response to these requests that the Bureau of Labor Statistics undertook to revise and bring up to date the material on union agreements.

In this revision two significant departures have been made: (1) Accumulation of data has made possible the use of a larger sample than was possible heretofore. (2) The information will be presented in a series of small bulletins, each stressing a major area or significant problem of collective bargaining. This will permit the material for each major problem to be published as rapidly as finished without waiting until all of the subjects of collective bargaining are analyzed. It will have the advantage of greater flexibility in handling specific requests for material from employers, unions, and the public. Some clauses are more or less stable and undergo relatively minor changes even over a considerable period of time and therefore need only occasional revision, whereas others undergo rather rapid change. Also, as new issues develop it will be possible to add new bulletins to the series without revising those already published.

The clauses used are designed to facilitate, but not to condition, the bargaining process. No special attempt has been made to determine the prevailing industry practice or the most frequently used provisions. The clauses are presented, not as models, but as a source of reference for those who participate in collective bargaining negotiations, by making available to them a wide variety of provisions on the specific subjects under consideration. An index of all the contract clauses quoted, with a brief description of each clause, is appended to each report.

This report, dealing with health, welfare, insurance, and pension plans, is the seventeenth in this Collective Bargaining Provisions series. The bulletins already published are as follows:

- No. 908 Union Security Provisions.
- No. 908-2 Vacations; Holidays and Week-End Work.
- No. 908-3 Incentive Wage Provisions; Time Studies and Standards of Production.
- No. 908-4 Apprentices and Learners.

- No. 908-5 Discharge, Discipline and Quits; Dismissal Pay Provisions.
- No. 908-6 Leave of Absence; Military Service Leave.
- No. 908-7 Promotion, Transfer, and Assignment; Lay-Off, Work-Sharing, and Reemployment.
- No. 908-8 General Wage Provisions.
- No. 908-9 Wage Adjustment Plans.
- No. 908-10 Union-Management Cooperation, Plant Efficiency, and Technological Change.
- No. 908-11 Seniority.
- No. 908-12 Union and Management Functions, Rights, and Responsibilities.
- No. 908-13 Strikes and Lock-Outs; Contract Enforcement.
- No. 908-14 Safety, Health, and Sanitation.
- No. 908-15 Guaranteed Employment and Wage Plans.
- No. 908-16 Grievance and Arbitration Provisions.

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Collective Bargaining Provisions Health, Insurance, and Pensions

CHAPTER I.—HEALTH, WELFARE, AND INSURANCE PLANS

Introduction

Establishment of employee-benefit plans through collective bargaining is a comparatively new phase in industrial relations, but unions and employers individually have for many years operated such programs. Many of the older unions started as fraternal organizations, with plans designed to give some protection to their members against loss of income during sickness, unemployment, and old age, and to provide death benefits for their members' families. Employers also have inaugurated pension plans and group life and health insurance programs; a number provided in-plant medical care. Union plans, however, often ran into financial difficulties, and labor organizations never wholeheartedly endorsed those sponsored by employers because they had no voice in the administration and no contractual protection against discontinuance of protection. Many of these programs are still in operation, but some have been superseded by plans effected through collective bargaining.

At the outbreak of World War II, relatively few union agreements made provision for health and welfare benefits and old-age pensions. During wartime, the Government's wage stabilization program limited the amount of wage increases which employers could grant, but permitted the adoption of reasonable employee insurance and pension benefits. Early in 1945, the National War Labor Board held that employers should not alter or discontinue group insurance plans during the life of their union agreements. In some cases, the Board ordered employers to include existing benefit plans within the agreement. These actions stimulated the growth of plans and also brought a number of existing employer plans within the scope of union agreements. Favorable income tax regulations applicable to employers who set up approved plans also contributed to the growth of health and welfare plans.

Union interest in collectively bargained employee benefits has been spurred by the absence of health and disability benefit provisions and by the inadequacy of retirement and survivors' benefits currently paid under the Social Security Act. Through negotiations, labor seeks to supplement benefits under the Social Security Act, to secure additional types of benefits, and to make provision for special benefits to meet conditions that exist within the establishment, firm, or industry covered by the particular contract.

Five States (California, New Jersey, New York, Rhode Island, and Washington¹) have enacted disability insurance programs providing weekly cash payments to workers for temporary disability caused by nonoccupational sickness and accident. These programs are administered in connection with the respective State unemployment insurance laws, except in New York where the State Workmen's Compensation Board is the administrative agent. Coverage is largely identical in each State with that of the unemployment insurance act.

In California, Rhode Island, and Washington, employee contributions of 1 percent of covered wages wholly finance costs. The New Jersey plan requires employee contributions of 0.75 percent of covered wages and employer contributions of 0.25 percent (to be modified by experience rating after July 1, 1951). In New York, employees contribute 0.5 percent of wages received, but not in excess of 30 cents per week; the employers bear the remaining cost. Except in New York, the States define "covered wages" to exclude amounts exceeding \$3,000 a year.

Weekly benefits in 4 States are geared to the respective State unemployment insurance schedules: \$6.75 to \$18 in Rhode Island; \$9 to \$22 in New Jersey; and \$10 to \$25 in California, Rhode Island, and Washington. The New York maximum is the same as for unemployment insurance, \$26, but the minimum is either \$10 or the employee's average weekly wage during his last 8 weeks of covered employment, whichever is less. The maximum annual duration of benefits is 13 weeks in New York and 26 in the other 4 States.

Except in Rhode Island, employers may "elect out" or "contract out" of the State plan by establishing or participating in an approved private plan, either insured or self-insured. For approval under the Washington law, a private plan must provide benefits which are at least as great as those under the State plan. In California, an approved private plan must provide total benefits equal in all respects to those under the State plan and greater in at least one. Approval in New Jersey depends on the inclusion of weekly benefits at least

¹ Operation of the Washington act, however, is deferred pending a referendum to be held at the November 1950 general election.

equal in duration and amount to those under the State plan, and eligibility requirements which are not more restrictive. In New York, the benefits of an approved plan must be at least as favorable as those of the State plan. In New Jersey and New York, a private plan adopted prior to the effective date of the State plan may continue without approval until the date on which the employer has the right to modify or discontinue the plan. New York permits extension of an existing private plan beyond its termination date by agreement or collective bargaining between the employer and employees, even though its benefits remain inferior to those of the State plan.

Cash sickness benefits to railroad workers, as well as cash maternity benefits to women railroad workers, are provided under the Railroad Unemployment Insurance Act, as amended. These benefits are financed entirely by employer contributions to the Railroad Retirement Board. The sickness benefits are the same in amount and duration as the unemployment benefits. They range from \$1.75 to \$5 for each day of sickness over 7 in the first 14-day registration period and for each day over 4 in subsequent registration periods up to a maximum of 130 days in one benefit year. The same daily rate is payable for maternity benefits, for a maximum period of 116 days beginning 57 days before the date of childbirth. The first 14 days of the maternity period and the first 14 days after birth, however, are payable at one and a half times the daily rate.

More than 3 million workers were covered by health, welfare, and/or retirement benefit plans under collective bargaining agreements in July 1948. Benefits provided were of one or more of the following types: Weekly cash payments for loss of time on account of accident and sickness; medical care in the form of actual services or reimbursement of part or all of the expenses in the event of hospitalization, surgical, maternity, or other medical care; death benefit or life insurance, accidental death and dismemberment; and retirement annuities or pensions. These workers were covered by plans initiated as a result of collective bargaining or plans originally established by employers and later written into agreements. Since July 1948, many more plans have been set up by agreement between unions and employers. Many plans originally sponsored by employers have been brought within the scope of collective bargaining agreements, and many employers and unions have agreed to study the feasibility of establishing benefit programs; to initiate and install programs; or to bring existing employer-sponsored plans within the scope of agreements.

Illustrative clauses throughout the chapter were excerpted from two sources: collective bargaining agreements and descriptive booklets

outlining collectively bargained plans. The latter are indicated by a footnote. The development of a subject-by-subject treatment necessarily removed clauses and portions of clauses from context. As a result, the complete plan is rarely, if ever, presented to the reader. Although complete details of a plan are seldom incorporated in the collective bargaining agreement or its supplement, a number of contracts do contain fairly comprehensive outlines of the program. Recent agreements negotiated in the steel and auto industries provide examples of this type of agreement as do others such as coal, electrical contracting, etc., which have been in effect for some time. Set forth in the appendix, beginning on page 154, are several significant programs as contained in the agreement or descriptive booklet. In the case of the bituminous-coal program, additional details are provided by reprinting significant resolutions adopted by the trustees of the fund.

Relation of Benefit Plan to the Agreement

Union-management negotiations over employee-benefit plans as evidenced in collective bargaining agreements, tend to fall into three basic categories:

(1) Plans created by collective bargaining.—In this group are included those plans, either on a plant, company, or industry basis, which owe their origin and inception to union demands. Union-created plans such as those of the International Ladies' Garment Workers Union and The Amalgamated Clothing Workers are often found in large metropolitan areas and are the result of area-wide or industry-wide bargaining. They are commonly noncontributory (i. e., financed solely by the employer); union-administered or jointly administered (in the latter case, often with provision for impartial representation on the policy or administrative board); and employers' contributions are paid into a trust fund.

Often, such agreements merely record the joint decision to establish a benefit program, stipulate the employer's contribution, provide for the creation of a fund or otherwise indicate the method of providing or insuring the benefits, and provide for details of benefits, administration, and the like to be worked out in a separate document by the appropriate administrative official or agency. Other newly created plans, on the other hand, are recorded in great detail in the agreement.

(2) Employer-sponsored plans continued or brought within the agreement.—Although such plans are more numerous than plans created by collective bargaining agreements, the latter involve large numbers of employees.

Some collective bargaining agreements state that the benefit plan in existence at the time the contract was negotiated shall be continued without change for the duration of the contract. Usually these merely continue plans already agreed upon. Many of these, however, apply to plans originally established unilaterally (by the employer); the intent of such a general statement is to assure employees that such benefits will be continued at the same level during the contract term or that benefits will not be reduced without the mutual consent of company and union. The latter proviso is sometimes expressly stated.

It is not always possible to determine solely from an examination of the agreement whether the plan to be continued represents a plan originally employer-sponsored. Increasingly, however, the agreements are including more details of plans, whatever their source or origin.

(3) Employer-sponsored plans remain outside the scope of collective bargaining.—Although in some contracts an unqualified pledge or commitment is made that the employer will continue the plan, at least for the life of the collective bargaining agreement, others contain only a conditional pledge, i. e., the employer may change or withdraw the benefits under certain circumstances. A few permit cancellation by the employer at his sole discretion, usually upon due notice to the union and provided such action is not taken for the purpose of union discrimination.

In establishing a benefit program for the first time, provision is sometimes made for joint development, often with an express proviso for the joint study of existing benefit plans. The date of initiating such a program, after joint study and negotiation, is not generally stipulated in contracts. Some contributory plans require participation by a minimum number or proportion of eligible employees before a plan may become effective.

Surveys or continuing studies are frequently prescribed for the purpose of improving the plans. These studies may be conducted jointly by representatives of the employer and the union or by a special committee.

Often employee benefit plans are established under separate agreements and are incorporated by reference into collective bargaining agreements. If a plan is an integral part of a collective bargaining agreement, without special duration and renewal clauses applying solely to it, the general duration and renewal clause of the agreement undoubtedly applies. However, some agreements contain special termination or modification clauses whereby benefit plans may be terminated prior to the expiration date of the agreement proper, by

one or both parties, or by joint action. Certain agreements stipulate that benefit provisions shall continue beyond the expiration of the general agreements, thus assuring coverage during the interim periods between contract negotiations (if the contracts are ultimately renewed or renegotiated), or for periods subsequent to the termination of the collective bargaining agreements.

1. *Employer To Maintain Plan for Term of Agreement and Any Extension or Renewal*

The employer agrees that it will continue in effect a plan of group insurance which it shall maintain at its sole expense during the term of this agreement and any extension and renewal thereof, providing all of the following benefits for all of the employees covered by this agreement.

2. *Benefit Plan Made Part of Agreement, Subject to Existing Limitations*

The presently existing employee-benefit plans; namely (1) accident and sick benefit plan, (2) permanent total disability plan, (3) group life insurance and pension plan, and (4) hospital and surgical benefit plan, subject to their presently existing limitations, are incorporated in and made a part of the contract.

3. *Employer To Continue Existing Plan, Part Contributory, Part Noncontributory*

The present group life insurance, group sick insurance, group hospitalization insurance, and group accidental death insurance, now in effect shall be continued.

4. *Employer To Continue Noncontributory Plan for Term of Agreement*

The company agrees to continue present "Life" and "Accident and Health" insurance policies for hourly rate employees without cost to employees for the term of this agreement.

5. *Plan Continued Subject to Previously Existing Rules. Employer Modifications Allowed, Subject to Negotiations if Reduction in Benefits Involved*

All authorized privileges such as retirement benefits, * * * company's self-insurer plan for accidental injuries, death benefits, * * * heretofore enjoyed by all classes of personnel of company and not specifically covered elsewhere in this agreement shall continue, subject to such rules and regulations as existed prior to the signing of this agreement and to such modification thereof as may hereafter be adopted generally by company. Such modifications, however, shall be subject to negotiation if they involve a reduction in such authorized privileges.

6. *Employer Pledge to Continue Plan for Duration of Agreement Not Binding Thereafter*

The company has a group life insurance contract with the ——— Insurance Company. This contract insures the life of each employee in an amount of one-thousand (1,000) dollars. All premiums are paid by the company without contribution from the employees. For the term of this agreement, but without commitment or liability thereafter, the company agrees not to discontinue or alter its present noncontributory group life insurance plan.

7. *Plan Remains in Effect Until Termination of Agreement or Until Terminated in Writing by Union and Association*

The provisions of this supplemental agreement shall remain in full force and effect for the full term of the collective bargaining agreement but shall terminate

and come to an end with the collective bargaining agreement, or prior thereto by an instrument in writing executed by the board of directors of the ——— Association of New York City, Inc., and the union.

8. *Plan and Agreement To Run Concurrently Unless Underwriter Changes Terms*

The [medical aid] contract so selected shall be continued throughout the life of this contract unless the terms thereof are changed by the party thereto agreeing to furnish the medical services, and in the event of such change such contract shall be continued, nevertheless, until a new contract be agreed upon between the employer and the union in accordance with the foregoing provisions. It is understood that the said medical aid contract can be changed at any time by mutual agreement of the employer and the union.

NOTE.—Arbitration over the details of the plan is provided.

9. *Benefit Fund to Survive Expiration of Agreement*

At the expiration of the term of this agreement, the fund shall continue in order to effectuate the purposes for which it was established.

10. *Plan to Continue for 6 Months After Expiration of Agreement*

Notwithstanding the expiration of this agreement, the trust created herein shall continue to operate and effectuate the purposes herein contained until six (6) months after the expiration of this agreement or the renewal thereof.

11. *Application of Employer's Existing Benefit Plans not Affected by Contract*

The company has now in effect the following welfare plans copies of which are attached to the duplicate originals of this agreement: Vacation plan; pension plan; disability wage plan; voluntary compensation—occupational disability; group life insurance; group accident and sickness insurance. The execution of this agreement shall have no effect whatsoever upon the application of the company's welfare plans.

12. *Association Agreement: Existing Plans May Be Continued With Cost Credited to Maximum Employer Contribution Specified*

Effective January 1, 1949, the employer agrees to put into effect insurance providing death, health, accident, and hospitalization benefits for its steady employees, at a cost not to exceed 2 percent of its cash pay roll under the contract. [Employers] now having insurance plans may continue them in effect with the cost thereof to be credited on the maximum 2 percent expense to the [employers].

13. *Existing Plan Continued and Broadened to Include Retirement Benefits*

The health fund which was heretofore established by the parties hereto in their collective agreement dated March 22, 1944, as of March 6, 1944, to provide all members of the union in all crafts covered by the collective agreement with health benefits and contributions towards vacation benefits is hereby continued in full force and effect with the following modifications:

The purpose of the fund is hereby broadened to include retirement benefits for aged workers.

The fund shall hereafter be known under the name of the health and welfare fund.

14. *No Reduction or Withdrawal of Benefits During Life of Agreement*

In addition to the wages, incentives and bonus plan provided above, the company will not reduce or withdraw, during the life of this contract, the security program and other benefits in effect on the date hereof, consisting of life insurance, health and accident insurance, hospitalization for employees and their

families, and surgical benefits for all employees fully paid for by the company after 1 year's employment.

15. *Employer May Change Benefit Plan but not Reduce Benefits*

The company agrees to continue the ——— benefit plan covering life insurance, sickness benefits, hospitalization, surgical fees, and annuity, effective [date]. It is agreed that the company has the right to make such changes in the benefit plan that will not result in less benefits to the employees.

16. *Employer Contributes to Union Fund; Union to Maintain Program for Duration of Agreement*

The union agrees that the program of social security benefits hereinabove described shall be maintained in full force and effect for the entire period of time during which this agreement is in effect and the terms hereof fully complied with in all respects by the employer.

17. *Prior Discussion With Union Before Major Changes Made in Plan*

The company agrees to the continuance of a group insurance plan and will discuss any major changes in the plan with the union before they become effective.

18. *No Change Reducing Benefits Without Union Consent. Arbitration in Case of Dispute Limited to Question of Bad Faith or Discrimination*

During the term of this agreement, no change may be made without the consent of the union in the existing "plan for employees' pensions, disability benefits, and death benefits" which would reduce or diminish the benefits or privileges provided thereunder. Any claim that such benefits or privileges have been diminished or reduced may be presented as a grievance and if not resolved by the parties under their grievance machinery may be submitted to arbitration pursuant to the provisions of Article 17, but in any such case any decision or action of the company shall be controlling unless shown to have been discriminatory or in bad faith and only the question of bad faith or discrimination shall be subject to the grievance procedure or arbitration.

19. *No Modification or Cancellation of Existing Plan Except by Mutual Agreement*

The company agrees that during the life of this agreement it will not abandon or modify its existing benefit and pension plan with respect to the employees in the bargaining unit except pursuant to mutual agreement.

20. *Continuance of Plans Vested Exclusively in Company's Board of Directors*

The company states that it is its intention to continue other employee benefits such as the life insurance plan and the retirement and separation allowance plan under the rules and regulations therefor now in effect or as they may hereafter be modified provided, however, that any such continuance of such benefits shall at all times remain and be vested in the board of directors of the company in its uncontrolled discretion.

21. *Continuation of Insurance Plan at Employer's Discretion. Changes Discussed With Union 60 Days in Advance*

The continuation of the employer's present policy and practice relative to insurance, as described in [company publication], is within the discretion of the employer. Any contemplated change will be discussed with the union as nearly as possible 60 days in advance.

22. *Employer May Discontinue Plan Upon Due Notice If Its Financial Condition Changes*

It is further agreed that, while this insurance plan is intended to be a permanent part of the company's program for its employees, should changes in the financial condition of the company render it necessary, this insurance may be discontinued upon due notice to the employees.

23. *Benefits To Remain in Force So Long as They Are Maintained for Other Employees, Subject to Employer's Right To Modify or Cancel at Any Time. Union Given 20 Days' Advance Notice and Opportunity To Present Views*

The [employer] agrees that during the term of this agreement the benefits of the pension and group term life insurance plan contracts between the [employer] and the ——— insurance company shall be applicable to employees to the same extent and during such period as these benefits are maintained for other employees of the [employer] and affiliated companies. These contracts are subject to amendment, modification or cancellation by the ——— insurance company or by the [employer] and nothing in this paragraph shall in any way limit the rights of the [employer] to amend, modify or cancel such contracts at any time or from time to time. The [employer] agrees, however, that before it cancels or proposes any amendment or modification of these contracts which would substantially lessen the benefits accruing to employees, the union will be given at least 20 days' prior notice of such proposed amendment, modification or cancellation and the [employer] will afford representatives of the union an opportunity to present to the [employer] their point of view with respect to such proposal.

24. *Employer To Give 30 Days' Notice Before Changing Plan*

The company agrees to comply with the terms of its employees' benefits plan dated July 1, 1944, as same may be revised from time to time by the company, and said plan is attached hereto as appendix A. Notwithstanding any contrary language in said plan, so long as this agreement is in force.

* * * * *

The company will not terminate the said plan or so modify it as to reduce its benefits to employees covered by this agreement without giving the union 30 days' written notice of the action contemplated. If within said 30 days the union requests a meeting with the company to discuss such termination or modification before it goes into effect, the company will arrange such a meeting at the earliest convenient date and postpone its contemplated action until the meeting has been held.

25. *Employer May Modify or Withdraw Benefits Provided Action Not Discriminatory Against Union or Members*

It is the intention of the company to continue all existing benefits and practices for the welfare of all employees insofar as is practicable, but it is understood that the benefits are voluntary on the part of the company and may be changed by the company in whole or in part, or completely withdrawn when in its judgment such action is indicated; provided that no benefits shall be changed in whole or in part, or withdrawn by the company for the purpose of discriminating against the union or its members.

26. *Right To Modify or Discontinue Benefits Subject to (1) Ban on Discriminatory Change and (2) Consultation With Union*

It is the intention of the company to continue all existing benefits and provisions for the welfare of employees insofar as is practicable, but the company

reserves the right to change, modify or completely withdraw such benefits when in its judgment, such action becomes necessary; provided that no benefit shall be changed in whole or in part for the purpose of discriminating against the employees covered by this agreement and provided that whenever requested by the union, the company agrees to meet with the union for the purpose of discussing such changes.

27. *Listed Benefits Subject to Economic Conditions and Company Policy*

The following benefits will be available to all eligible employees, subject to economic conditions and general company policy with respect thereto:

- (a) Group insurance
- (b) Group hospitalization
- (c) Illness allowance and accident pay policies
- (d) Employee savings & profit sharing pension fund, in accordance with the provisions and bylaws thereof.

28. *Union Recognition of Noncontractual Nature of Existing Benefits not to Prejudice its Right to Bargain Collectively on Future Benefit Plans*

The plans for sickness and accident disability benefits, plan for employees in military service, disability termination allowance, annuities and insurance, and survivorship benefit plans are recognized by the union as noncontractual and as being subject to modification, change or termination by the board of directors of employer, and the employer shall assume the responsibility of determining by the terms thereof the eligibility of employees to participate in such plans. A published copy of each of these plans and benefits will be delivered to the officers of the union and the employer will, upon the making of any amendment, change, modification or termination of all or any of these as is determined necessary by the board of directors of the employer, give notice to the union in writing of such amendment, modification, change or termination. This section shall in no way prejudice the right of the union in collective bargaining in respect to future employee participating benefit plans.

29. *Employer to Make Study to Liberalize Sickness and Accident Benefits. Union Informed of Changes Before Employees.*

As soon as possible, announcement will be made to employees of revised and extended employee benefits connected with the group life insurance and group hospitalization insurance programs. Study is being undertaken with a view toward providing more adequate group sickness and accident insurance.

Before further changes in the ——— group insurance programs are announced to the members of a bargaining unit the local union officers will be informed. If desired, an explanation of the changes will be made to the union committeemen. Employee participation in these programs shall remain on a voluntary basis. The determination of these programs is reserved to the company.

30. *Contributory Plan: Union May Request Negotiations on Insurance on 60 Days' Notice, Not More Than Once During Contract Year.*

The company agrees that upon receiving 60 days' notice from the union negotiations on insurance can be reopened but not more than once per contract year.

31. *Joint Study to Improve Benefit Provisions and Administration of Plan*

The company will make available to the employees the group insurance plan outlined in the material submitted by the company with its memorandum dated June 29, 1948, directed to the [union] subcommittee on group insurance. Before putting this plan in effect, however, the company will meet with and receive from the [union] subcommittee on group insurance any proposals the latter may have

with respect to the shifting of benefits as between the weekly accident and sickness benefit and the medical benefit. Unless the company determines that such proposals will increase its cost of the plan, it will modify the plan accordingly. Unless changes in the plan proposed by the company have been agreed upon on or before August 7, 1948, such plan will be deemed accepted by the union and will be placed in effect as soon thereafter as is practicable.

The company will meet, at mutually agreeable times, with a group insurance advisory committee of not more than five members appointed by the union to hear any suggestions the union may have concerning the administration of the benefits under the group insurance plan. The company will give careful and serious consideration to any administrative suggestions presented to it by such committee, and when it finds that such suggestions are meritorious and practicable, will bring them to the attention of the insurance carrier with the recommendation that they be placed in effect.

The company will appoint a committee to study thoroughly the matter of life, accident, medical, hospitalization, and sickness insurance. Such committee will meet, at mutually agreeable times, with a social security committee of not more than five members appointed by the union, and receive from it any studies, plans, or analyses the union may present. The company committee will give the matters submitted to it by the union committee full consideration and study.

32. *Employer Contributions to Union Fund. Changes in Policy, Benefits, or Additional Insurance To Be Jointly Determined*

It is mutually agreed that the employer will pay \$3 per month per employee for the purchase and administration of a group, life, accident, health, and hospitalization insurance for the sole benefit of the employees of the employer. The \$3 will be paid to and the fund administered by the union ([union] trust fund). Any changes in the policy, benefits, or additional insurance coverage will be mutually agreed upon by the employer and the union.

The employer further agrees to deduct from each employee's pay each month, upon authorization of such employee, such amounts for additional coverage under this plan as desired by the employee.

33. *Company to Furnish Union Copies of Policies and Revisions*

Company will provide representatives of the union with copies of written or printed statements of its prevailing policies with respect to the foregoing benefits together with revisions thereof as they may be made from time to time.

34. *Booklet With Details of Insurance Program Distributed to Employees*

A booklet setting forth the details of the entire insurance program shall be placed in the hands of each employee and shall contain letters from the management and the union. The master policy and the individual policy shall contain the names of both management and the union.

35. *Details of Insurance Benefits Included in Policy*

The union has contracted for the issuance of blanket coverage insurance policy or policies to provide for the payment of the foregoing benefits as therein provided. The rights and duties of all parties including the union, the employer and the employee-members shall be governed by the provisions of said blanket coverage policy or policies which are incorporated in and made part of this provision.

36. *Insurance Company to Issue Certificate to Each Covered Employee*

The insurance company will issue to each insured employee an individual insurance policy certificate describing the benefits of the plan.

37. *Individual Insurance Certificate Must Bear Statement That Benefits Thereunder Are According to the Collective Bargaining Agreement*

The insurance certificate to be furnished to employees shall state on its face that the insurance benefits are pursuant to and in accordance with the agreement between the [union] and the mill.

NEGOTIATION OF PLAN

38. *Company to Negotiate Insurance Plan With Union When Plan Is Complete*

It is agreed that the company is preparing a plan involving hospitalization, health, and accident insurance, and that when said plan is complete it will present the same to the union and negotiate the terms and conditions thereof.

39. *Reopening Clause Permits Negotiation of Insurance Program*

The parties agree that paragraph 21a providing for reopening of the contract for the purpose of wage negotiations every six (6) months may also be used for the purpose of negotiating an insurance program. Inability to agree, the matter shall take the same course as provided for wage disagreements [arbitration].

40. *Joint Union-Management Study of Insurance Plan Within 30 Days After Agreement Signed*

It is agreed that a committee of two (2) representatives of each party to this agreement will begin a thorough and detailed study of this matter [insurance] not later than thirty (30) days from the signing of this agreement.

41. *Negotiation on Benefit Plan Under Wage Reopening Clause Not Subject to Arbitration or Strike*

The subject of welfare and pension plans for longshoremen may be a matter of negotiations in any wage review, but is not subject to arbitration or strike under the wage review provision of the agreement.

42. *Company to Maintain Own Plan Until Replaced by Participation in Union Industry Fund. Dispute Over Participation Arbitrable*

The company agrees to continue its contributions to the life and health insurance plan now in effect in the various plants until such plan shall be replaced by participation of the company in the [union] insurance fund. Participation by the company in the [union] fund shall be subject to continued negotiations between the parties. If the parties cannot agree on any matters related to such participation in the fund, the question shall be subject to arbitration as provided in Article XII.

43. *Contributory Plan: Type and Amount of Benefits Determined by Joint Committee. Disputes to Three-Man Committee, Including Insurance Broker*

Decision on the type and amount of insurance such as life, accident, and health for employees, hospitalization and surgical benefits for employees and dependents shall be made after a thorough study by a committee composed of three (3) representatives of the union and three (3) representatives of the company. In the event this committee is unable to agree upon types and amounts of insurance, disagreements thereon shall be referred to the president of the union, the president of the company (or their designees) and a third party mutually agreed upon, who shall be a competent insurance broker. Any decision made by the committee of six (6) outlined above, or the reviewing committee of three (3) shall be final and binding upon both parties hereto.

44. *Contributory Medical Aid Plan—Details Submitted to Arbitration if no Agreement Reached Between Parties.*

It is the desire of both the employer and the union that each employee shall be covered by a medical aid contract, the employer to pay the cost thereof up to \$4 per month and the employee to pay the portion of the cost thereof in excess of \$4 per month. The medical aid contract shall be one agreed upon between the employer and the union and in the event they cannot agree upon it then each of them shall select one representative, then the presiding judge of the superior court of _____ county shall, upon the application of either the employer or union, upon five (5) days' notice to the other, select a third representative and the majority of such representatives shall then decide upon the medical aid contract to be entered into, and the decision of the majority shall be binding upon both the employer and the union, and each employer and employee, and there shall be no appeal therefrom.

EFFECTIVE DATE OF PLAN

45. *Program Initiated as Soon as Parties Agree on Coverage and Costs*

The parties agree that there shall be a plan of group insurance to be effected as soon as the parties can agree on coverage program and costs.

46. *Noncontributory Plan To Be Established; Benefits To Be Jointly Determined*

It is agreed that there will be developed and instituted, effective [date], a union welfare fund plan which shall provide such benefits as shall be contained in an agreement to be entered into between the parties and to which fund the employers, in accordance with the terms of said agreement, shall contribute 2½ percent of the straight-time hourly base rates earned by the employees covered by this agreement.

NOTE.—The date specified in this clause is approximately 2 months after the effective date of the agreement.

47. *Contributory Plan: Employer to Provide Insurance Plan With Specified Types of Benefits Within 6 Months*

It is agreed that within 6 months after the effective date of this agreement, the [employer] shall make available to all members of the [union] on the same terms as applied to all other employees of the [employer] a specific group insurance plan covering life, health, sickness, accident, and hospitalization and medical care. The [employer] agrees, upon instituting such a plan, to pay on account of premiums due and payable under such a plan, an amount equal to one-half (½) the premium required.

48. *Plan to Become Effective Upon Participation of 75 Percent of "Plan" Employees*

This plan will become effective only upon participation therein of seventy-five (75) percent of the plan employees.

49. *Plan To Become Effective When 75 Percent of Eligible Employees Have Applied; Effective Date for Dependents' Coverage Is Separately Determined*²

This plan will become effective when at least 75 percent of the eligible employees make application for insurance. In order for benefits for dependents to become effective, at least 75 percent of the employees with dependents must include their dependents.

² From a descriptive booklet or related material.

Type and Amount of Benefits

Variation is wide in the type and amount of benefits provided, such as, life insurance, death and dismemberment benefits, weekly cash benefits during period of disability due to nonoccupational accidents or illness, payment of hospitalization and surgical expenses, payment of doctors' fees, etc. Some plans are quite complete and provide the full set of benefits listed above. Others provide only a few of them; still others only one or two, e. g., hospitalization and surgical benefits. The amounts vary greatly among the plans and may be conservative or liberal with respect to the entire program or with respect to only some of the benefits, the controlling factors being the presumed needs of the group to be covered, the relative cost of covering the group for the different types of benefit, and the amount of money available to provide the benefits contemplated.

Preventive medical- and dental-care provisions, although seldom found in collective bargaining agreements, are the core of the programs of a few plans under collective bargaining which are outstanding. Notable are the Labor Health Institute in St. Louis, the ILGWU's Union Health Centers in a number of cities including New York and Philadelphia, and the miners' medical care program.⁸ Health centers also are to be provided under agreements concluded by the Amalgamated Clothing Workers (CIO) and the New York Clothing Manufacturers' Exchange, and by the AFL New York Hotel Trades Council and Hotel Association of New York City.

Detailed benefit plans in collective bargaining agreements, whether illustrating a single benefit or a variety, are included in the first section titled "Specimen Benefit Plans." Clauses illustrating particular aspects or variations of a specific type of benefit are described and illustrated in subsequent sections dealing with each type of benefit. Several complete plans are included in the appendix.

SPECIMEN BENEFIT PLANS

50. *Noncontributory Combination Benefit Plan: Life Insurance With Double Indemnity; Permanent Disability Benefits; Hospitalization, Surgical Expenses and Weekly Cash Sickness and Accident Benefits, All Including Maternity; Medical Expense Benefits, Excluding Maternity. Weekly Cash Benefits Geared to Weekly Earnings. Illness and Hospitalization Benefits Shorter in Duration for Maternity Than for Other Causes.*

The company agrees to maintain in force during the life of this agreement the following insurance benefits (all as more fully provided in the group policy or policies) for each employee of the company covered by this agreement :

⁸ See Medical Service Plans Under Collective Bargaining in Monthly Labor Review, January 1948, p. 34.

- (1) Life insurance of \$1,000, payable on death, plus an additional \$1,000 if death is due to accidental means.
- (2) Permanent disability benefits as set forth in the group insurance policy.
- (3) Weekly sickness and accident benefits computed on the basis of the employee's basic weekly earnings, as follows:

Basic weekly earnings:	Weekly benefits
Less than \$30-----	\$15
\$30 but less than \$36-----	18
\$36 but less than \$42-----	21
\$42 but less than \$48-----	24
\$48 but less than \$54-----	27
\$54 and over-----	30

Such benefits shall begin, in the case of sickness, on the eighth day of disability, and in the case of nonoccupational accident, on the first day of disability, and shall continue for a maximum of twenty-six (26) weeks for any one disability, provided that no employee over 60 shall be entitled to such benefits for more than one twenty-six (26) week disability in any 1 year. "Basic weekly earnings" shall mean the employee's hourly rate at the time of the disability multiplied by the standard workweek prevailing in the company.

(4) Medical expense benefits beginning with the first medical attendance in the case of accident and beginning with the fourth medical attendance in the case of sickness in the amount of three (3) dollars for each doctor's visit at the home or hospital, and two (2) dollars for medical attendance other than at home or hospital, limited, however, to three (3) medical attendances in each period of seven (7) consecutive days and not more than fifty attendances as the result of any one disability. No benefits under this paragraph shall be payable for dental work or treatment, nor for eye examination or the fitting of glasses, nor for X-rays, drugs, dressings or medicines, nor for medical expenses incurred during disability resulting from pregnancy, which term includes resulting child-birth or miscarriage.

(5) Reimbursement for fees charged for surgical operations up to \$150 according to the surgical schedule attached to the group policy, with provision for commensurate benefits for operations not listed in said schedule.

(6) Daily hospital benefits equal to a maximum of six (6) dollars per day for a maximum of seventy (70) days for any one disability, and reimbursement for special hospital services as provided in the group policy up to a maximum of sixty (60) dollars for any one disability.

(7) In case of disability resulting from pregnancy, including resulting child-birth or miscarriage, the employee shall be entitled to the weekly sickness benefits provided in subparagraph (3) of this paragraph for a maximum period of six (6) weeks, and will be entitled also to the obstetrical benefits set forth in the schedule of operations and hospital benefits for not more than a maximum of fourteen (14) days.

51. *Noncontributory Combination Insurance Plan; Minimum Details Specified*

The employer shall provide or continue in force existing insurance at his own cost and expense, subject to the conditions hereinafter named, insurance providing for the following benefits for each of the union members in his regular employ.

- (a) Life insurance in the sum of \$1,000.
- (b) Accidental death and dismemberment, \$1,000.
- (c) Accident and health, 26 weeks, \$30 per week.

(d) Hospitalization for employee, minimum 31 days, \$5 per day, \$50 miscellaneous expenses.

(e) Hospitalization, employee's wife and dependents, 31 days, \$5 per day, \$50 miscellaneous expenses.

(f) Maternity benefits for employees' wives, 10 days, \$5 per day.

(g) Surgical up to \$225, medical reimbursement up to \$100 for any one illness or accident.

Terms, conditions, and carrier to be acceptable and approved by the union.

52. *Combination Plan: Listing of Benefits in Priority Order Based on Amount Available To Provide Some or All Benefits.*

The insurance and other benefits to be provided shall include the following in the order listed to the extent to which the money to be expended will cover the cost of the same:

1. Individual membership semiprivate plan in the organization known as the Blue Cross.

2. Sickness and accident benefit payments.

3. Provision for payment of surgical expenses.

4. Group life insurance not to exceed \$500 per individual.

5. Double indemnity provision covering accidental death and dismemberment.

53. *Noncontributory Sick Benefit Fund: Benefit Payments Vary With Status of Fund*

Section 1.—The company agrees to contribute to a sick benefit fund on the tenth of each calendar month during the contract period the sum of one (1) dollar per month for each employee in the bargaining unit on the pay roll on the first of the month. This contribution shall be made by check payable to "sick benefit fund" and deposited in a bank to be agreed upon.

Section 2.—The fund will be administered by a committee composed of representatives of the union and the company in equal numbers. Payments from the fund will be made only by check jointly signed by two (2) representatives, one to be designated by the union and the other by the company. This fund shall be used by the committee so designated for the relief of employees who are prevented from working because of any sickness or injury not covered by the workmen's compensation act. Specific rules shall be drawn up, and may be changed from time to time, by the committee created above in accordance with the following principles: Payments shall be made from the fund toward compensation of employees for wages lost and expenses incurred upon proof satisfying the committee that the employee is prevented from working because of sickness or injury as above described. The specific amount of payments may be varied from time to time depending upon the amount of money on deposit in the bank and expected future receipts.

Section 3.—In case a disagreement shall arise over the administration of the sick benefit fund the company and the union will attempt to agree upon an impartial umpire. If within twenty (20) days of conditions occurring which give rise to the dispute no umpire is agreed upon, either party may petition the District Court of the United States for the Eastern District of Oklahoma to appoint an impartial umpire. The decision of the umpire so agreed upon or appointed by the District Court shall be binding on all concerned.

Section 4.—At least once a year there shall be an audit of the sick benefit fund as above created, copies of which will be furnished the company and the union and will be available for inspection by any interested party at both offices at all times.

Section 5.—At the end of the contract period any money still in the fund will be disposed of as follows:

(a) If the same or an alternative sick benefit plan is agreed upon in a new contract, such money shall apply against the company's contribution to such a plan.

(b) If no plan is agreed upon for any reason, then benefits shall continue to be paid as above to employees on the pay roll at the end of the contract period until the balance of the fund remaining at the end of the contract period is expended.

54. *Contributory Death Benefit Plan Covering Employee, Spouse, Children*

It is agreed that the following death benefits will be paid: In the event of the death of a union member, or wife or husband of a member, fifty (50) dollars will be paid by the corporation, and the corporation is authorized to deduct one (1) dollar from each member of the union, the total of such deductions to be covered in one of the corporation's checks and made payable to the _____ union.

It is further agreed, in the event of the death of a member of the immediate family of a union employee, who is between the ages of fourteen (14) and twenty-one (21); who is unmarried and an immediate member of the union employee's household, the corporation will contribute thirty-five (35) dollars, and is authorized to deduct fifty (50) cents from each member of the union, the total of such deductions to be covered in one of the corporation's checks and made payable to the _____ union.

It is further agreed, in the event of the death of a member of the immediate family of a union employee, who is under the age of fourteen (14) years, the corporation will contribute twenty-five (25) dollars and is authorized to deduct thirty (30) cents from each member of the union, the total of such deductions to be covered in one of the corporation's checks and made payable to the _____ union. It is understood and agreed that the above mentioned \$25 contribution by the corporation, or the 30 cents deduction from each union member, shall not be made in the event of stillborn births.

Should a death, as defined above, occur during a strike, lock-out, or shut-down, death benefits shall be paid as herein provided upon resumption of work, and all claims shall be paid in turn.

55. *Employer Financed Health Center. Employer May Cover Employees Outside the Bargaining Unit*

It is agreed that the company shall pay into the _____ health institute a sum equal to 5 percent of the gross pay (before deductions for social security, taxes, union dues, etc.) of all full time regular employees of the company with the collective bargaining unit and covered by this agreement, plus five (5) percent of the pay of any other persons regularly in its employ full time whom the company may wish to enroll.

Payments to the _____ health institute hereunder shall be made weekly, biweekly, monthly, or otherwise as may be agreed between the company and the _____ health institute and shall continue for the duration of this contract.

The company shall have no right, title, or interest in any moneys so paid or in the funds of the _____ health institute, or its control or management except as provided in the bylaws of the _____ health institute. No employee shall have any right, title, or interest in any moneys so paid or any claim against the company or the _____ health institute or the union

or any right, title, or interest in the control and management of said _____ health institute.

The company's and employee's right, title, and interest shall be limited to medical and health services to employees and members of their families while said employee is in the employ of said employer except as otherwise provided in the bylaws of said _____ health institute.

56. *Weekly Cash Benefit, Surgical, Medical, and Dental Care While Assigned Outside United States, With Transportation Back to Port of Embarkation if Hospitalization Becomes Necessary*

Any employee covered by this agreement who is laid up because of sickness or natural ailments or an injury sustained outside the scope of his employment, and who is unable to work according to the judgment of a physician, shall be paid his monthly wages and all other earnings up to the date so laid up, and shall thereafter be paid only the sum of \$50 per month from the date so laid up until able to work or until placed in a hospital or until transported to a place where hospital facilities are available, at which time the company's liability shall cease. It shall be, however, the thorough understanding that in the case of sickness or natural ailments or an injury sustained outside the scope of his employment, that the company will not be liable for wages after the date the majority of the employees of such cannery have arrived at port of embarkation.

In the event of a dispute, the superintendent will also make an effort to secure the opinion of another qualified physician. All employees so laid up through sickness or natural ailments while engaged under this contract, shall receive medical and surgical attention and necessities without charge so long as they shall be entitled to payment of the \$50 per month under the terms of this section. This does not apply in cases of proven or obvious venereal diseases, intoxication, brawls or fights.

In the event of sickness or accident which may cause the employee to be sent to a hospital away from the cannery it is understood that his transportation back to port of embarkation will be paid by the company as well as all wages due him.

Additional care.—In case of serious illness or accident where no competent hospitalization or suitable medical attention is immediately available, every feasible effort shall be used by the company to transport the men to the nearest hospital.

Additional medical benefits, dental services.—Medical, dental, and surgical services shall be furnished by the company free of charge. Dental service shall consist of extractions and the treatment of infections resulting from said extractions.

NOTE.—This agreement covers fishing and cannery workers transported to Alaska from continental United States.

57. *Employer To Pay Specified Sum to Mutual Benefit Association and Pay Administrative Expenses; Provides Medicines Free or at Less-Than-Cost Price up to \$10,000 Per Year*

The employer shall, in addition, during each year throughout the term hereof, the first year to commence as of February 1, 1948, (1) pay to the mutual benefit association for its purposes the sum of fifteen thousand (15,000) dollars and (2) pay the administration expense of such mutual benefit association. The employer further agrees to contribute the sum of ten thousand (10,000) dollars per year to be administered by the employer and the union in accordance with a plan to be agreed upon between the parties in accordance with the relevant

terms of the Labor Management Relations Act of 1947, for the purpose of providing medicine on doctors' prescriptions, for employees covered by this agreement at cost, less than cost or free, as may be agreed upon.

58. *Industry Benefit Fund Based on Employer Contributions, Used To Purchase Insurance. Individual Unions To Determine Type and Extent of Benefits*

For the period commencing February 1, 1948, to and including February 9, 1948, and for the period commencing March 18, 1948, to and including the date of termination of this agreement, each employer shall contribute a sum equal to fifty (50) cents for each day or night's pay (including vacation and holiday pay) earned by each of its employees covered by this agreement.

The sum so contributed is not for wages earned or compensation for services rendered but as means of promoting the health, welfare, and contentment of such employees, and upon payment thereof to the escrowee as hereinafter provided, shall be used solely and exclusively for the purpose of providing death, sickness, accident, health, retirement, and miscellaneous related benefits, or any one or combination thereof, for the members of the respective unions employed by the employers herein, and their families and dependents (or for the benefit of such members, their families and dependents jointly with other members of the respective unions employed by other employers in the baking industry making similar contributions, and their families and dependents). Each of the unions shall have the right to determine for itself the type and extent of benefits within the purposes above specified best suitable for its respective membership and to determine for itself the plan most appropriate for the implementation thereof.

Said contributions of the employers shall be paid by them weekly to [bank], as escrowee, who shall deposit the same in separate special accounts for the respective unions and hold and use the same for said purposes, subject to and in accordance with the terms and conditions hereinafter specified.

Local — having heretofore procured group insurance from the ——— insurance company providing certain death, sickness, accident, health, and miscellaneous related benefits for its members employed by other employers in the baking industry, and their families and dependents, it is agreed that the members of local — employed by the employers herein, and their families and dependents, shall be accorded the same insurance benefits, and for the purpose of providing immediately therefor, the escrowee shall pay monthly, out of the funds accumulated in the special account maintained by it as aforesaid for local —, the premiums necessary to pay for such insurance benefits, said premiums to be in the amounts billed by said insurance company in accordance with its agreement with local —.

Any surplus remaining in such special account after payment of the premiums as aforesaid, shall be retained by the escrowee until such time as local — presents to the employer herein, a lawful plan for the application and utilization of such surplus for any of the purposes hereinabove specified in subdivision (b). Such plan shall not involve the employers in its administration through a trustee or otherwise. The right of the employers to object to any such plan shall be limited to the question of its legality. The escrowee shall dispose of the surplus as provided for in the plan, upon approval in writing of its legality by the employers, or in the event of any dispute with respect to its legality, upon approval of its legality by the general counsel of the National Labor Relations Board, the parties agreeing to submit any such dispute to said general counsel. If said general counsel approves the legality of any such plan, the employers herein agree to execute such instrument as may be required by said escrowee in order to dispose of said surplus in accordance with said plan.

The contributions of each of the employers herein shall be made to the escrowee, weekly at the time of the weekly pay-roll payment, and at the same time said employer shall in writing notify local — of the amount thereof. Commencing with the first of such contributions, and not later than three (3) days (excluding Sundays and holidays) after each subsequent 4-week period, said employer shall furnish to local — a statement showing the total amount of the contributions made by it during such period, specifying the names of the employees for whom contributed and the number of days' or nights' pay earned as aforesaid by each of such employees. Simultaneously with the payment of each premium to the aforesaid insurance company, as provided for hereinabove, the escrowee shall furnish to local — and to the [employers' association] a statement showing the amount of such premium and the amount of surplus then remaining in the special account maintained for local —. Any records kept by the escrowee pertaining to said special account shall be available for examination and inspection by local — and the employers herein at all reasonable times at the office of the escrowee and the [association] is entitled to information from the insurance company as to the type of insurance and the employees covered by such premium payments.

The compensation of the escrowee shall be paid out of the funds in the said special account in accordance with its agreement with local —. If such funds are insufficient for said purpose, local — shall pay the amount of any deficiency.

NOTE.—Two locals of the same international are signatory to this agreement.

LIFE INSURANCE AND ACCIDENTAL DEATH OR DISMEMBERMENT BENEFITS

Life insurance or death benefit payments which an otherwise eligible employee may obtain either may consist of flat amounts or may vary with the individual's earnings or occupational classification; occasionally, length of service is also a factor. Under a few plans, originally sponsored by employers and later brought within the agreement, the employer provides a minimum insurance coverage with additional coverage up to a specified maximum paid for, either in whole or in part, by the employee.

Benefits for accidental death or dismemberment (loss of limbs, sight, and occasionally speech or hearing) are often combined with life insurance. Partially at least, the same purpose is served in other plans by a provision for double indemnity for accidental death (i. e., double the face value of the policy). In many instances, benefits are paid only when such accidental death or disablement occurs as a result of a nonoccupational accident, i. e., one not compensable under workmen's compensation laws.

The additional amount paid for accidental death or dismemberment usually is equal to the amount of ordinary life insurance. This amount is also payable for loss of two limbs, the sight of two eyes, or such combinations as one hand and one foot. Half of this benefit is commonly payable for the loss of one limb or use of one eye. The amount paid for dismemberment is frequently listed in a schedule of losses which may or may not appear in the collective bargaining agreement.

Methods for life insurance benefit payments sometimes vary. Death payments, although usually made in a lump sum, in some plans may be made in installments.

In the event of total permanent disability of the employee before a stipulated age (usually 60 years), some plans provide for payment in installments to the employee of the amount of his life insurance. Others waive premium payments during disability and pay the face value to the beneficiary when the employee dies.

59. Life Insurance, Uniform Amount

The employer shall provide or continue in force existing insurance at his own cost and expense, subject to the conditions hereinafter named, insurance providing for the following benefits for each of the union members in his regular employ.

(a) Life insurance in the sum of \$1,000 * * *.

60. Life Insurance—Specified Amount; No Limit on Additional Amounts Purchased at Employee's Option With Specified Employee Contributions

The company agrees, on or before September 1, 1947, to make available to all active employees having seniority, the opportunity of purchasing life insurance protection which shall supplement the life insurance protection now provided to all employees at the company's sole expense.

Employees may purchase such additional life insurance, which will be offered under a standard plan, at a monthly premium rate of sixty (60) cents per \$1,000 principal of protection, with the understanding that all costs in excess thereof shall be assumed and paid for by the company.

The union and the company agree to promptly appoint committees for the purpose of effectuating and presenting this plan to the employees.

61. Noncontributory Life Insurance—Specified Amount; Additional Amounts Optional if Employee Contributes. Maximum Coverage Equal to Previous Year's Earnings. Employee Must Reimburse Employer for Premiums Paid in His Behalf During Disability

At the option of the employee, the company will continue to furnish the same amount of life insurance as has been furnished in the past and which was furnished at the company's expense. The employee may elect to carry a total coverage equal to, but not exceeding, his current annual wages. The company will furnish, entirely at its expense, the first \$1,000 of coverage under the plan. The employee will pay at the rate of sixty (60) cents per \$1,000 per month for the balance of his insurance.

Current annual wages to mean previous year's earnings. The company further agrees that it will pay the premium of an employee who is sick or disabled provided, however, the employee on his return to work reimburses the company to the extent of the premium paid.

62. Amount of Life Insurance Geared to Length of Service, up to Specified Maximum

A five-hundred (500) dollar life insurance policy paid for by the company shall be issued for every regular employee after six (6) months of service, increasing to six hundred (600) dollars at the end of the first year and increasing one hundred (100) dollars per year thereafter until it reaches a full value of

fifteen hundred (1,500) dollars. The beneficiary on such policies shall be as specified by the individual employee.

63. *Noncontributory: Life Insurance Varies With Length of Service. Amount of Insurance for Which Eligible Differs With Rehire After Lay-Off as Against After Quit or Discharge*

Every employee at the completion of 1 year's service with the company will receive an insurance policy of \$500, which is to be increased \$100 on each anniversary date thereafter until a maximum of \$1,000 is reached. The full premium will be paid by the company.

If an employee is laid off, the policy is effective for 30 days after the lay-off date. If he is reemployed before losing his seniority status, in accordance with paragraph 23, subsection (e), the policy will be reinstated at the amount he would have received had he been working and will continue as usual.

Should an employee quit or be justifiably discharged, his insurance will remain in effect for 30 days; and if he is later reemployed, he will be considered a new employee and his insurance will be handled as such.

NOTE.—Paragraph 23, subsection (e) stipulates loss of seniority because of lay-off exceeding a specified duration for each of 3 brackets of seniority.

64. *Life Insurance Equal to 1 Year's Earnings, Minimum and Maximum Amounts Specified, Plus Funeral Allowance*

Each employee completing 3 months of service will become insured in the amount of 1 year's salary or wages plus \$100 funeral expenses but not less than \$600 nor more than \$3,100.

65. *Employer Provides Insurance Equal to Amount Employee Purchases From Union. Dividends Paid to Employee*

Any employee taking five hundred (500) dollars or more of [union] insurance shall have the premiums paid by the company on additional five hundred (500) dollar policy. All dividends to accrue to employees.

66. *Contributory: Amount of Life Insurance Varying by Wage Bracket²*

Salaried employees with basic monthly earnings of:

	<i>Life insurance</i>
Less than \$138-----	\$1, 000
\$138 but less than \$170-----	1, 000
\$170 but less than \$230-----	2, 000
\$230 but less than \$325-----	3, 000
\$325 but less than \$500-----	4, 000
\$500 or more-----	5, 000

Other employees with basic monthly earnings of:

Less than \$138-----	1, 000
\$138 or more-----	1, 000

67. *Contributory Plan: Employees May Maintain Insurance at Level of Highest Earnings in Event Earnings Drop*

The company agrees that over-all earnings, excluding overtime, shall be used as a basis for determining insurance brackets. Employees whose earnings are reduced may maintain their insurance at the highest level earned. Such employees shall be notified that their insurance policy is to be reduced unless they notify the company of their desire to maintain the higher level.

² From a descriptive booklet or related material.

NOTE.—Benefits vary with earnings under this plan and employees' contributions vary accordingly.

68. *Life Insurance, Uniform Amount; Double Indemnity*

Life insurance of \$1,000 payable on death, plus an additional \$1,000 if death is due to accidental means.

69. *Life Insurance and Accidental Death and Dismemberment; Uniform Amount*

Group life insurance coverage of \$1,500. Accidental death or dismemberment of \$1,500.

70. *Life Insurance and Nonoccupational Accidental Death or Dismemberment; Uniform Amount*

The company will provide for each employee covered by this agreement, who has been in the employ of the company at least ninety (90) days, a policy of insurance with the ——— Insurance Company of America, providing for life insurance in the principal sum of one thousand (1,000) dollars, nonoccupational accidental death and dismemberment insurance in the additional principal sum of one thousand (1,000) dollars.

71. *Life Insurance, With Double Indemnity, Uniform Amount; and Dismemberment Benefits*

Life Insurance—\$1,000 (\$500 additional if death is due to accident)

* * * * *

Dismemberment Benefits—(The amount to vary with the extent of the injury but the principal sum to be \$500.)

72. *Life Insurance Benefit Half the Amount Paid for Accidental Death or Total Dismemberment Due to Nonoccupational Accident*

Schedule of benefits:

A. \$500 life insurance.

B. * * *

C. An accident policy with benefits payable for the following losses due to non-occupational accidents:

1. \$1,000 loss of life.
2. \$1,000 loss of both hands or both feet.
3. \$1,000 loss of sight of both eyes.
4. \$1,000 loss of one hand and one foot.
5. \$1,000 loss of one hand or one foot and sight of one eye.
6. \$500 loss of one hand, foot, or sight of one eye.

73. *Life Insurance Benefit Twice the Amount Paid for Accidental Death or Total Dismemberment Due to Nonoccupational Accident*

(a) On death \$1,000.

(b) Accidental death (in addition to regular death benefits in clause (a)) dismemberment and loss of sight benefit in maximum amount of \$500 for non-occupational accident sustained solely through external, violent, and accidental means, that is, loss of—

- Life, or
- Two hands, or
- Two feet, or
- Sight of two eyes, or
- One hand and one foot, or
- One hand and sight of one eye, or
- One foot and sight of one eye

in the amount of \$500; or one-half amount for loss of one hand or one foot or the sight of one eye.

74. Life Insurance Paid in Installments to Employee Who Suffers Permanent Total Disability Before Age 60

If an employee qualifies under the policy provisions for permanent and total disability benefits prior to age 60, the amount of his life insurance will be paid to him in installments.

WEEKLY SICKNESS AND ACCIDENT BENEFITS

Cash sickness and accident benefits are intended to protect workers against complete loss of income through illness or accident not covered by workmen's compensation.

Benefits are almost invariably paid weekly, usually after a short waiting period. Eligibility for payment generally begins with the first day in case of accident and the eighth day, sometimes the fourth, in case of sickness. Sometimes the waiting periods are identical. Restrictions are more stringent with respect to sickness than accident. Under a few plans, an employee who is ill for a minimum specified period receives benefit payments retroactive to the first day of disability.

The weekly cash benefits may be paid (1) at a flat rate for all employees; (2) as a given percentage of the individual worker's earnings, with or without minimum or maximum amounts specified, or (3) at specified amounts for given wage brackets. Sometimes differentials are based upon sex.

The maximum period during which benefits are paid is in most plans limited to a given number of weeks' pay for each disability, except for persons age 60 or over for whom the specified number of weeks apply to 1 year. Thirteen or 26 weeks' maximum for any one disability are most common. In a few plans, benefits are not payable for more than the specified number of weeks during any 12 consecutive months. This restriction is, in a few cases, confined to sickness. One plan which limits annual duration regardless of age allows 13 weeks for sickness and 13 for hospitalization, or a total of 26 weeks in any year. A minimum period of work between spells of incapacity is sometimes stipulated. Under one plan, payments are made for a maximum of 10 months' sickness and of 5 years in accident cases.

It is almost universal to limit payment of benefits to sickness and accident disabilities not covered by workmen's compensation. A few plans exclude only compensable accidents but authorize benefits for sickness, whether or not work-connected.⁴ Regular weekly non-

⁴ See also section on Maternity Benefits, p. 34.

occupational accident benefits are supplemented by one employer by a lump-sum of \$25 for each period of disability. (For paid sick leave plans and illustrations of clauses providing supplements to workmen's compensation benefits, see Bulletin No. 908-6, Leave of Absence and Military Service Leave.)

75. *Uniform Weekly Benefit; No Reference in Contract to Waiting Period or Duration of Benefits*⁴

Weekly Accident and Sickness Benefits (nonoccupational coverage)-----\$25 per week

76. *Uniform Weekly Benefit for 13 Weeks; 7-Day Waiting Period for Accidents and Sickness*

Sickness and accident benefits of thirteen (13) weeks at fifteen (15) dollars per week with a seven (7) day waiting period.

77. *Uniform Weekly Benefit for 13 Weeks; Waiting Period Differs Between Sickness and Accident*

Group accident and health insurance at the rate of \$20 per week for not exceeding 13 weeks, commencing with the first day for nonoccupational accident and the fourth day for nonoccupational illness.

78. *Contributory: Weekly Benefits Begin With the First Day of Accident and Eighth Day of Illness. If Illness Lasts for Four or More Consecutive Weeks, Payments Are Retroactive to the First Day. Maximum Annual Duration 12 Weeks.*²

You receive \$15 a week up to 12 weeks when you are forced to be away from work because of illness or injury.

Sick benefits are paid after you are away from work for one full week. However, if you are ill for a period of four or more consecutive weeks, benefits will be paid for the first week of lost time.

If you are injured, you will receive benefits for time lost, dating from the date of injury.

79. *Noncontributory: Waiting Period for Sickness, None for Accident*

Benefits shall begin not later than the first day of any disability due to accident and the eighth day of any disability due to sickness.

80. *Uniform Weekly Benefits for Maximum of 26 Weeks Per Disability*

The policy shall provide benefits of twenty-two (22) dollars per week for a maximum period of not less than 26 weeks for any one period of total disability due to nonoccupational sickness or accident not compensable under workmen's compensation or similar acts.

81. *No Differentials in Benefit Amounts Because of Earnings or Age; 13 Weeks' Maximum Annually for Disability After Age 60*

There shall be no discrimination with respect to the benefits paid hereunder [sickness and accident insurance] by reason of earnings or age of any employee except that in the case of employees of sixty (60) years of age and over benefit

² From a descriptive booklet or related material.

⁵ Waiting period and duration of benefits are frequently specified in the employee booklets given to participating employees although, as in this agreement, they are not mentioned in the contract.

payments may be limited to a total of thirteen (13) weeks in any consecutive twelve (12) month period.

82. Noncontributory: Weekly Benefit Varying by Wage Bracket

Weekly accident and sickness benefit (reduced by Rhode Island cash sickness benefits)

<i>Employee's average weekly earnings</i>	<i>Weekly benefits</i>
Under \$30.....	\$15
\$30 but less than \$36.....	18
\$36 and over.....	21

83. Weekly Benefits Varying by Wage Bracket; Number of Disability Periods Compensated Unlimited, Provided 2 Weeks Worked Between Periods of Disability

The company agrees to purchase health and accident insurance covering all regular employees which will pay the respective benefits listed below:

<i>Weekly wage scale</i>	<i>Weekly health and accident benefit</i>
\$40 but less than \$60.....	\$20
\$60 but less than \$80.....	30

Subject to its usual rules, the insurance company will pay a weekly benefit while such employees are disabled and prevented from work as a result of a nonoccupational accident or a disease for which benefits are not payable under the Workmen's Compensation Law.

The weekly benefit will commence on the first day of disability resulting from accident or on the eighth day of disability resulting from such disease. Benefits are payable for a maximum period of thirteen (13) weeks for any one disability. However, the employee will again be eligible for this coverage if he returns to active work and completes two (2) weeks of continuous active service after a previous period of disability.

Payment will be made for as many separate and distinct periods of disability as may occur.

84. Maximum Weekly Compensation Equal to Two-Thirds of Basic Weekly Salary or \$60, Whichever Higher, for 13 Weeks. Physician's Certification of Disability Required

The association agrees that such insurance protection will provide the following minimum benefits, subject to standard insurance underwriting procedure.

(a) Compensation for disability due to nonoccupational illness to commence on the eighth consecutive calendar day of absence by the employee from the employer's plant by virtue of such illness, provided that such disability is certified to by a physician legally licensed to practice medicine.

(b) Compensation for a nonoccupational accident to commence on the first day of absence by the employee from the employer's organization, provided that such absence is certified to be as a result of such nonoccupational accident by a physician legally licensed to practice medicine.

(c) Compensation to continue during each sickness or accident disability period for a maximum of 13 weeks.

(d) Compensation to be based on an employee's base salary for 40 hours of work, and will not exceed in any instance 66 $\frac{2}{3}$ percent of such base salary, and in no instance will sickness or disability compensation exceed \$60 per week regardless of an employee's basic weekly salary.

85. *Benefits Paid for 52 Weeks Based on 60 Percent of Average Pay; Maximum Weekly Benefit, \$40*²

You receive a weekly cash benefit as indicated in your certificate of insurance. The amount of benefit is approximately equal to 60 percent of your average salary or wages not exceeding \$40 per week—for as long as your total disability continues—up to 52 weeks.

86. *Monthly Accident Benefit for 5 Years*²

Under the accident part of your policy, it pays from the first day of disability up to 5 years so long as you are unable to work.

NOTE.—Sick benefits are payable for 1 month of nonconfining illness and 9 months' confinement to the house.

87. *Benefit Amount Varies by Sex*²

The amount of accident and sickness benefits is \$12 per week for a man, or \$8 per week for a woman. These weekly payments will be made while you are unable to work because of an accident or sickness that is not covered by the workmen's compensation laws.

88. *Relief Fund for Sickness and Accident Not Covered by Workmen's Compensation Payments Vary With Amount in Fund*

The company agrees to contribute to a sick benefit fund on the tenth day of each calendar month during the contract period, the sum of one (1) dollar per month for each employee in the bargaining unit on the pay roll on the first of the month. This contribution shall be made by check payable to "sick benefit fund" and deposited in a bank to be agreed upon.

The fund will be administered by a committee composed of representatives of the union and the company in equal numbers. Payments from the fund will be made only by check jointly signed by two (2) representatives, one to be designated by the union and the other by the company. This fund shall be used by the committee so designated for the relief of employees who are prevented from working because of any sickness or injury not covered by the compensation act. Specific rules shall be drawn up, and may be changed from time to time, by the committee created above in accordance with the following principles: Payments shall be made from the fund toward compensation of employees for wages lost and expenses incurred upon proof satisfying the committee that the employee is prevented from working because of sickness or injury as above described. The specific amount of payments may be varied from time to time depending upon the amount of money on deposit in the bank and expected future receipts. However, at any one time payments may be varied by the committee as to individual employees based only on hardship incurred.

89. *Employer Supplements Hospital and Health Insurance Payments for Non-occupational Injury by Lump-Sum Payment for Each Period of Disability*

The company has agreed to the improved hospitalization and health insurance plan to become effective 1 month after May 25, 1948.

If an employee is injured outside of his scope of his employment and is incapacitated to such extent as to compel him to be confined to his home or to be hospitalized and if by reason of the same he receives benefits from the insurance company under the group insurance plan, such employee is to receive from the employer the sum of \$25 on the first regular pay day after his return to work in order to augment his insurance benefits.

² From a descriptive booklet or related material.

90. *Employer Compensates for Waiting Period Not Compensable Under State Workmen's Compensation Law*

In all cases of injuries, except those of acid or chemical effects,⁶ where the State compensation law requires a waiting period of 7 days before compensation is paid, the company shall pay the employee so injured, for the 7 days or part of the 7 days' waiting period, an amount equal to that which would be paid by the compensation department, provided that in cases where the injury results in loss of more than 3 weeks' time, in which event the company will not pay for loss of time as the compensation department will pay the injured employee for all the time lost as a result of injury. All such injuries must occur during the course of the employee's employment, before and in order to be entitled to compensation for the injury.

91. *Noncompensable Work-Connected Accident: Benefits Paid for First 5 Days. Compensable Accidents: Workmen's Compensation Supplemented up to Full Pay for 90 Days*

If an employee has a plant accident which causes him to lose time and for which he is not entitled to compensation he shall receive eighty (80) percent of his regular pay for the first five (5) scheduled days lost.

If an employee is involved in a plant accident for which he is entitled to compensation because of any employer's liability law or workmen's compensation act, he shall receive a sum which will bring his total income, including compensation, up to eighty (80) percent of his regular pay for each of the first five (5) scheduled days lost, ninety (90) percent for the next five (5) scheduled days lost and full pay thereafter, this adjustment to be made for not more than ninety (90) days for any one accident.

HOSPITALIZATION

Hospitalization benefits cover room and board up to a specified amount per day for a fixed number of days, plus certain hospital services. Generally, the room and board provided for refer to semi-private or ward accommodations, and the services are specified. Benefits are limited to cases which are not compensable under workmen's compensation.⁴

These benefits are provided either: (1) as a service to the employee, with payments made directly to the hospital, usually through Blue Cross⁷ or similar group-hospitalization organizations; or (2) by

⁴ See also section on Maternity Benefits, p. 34.

⁶ Employee is allowed up to 1 week's full pay for time lost by acid or chemical effects, not exceeding the number of hours in a regular workweek.

⁷ The term "Blue Cross" merely signifies approval of a plan by the Blue Cross Commission of the American Hospital Association and rarely appears in the names of the plans, which vary from locality to locality. Blue Cross plans generally provide room and board in a member hospital in a semiprivate room or ward, according to the amount of premium paid. Benefits as stipulated are usually payable for a period of at least 21 to 30 days a year and partial benefits for an additional 50 to 180-day period. In some plans, a uniform amount is payable throughout the benefit period, which ranges as high as 120 days. Maternity benefits are payable on a restricted basis, with an eligibility waiting period of from 6 to 12 months. Coverage of dependents is at the option of the employee, if the employer does not pay the full cost, and is usually identical in amount to that of the employee. Types and extent of incidental hospital services and supplies included vary with the plan. Cash allowances, differing from plan to plan in amount and duration are paid to employees for emergency hospitalization in nonmember institutions.

direct cash reimbursement to the employee for his expenses, through some form of commercial group insurance. In both cases, the amount of the benefit is limited and the employee is responsible for costs in excess of the stipulated maximum benefits. Under commercial group insurance, the number of days of hospitalization commonly is limited for any one disability but not for the year; under most Blue Cross plans, the limit is on an annual basis.

Hospitalization benefits are usually the same for all participants; some plans, however, vary the daily rate, according to the earnings or occupational classification of the employee. Payments usually range from \$4 to \$7 a day for 31 days for any one hospitalization period, although greater amounts and longer maximum periods are sometimes provided. Under some plans, no benefits are paid for hospitalization lasting less than, for example, 18 consecutive hours; in others, benefits are paid after only 6 hours or even less in surgical or emergency cases. Benefits are frequently restricted (and sometimes excluded) if hospitalization is due to pregnancy.

Hospitalization Service

92. Hospitalization Benefits Under Blue Cross Plan. Seasonal and Probationary Employees Excluded

The company agrees to carry the Blue Cross Hospitalization Plan for its employees in [city] and [city]. This plan will cover for each of our regular employees hospital and surgical attention within the limits of the plan. This plan does not cover seasonal and probationary employees but only regular employees. The Blue Cross association at each place will give the employees a card or letter outlining the benefits.

93. Blue Cross Type Plan: Dependents Covered

The company agrees to purchase the Blue Cross family plan of group hospitalization insurance for all regular employees and their immediate families. This insurance will be subject to the usual rules of the Associated Hospital Service covering the Blue Cross Family Plan.

94. Blue Cross Type Plan: Dependents Covered Except Working Spouse Where No Children in Family

The employer agrees to pay the Blue Cross plan of hospitalization of the employees in his plant who are members of local —. Such payment shall be directly to the Blue Cross organization and the cost thereof shall be one (1) dollar per month for each employee who is single and two (2) dollars per month for such employee and his wife, or husband, and children, up to age 18 years. In no event shall the cost exceed two (2) dollars per month for any one employee and his immediate family, if any.

In order for employees to be eligible to be included in such group plan of hospitalization insurance, he shall have worked in the employer's plant for at least 3 months. After such eligibility is established, the employer shall enter such employee in the above plan and shall pay the cost thereof for the employee in accordance with the above.

All employees who have been in the employ of the employer for at least 3 months by November 1, 1948, shall be entered in such plan immediately after said date.

It is understood between the employer and the employees in cases where an employee's husband, or wife is working at another establishment and the employee has no children, then only the employee will be covered by such Blue Cross Hospitalization.

95. Blue Cross Type Plan: Family Coverage Optional With Employee at His Cost

The company will pay the premiums for ——— hospital and surgical service for each hourly-rated employee after his probationary period. This does not include the premium for the members of his family and provides ward service. If the employee wishes to cover his spouse and family or to have semiprivate service, the additional premium shall be paid by the employee.

Reimbursement for Hospital Expense

96. Flat Amount; Duration Not Specified

Hospital benefits (General prevailing; not less than Blue Cross)

\$60 hospital fee..... \$6 per day

97. Flat Amount; Maximum Duration 31 Days Per Disability, Minimum 18 Hours

Hospital expense benefits:

Limit.—31 days during any one continuous period of disability. \$5 daily with \$25 special benefits. (This becomes payable only if the employee is actually admitted to a regular hospital and remains there for 18 hours or longer.)

98. Hospitalization Benefit Amount Varies by Wage Bracket

Employee's weekly earnings

	\$13.50 but less than \$25	\$25 but less than \$35	\$35 but less than \$45	\$45 and over
Daily hospital expense benefits.....	\$4	\$4	\$5	\$6
Maximum special hospital fees.....	20	20	25	30

NOTE.—Weekly sickness and accident benefits under this plan also vary, greater amounts being paid to those in higher wage brackets.

99. Hospitalization and Surgical Benefits for Dependents; No Difference in Benefit Amounts Between Employees and Dependents

<i>For employees²</i>						
<i>Life insurance</i>	<i>Accidental death and dismemberment insurance</i>	<i>Weekly health and accident benefit</i>	<i>Medical expense benefit</i>	<i>Daily hospital benefit</i>	<i>Special hospital fees</i>	<i>Maximum surgical fee benefit</i>
\$2,000	\$2,000	\$21	\$2-\$3	\$6	Up to \$150	\$187.50
<i>For dependents of employees</i>						
	<i>Daily hospital benefit</i>		<i>Special hospital fees</i>		<i>Maximum surgical fee benefit</i>	
	\$6		Up to \$150		\$187.50	

100. Hospitalization and Surgical Benefits for Dependents; Dependents Receive Smaller Surgical Benefit Than Employees But Same Hospitalization Benefits

Employee coverage²

1. Weekly accident and sickness benefit.....	\$21
2. Hospital expense insurance daily benefit.....	5
Maximum additional benefits.....	100
3. Maximum surgical expense insurance.....	150

² From a descriptive booklet or related material.

Dependant coverage

4. Hospital expense insurance	
Maximum daily benefit.....	\$5
Maximum additional benefits.....	100
Maximum maternity benefits.....	50
5. Maximum surgical expense insurance.....	75

101. Amount and Duration of Hospitalization Benefits Different for Employee, Wife, Dependent Children. Ninety-one-Day Maximum Benefit for Employee

Daily benefit of \$5 for each day of hospital confinement for any one illness or injury not exceeding 91 days; plus indemnity for actual costs incurred for special charges not to exceed \$25 during any one period of hospital confinement; plus \$150 maximum surgical charges.

For the wife of the employee: Daily benefit of \$5 for each day of hospital confinement for any one illness or injury not exceeding 31 days; plus indemnity for actual costs incurred for special charges not to exceed \$25 during period of hospital confinement. For the dependent children of the employee: Daily benefit of \$4 for each day of hospital confinement for any one illness or injury not to exceed 31 days; plus indemnity for actual costs incurred for special charges not to exceed \$20 during period of hospital confinement.

102. Same Daily Benefit But Lesser Amount Paid to Dependent for Other Hospital Charges. Duration of Benefits Not Specified

Benefits for employees:

Hospitalization----- \$6 per day and a maximum of \$60 for other hospital charges.

* * * * *

Benefits for dependents of employees:

Hospitalization----- \$6 per day and a maximum of \$30 for other hospital charges.

103. Hospitalization Benefits Paid for Emergency Treatment for Nonoccupational Accident Even Though Hospital Makes No Charge; 31 Days' Maximum Per Confinement, Except for Maternity

Hospitalization benefits will be payable if an employee, or an employee's dependent, is confined in a legally constituted hospital, and if the hospital makes a charge upon the employee for board and room; provided, however, that in the case of emergency treatment for a nonoccupational accident, the benefits will be payable even though the hospital does not charge the employee for board and room. (A nonoccupational accident is one for which benefits are not payable under a workmen's compensation law.)

The plan will pay an employee the amount charged by a hospital for board and room, up to a maximum amount of six (6) dollars per day, for each day that the employee, or his dependent, is confined in the hospital as the result of a nonoccupational accident or a nonoccupational disease (defined as an accident or a disease for which benefits are not payable under any workmen's compensation or occupational disease law). The maximum amount payable for any one (1) continuous period of confinement shall be one hundred and eighty-six (186) dollars, i. e., six (6) dollars per day for thirty-one (31) days, except in cases of confinement for maternity.

104. *Cash Benefits Paid Employee Despite Coverage Under Blue Cross Type Plan*²

If you are covered under a "Blue Cross" or "Associated Hospital Plan" and your hospital bills are paid by such coverage, you may receive the cash benefits under this plan as if your bill was not so paid.

105. *Minimum Compensable Hospitalization 6 Hours*

The required minimum period of hospital confinement is 6 consecutive hours if such confinement is for emergency care following an injury or for a surgical operation; otherwise 18 consecutive hours.

SURGICAL AND MEDICAL FEES OR SERVICE

Surgical or medical benefits may also take the form either of reimbursement or service. Under medical service plans,³ an eligible employee may choose any doctor participating in the program. Under commercial insurance plans, whereby an employee receives cash reimbursement for medical or surgical treatment, the patient chooses any physician.

Under a surgical program, the benefits provided may be: (1) Cash reimbursements of a stipulated maximum for each type of operation; (2) a service which covers the particular operation, with provisions in certain circumstances for additional cash payments to the physician by the employees—the amount to be specified by the surgeon; and (3) full surgical service, irrespective of cost. Operations due to occupational accidents or illness or compensable under workmen's compensation laws are usually excluded. Surgical benefits in the event of disability due to pregnancy are sometimes excluded.

Medical benefits, contrasted with surgery, are less frequent. Medical benefits (medical society plans) may be cash or service for home, office, and hospital care, or (very often) for hospital care only. Some plans provide for additional fees if the member's earnings or income exceeds a certain limit. Under cash reimbursement programs, payments to the employees are usually up to \$3 for a home visit and \$2 for an office visit, not exceeding 50 visits per year. This compensation usually begins with the first visit or treatment in accident cases and the fourth in illness cases. As in cash surgical programs, special exclusion or restrictions often apply to medical-care benefits in the event of disability due to pregnancy.

106. *Surgical Benefits: Maximum Amounts According to "Schedule of Operations."*

Benefits Paid in Maternity Cases to Employees Insured on Date Plan Becomes Effective, But 9-Month Waiting Period Specified for New Entrants

The plan will pay an employee a surgical benefit, in the maximum amount of

² From a descriptive booklet or related material.

³ Blue Shield plans are sponsored by the medical profession for the prepayment of medical and surgical care. Blue Shield plans, which often accompany Blue Cross plans, also vary in name, generally by State rather than locality. Benefits are service, cash indemnity, or a combination of both.

one hundred and eighty (180) dollars for an operation performed on him or her as a result of a nonoccupational accident, or as the result of a nonoccupational disease (defined as one for which benefits are not payable under any workmen's compensation or occupational disease law).

The amount payable for a particular operation shall be the amount listed in a "Schedule of Operations" to be set forth in the employee's insurance policy certificate and in the master insurance policy, except that if the actual charge by the surgeon is less than the charge shown in such "Schedule of Operations," the amount payable shall be the amount actually charged by the surgeon.

Surgical benefits will be payable whether the operation is performed by the surgeon in a hospital, in his office, or elsewhere.

In the event that several operations are required by an employee during any one (1) continuous period of disability, payment will be made for each operation, except that not more than one hundred and eighty (180) dollars will be paid for all operations performed during any one (1) continuous period of disability.

Surgical benefits will be payable to insured female employees for obstetrical operations performed on them during their period of coverage and within the nine (9) months' calendar period immediately following termination of their insurance. Such obstetrical benefits will be immediately effective on all female employees who become insured on the day the plan becomes effective. Such obstetrical benefits will not become effective immediately on female employees who become insured after the day the plan becomes effective: as to them, such benefits will become effective only when the delivery or other operation occurs subsequent to the nine (9) months' calendar period immediately following the date when such female employees become initially insured.

107. Surgical Benefit, Maximum Differs for Employee and Dependent

Hospitalization benefits of \$5 per day plus \$25 for hospital fees, surgical benefits to \$150 for employee and \$75 for dependents.

108. Medical Expense Benefit: Number of Visits Per Week and Per Disability Limited; Certain Types of Treatment Excluded

Beginning with the first medical attendance in the case of accident and beginning with the fourth medical attendance in the case of sickness, three (3) dollars for each doctor's visit at the home or hospital, and two (2) dollars for medical attendance other than at hospital or home, limited however to three medical attendances in any 1 week and not more than fifty attendances as the result of any one disability. No benefits under this subsection shall be payable for dental work or treatment, nor for eye examination or the fitting of glasses, nor for X-rays, drugs, dressings or medicines, nor for medical expense incurred during disability resulting from pregnancy, which term includes resulting child-birth or miscarriage.

109. Medical Expense Benefit: 50 Visits Maximum; No Weekly Limit on Visits; No Specific Exclusion of Types of Service

Medical expense: \$2 for office and hospital visits; \$3 for home visits or elsewhere for treatment by physician starting with the first visit for nonindustrial accident cases and the fourth visit for sickness, to the extent of 50 visits.

110. Noncontributory Medical Plan: Medical Treatments, Medicines and Doctor's Fees

The [employer] agrees to continue the medical plan now in effect providing for medical treatments, medicines and fees for physicians and surgeons. Such

plan shall be maintained at the expense of the [employer] with no employee contribution for each employee covered by this agreement.

111. Surgical Benefits Not Payable for Operation Performed in a Government Hospital or Operation for Which Surgeon Makes No Charge²

Nothing in the group policy or in this certificate shall be construed to mean that benefits [surgical fees] are payable by the insurance company either with respect to an operation performed in a hospital owned or operated by the United States Government, or with respect to an operation performed by a surgeon who makes no charge that the employee is required to pay.

112. Surgical Benefits: Patient Receives Scheduled Benefit Amount Even If It Exceeds Doctor's Charge.

Full payment of each amount specified in the [benefit] schedule will be made—there is no deduction if the amount of the surgical fee is less than the amount specified in the schedule. Payments hereunder do not regulate any professional fees.

MATERNITY BENEFITS

Maternity benefits, when included in the benefit program, are usually not a special benefit. Although they usually are a part of the cash disability, hospitalization, surgical, and/or other medical care, they may be of different amount, duration, or both. In maternity cases, weekly cash payments typically cover 6 weeks and hospitalization is limited to 10, 12, or 14 days. In some plans, maternity benefits include hospital and surgical (obstetrical) aid, but exclude medical care.

A number of plans authorize no benefits for hospitalization or surgery (obstetrics) due to pregnancy existing upon entrance into the plan or when hospitalization for this purpose occurs within 9 to 12 months of such entrance. On the other hand, no restriction may be placed upon employees who become members on the date the plan goes into effect, or within 31 days thereafter. Since it is customary to assure continued coverage to employees for conditions existing at the time insurance terminates, maternity benefit payments such as hospitalization and surgical benefits are paid for maternity confinement commencing up to 9 months after insurance terminates. (Other types of benefits are usually limited to 3 months after termination of program.)

The maternity benefit restrictions apply either to female employees, to employees' wives, or both. In general, differences in duration and amount of benefits as between employee and dependent are greater and more frequent for maternity than for other illness. For example, wives of employees may be excluded but pregnant employees may be eligible to receive reduced sickness (hospital, medical, or surgical) benefits. Many instances exist, however, in which little or no differ-

² From a descriptive booklet or related material.

ence appears between employees' and dependents' benefits in type, amount, or duration, and in which a female employee is not disqualified from benefits because of absence due to pregnancy.

113. *Maternity Benefits Available to Employees' Wives*

Maternity benefits under the insurance policy will be extended to the wife of an employee.

114. *Weekly Cash Sickness and Accident Benefits for Employees Limited to 6 Weeks in Maternity Cases; Other Benefits, 13 Weeks*

Sickness and accident benefits—\$17.50 per week for both male and female employees. Maximum: 13 weeks for any one continuous period of disability. Maximum for female disability arising from one pregnancy, 6 weeks. Sickness benefit is payable from the eighth day of disability; accident benefit is payable from the first day. (These benefits cover nonoccupational accidents and diseases not already covered by workmen's compensation.)

115. *Maximum Indemnity for Employee Hospitalization Less for Maternity Than for Other Cases*

The foregoing benefits shall not apply in maternity cases. If hospital confinement is caused by pregnancy, childbirth, or miscarriage occurring while maternity coverage is in force, the plan will pay an employee the amount charged by the hospital up to a maximum payment equal to sixty (60) dollars for any one pregnancy, regardless of the number of days of confinement.

Note.—The maximum hospitalization benefit in cases other than maternity is \$6 per day for 31 days.

116. *Noncontributory: Maternity Cases Receive Hospitalization Benefits for Shorter Period Than for Other Illness and Surgical Benefits According to Schedule, But Same Special Hospital Fees as for Other Illness*

Six (\$6) dollars daily hospital benefits.

- (a) For hospitalization other than maternity cases, from the first day admitted to the hospital, and no hospitalization period shall exceed thirty-one (31) days for each disability period.
- (b) For maternity cases, from the first day admitted into the hospital and no maternity case or cases shall exceed fourteen (14) days.

Twenty-five (25) dollars for special hospital fees.

- (a) For X-rays, anaesthetics, operating room and laboratory.

Surgical fees up to one hundred fifty (150) dollars dependent upon nature of operation.

117. *Hospitalization of 31 Days for Either Employee or Dependent; for Employee's Maternity, Maximum Amount Is 14 Times the Daily Benefit Amount (Plus Miscellaneous Expenses); for Dependent, 10 Times the Daily Benefit (Including Miscellaneous Expense)*²

The benefits start with the first day you are a patient in a legally constituted hospital as a result of nonoccupational injury or sickness. You will be paid the daily benefit for each day you remain so confined in the hospital up to 31 days.

Should you receive these benefits for less than 31 days, leave the hospital and again go to a hospital because of the same injury or sickness or for some cause

² From a descriptive booklet or related material.

related to it, you will be entitled to the daily benefits while you are confined but only until you have received the balance of the 31 days' benefits.

* * * * *

When hospital confinement of an employee is due to pregnancy or resulting childbirth or complications, payment for special hospital services will be made as outlined above, but daily benefits will be limited to a maximum of 14 days. However, no benefits will be paid for such disability if the pregnancy exists on the day a female employee becomes insured, unless she becomes insured on or within 31 days after the effective date of the plan.

Benefits for the hospital confinement of one of your dependents (as defined in this announcement) which commences while you are insured on account of that dependent will be payable to you, in the amount of dependent insurance indicated in the general description of the plan, under the same conditions as benefits are payable for your own hospital confinement, except in case of pregnancy. For hospital confinement of a dependent which is due to pregnancy or resulting childbirth or complications, the maximum amount payable for both daily benefits and all special hospital services combined, is 10 times the daily benefit. These pregnancy benefits on account of employee's dependents will not be available for a pregnancy existing on the date the insurance on account of the person confined became effective.

118. Eligibility for Coverage in Maternity Benefits: 9 Months' Service for New Employees; Immediate Coverage for Present Employees. Limit on Maternity Sick Benefits

Sickness and accident.—First day accident, eighth day sickness, limit 13 weeks any one disability. Maternity limit 6 weeks benefit. Immediate coverage for present employees; new after 9 months.

Hospital expense.—\$5 daily benefit. \$50 maximum incidentals reimbursement (X-rays not excluded). All diseases covered.

Surgical.—Maternity coverage from entry into plan for all present employees; new employees, after 9 months.

119. Twelve-Months' Service Prerequisite to Participation in Maternity Benefits

The insurance benefits are not payable for disability, hospital confinement, or surgical operation resulting from pregnancy, including childbirth or miscarriage, if such disability, hospital confinement, or surgical operation occurs within 12 months after the date the employee is insured, unless the employee was on the pay roll on the date of the receipt of the approval of the National War Labor Board.

120. Nine-Month Waiting Period for Wives or Future Employee Participants; Coverage Extended for 9 Months Following Termination of Insurance

The foregoing [hospitalization benefits—employees and dependents] benefits shall not apply in maternity cases. If hospital confinement is caused by pregnancy, childbirth, or miscarriage occurring while maternity coverage is in force, the plan will pay an employee the amount charged by the hospital up to a maximum payment equal to sixty (60) dollars for any one (1) pregnancy, regardless of the number of days of confinement. Maternity coverage will become effective immediately on all female employees who become insured on the day the plan becomes operative, but will not become effective on dependent wives, or on female employees insured in the future, until nine (9) calendar months have elapsed after coverage commences for them. If the insurance should terminate for any

reason, maternity coverage will not cease until the expiration of the nine (9) calendar months' period immediately following thereafter.

NOTE.—Maximum hospitalization benefits except in cases of confinement for maternity total \$186 (\$6 per day for 31 days).

121. *Lump-Sum Payable Instead of Weekly Sickness and Hospital Benefits for Pregnancy Ending After, But Within 9 Months of, Date of Separation*²

In place of the weekly disability and hospitalization benefits, you will receive a \$50 lump-sum payment if pregnancy is ended within 9 months from the date last employed by an employer, provided on the last date employed you were eligible under the plan.

122. *Service Required for Participation in Plan Longer for Maternity Benefits Than for Other Benefits*

All new employees shall be eligible to receive all of the foregoing benefits upon completion of thirty (30) days of continuous service provided they are actively at work; if not, on their return to active work, except that such female employees will be eligible for:

(a) Maternity benefits upon completion of nine (9) months of continuous service with the employer;

(b) Benefits resulting from injury or disease of the female generative organs, or operations for such conditions, upon completion of six (6) months' continuous service with the employer.

Eligibility for Participation

EMPLOYEES

Union membership is often required, particularly in plans administered by the union or jointly by union and employer. Some agreements stipulate that union membership shall not impair the employee's benefit rights to participate in an existing plan (i. e., a plan sponsored, established, and administered by the employer), or that all employees are eligible to participate in such a plan, regardless of union membership.

Under most benefit plans, all permanent employees, or all employees in the bargaining unit, are eligible to participate. Temporary, part-time, or seasonal employees are generally excluded. If a plan is financed in part by employee contributions, participation by an eligible employee is usually voluntary.

Some plans require a minimum period of service with the employer (or in the industry, in an area- or industry-wide plan) before employees may participate. Sometimes, service requirements differ for various types of benefits. Others specify that all employees are eligible, regardless of length of service. Some agreements, however, stipulate that employees must have been on the pay roll on a specified

² From a descriptive booklet or related material.

day of the reporting month, or must have worked any part of the month in question. These provisions probably constitute a method for classifying as eligible those workers who in other contracts are described as "active" or "regular" employees. Such provisions are usually associated with industry-wide plans (negotiated with an employers' association) in which union membership is generally one of the eligibility requirements, and in industries characterized by high turn-over, seasonal fluctuations in employment, and shifts from shop to shop within the "market."

Under industry-wide programs, transfer of coverage from plant to plant may be permitted; sometimes minimum employment in the industry or a brief probationary period with a new employer is also required to reestablish eligibility. This arrangement is known to exist in some plans but it is rarely set forth in collective bargaining contracts.

Medical examinations are sometimes required. In certain plans, however, they are waived for employees who apply within a stated period after the program becomes effective or after other eligibility requirements have been met, but are required of those who postpone exercising their right to join or enter employment afterwards.

Compulsory Versus Optional Participation

123. *Contributory: Participation in Plan Is Condition of Employment*

Each individual employer shall make participation in the cost of the medical aid contract by each employee a condition of each employee's employment and each employee is to authorize his employer to deduct the difference between \$4 per month and the cost of such medical aid contract for such employee from his pay, and the employer shall pay to the person or association with whom said contract is entered into the cost thereof, consisting of not to exceed \$4 per month contributed by the employer and the balance above \$4 per month contributed by the employee through a pay deduction as aforesaid. It is understood that the obligations for said medical coverage up to \$4 per month shall be that of the employer member of the association in each instance and not of the association itself.

124. *Contributory Plan: Participation Optional With Employee*

It is agreed that employees shall be given the opportunity to enroll voluntarily in a plan of group insurance covering life insurance, insurance for death or dismemberment by accidental means (nonoccupational), and weekly sickness and accident insurance (nonoccupational) which will be administered by the company in accordance with a contract issued by the ——— Life Insurance company—as specifically outlined to all employees in the announcement booklet entitled "Group Insurance for Our Employees"—and the premiums for which will be paid on a joint contributory basis.

125. *Contributory: Participation Not To Be Made Condition of Employment*

No operator, as a condition of employment will be required to carry any group insurance plan that may be in force or adopted by the company.

126. *Contributory Plan: Employee Must Sign Waiver if He Does Not Wish To Be Covered*²

Group life insurance is available to all employees immediately after three (3) months' service at which time no medical examination is required.

This insurance is contributory, payments being shared by the company and the employee.

Any employee who, when eligible, does not wish to subscribe to this insurance is required to sign a waiver. If, at a later date, he decided to participate, he shall be subject to a medical examination at his own expense.

127. *Noncontributory: No Obligation To Join Insurance or Welfare Associations*

Employees shall not be compelled to join insurance or welfare associations.

Specific Eligibility Requirements—Contributory Plans

128. *All Employees Eligible*

The present comprehensive group insurance plan, with improvements, schedule of which is herein reproduced, shall be continued during the life of this agreement and shall be made available to all employees after the third month of employment or reemployment, at a total cost to the employee for his own coverage of one dollar and fifty cents (\$1.50) per month.

129. *Permanent Employees With 6 Months' Service*

The employer agrees on a basis of division of cost equally between the employer and each employee to provide the health insurance plan of Greater New York for the employees covered by this contract. This applies to permanent employees who have been on the staff not less than 6 months and is not to be considered as compulsory on the part of the employee.

130. *Employee Covered for Any Month in Which He Works 40 Hours*

It is understood and agreed that the company will make the above outlined contribution of seventy-two (72) cents per week toward insurance for only those employees participating. It is further understood and agreed that with respect to any participating employee who is paid for forty (40) or more hours of work in any one (1) calendar month, the company and the participating employee will each pay their full premium share for that month.

131. *Insurance Automatically Reinstated on Thirty-First Day Following Re-employment of Employee Rehired Within 180 Days of Termination or Lay-Off*

If a former employee is rehired, who was eligible for insurance coverage at the time of the termination of his employment, within 180 days from the date when his most recent employment with the company was terminated, or within 180 days of the lay-off, it is agreed that the group sickness and accident insurance will become automatically effective and in full force on the thirty-first calendar day after reemployment of such employee.

Specific Eligibility Requirements—Noncontributory Plans

132. *Regular Employees Covered by the Agreement*

Regular employees covered by this agreement shall be eligible for participation in the company's group insurance and group hospitalization and surgical benefit

² From a descriptive booklet or related material.

plans in accordance with the company's prevailing policy with respect to all employees.

133. All Employees to Whom Contract Applies

It is agreed that the existing straight hospitalization plan (Blue Cross), which now covers some of the employees shall be immediately extended to cover all of the employees to whom this contract is applicable, and it is further agreed that the entire cost of said straight hospitalization plan covering all of said employees shall be borne entirely by the company.

The term "employee" as used herein shall mean all persons employed in the plant of the company, except plant protection employees, foremen and office force.

134. All Active Employees With 90 Days' Seniority; Laid-Off Employees Excluded

The insurance will apply to all active (not laid off) employees who have ninety (90) days seniority.

135. Full-Time Employees: 6-Months' Service for Life Insurance Benefits; 1 Year's Service for Other Benefits

The employer agrees to procure and maintain in force during the life of this agreement insurance providing the following benefits for its full time employees:

* * * * *

Employees shall be eligible for benefits hereunder for accidental death and dismemberment, sickness and accident, hospitalization, surgery and medical visitation, only if they have been continuously employed by the company for 1 year prior thereto.

NOTE.—Life insurance benefits are geared to length of service; the minimum period of service is 6 months.

136. Association Agreement: Eligibility Requirements for Present, Laid-Off, and New Employees

The following workers shall be eligible for coverage under the insurance plan:

(a) All production workers on an employer's pay roll as of the first day of the reporting month.

(b) Laid-off employees shall be reported and premiums paid for a period not exceeding 2 months.

(c) New workers not previously employed in a shop covered by this insurance plan shall not be covered until the first day of the month following his employment.

137. Present Employees—Eligible To Participate as of Date Policy Is Issued; Future Employees—Eligible After Working 2 Days Per Week for 13 Consecutive Weeks

The association agrees that such insurance coverage will be purchased for all such members of ——— union No. —, employed in the pressroom and on the pay roll of employers comprising the membership of the association as of the effective date of this instrument who are still in the employ of members of the association at the time of the issuance of the policies.

All future employees not on the pay roll of the employers comprising this association as of [effective date of agreement] shall be eligible for participation in the sickness and accident disability insurance coverage hereinafter set forth,

after having been employed by members of the association for a minimum of 2 days each week for a period of 13 consecutive weeks.

138. *Minimum Work Requirements for Present and Future Employees*

The association agrees that such insurance coverage will be purchased for all such members of [union] who have worked for a period of 115 8-hour days in the 6 calendar months immediately preceding the effective date of this agreement in the bindery and on the pay roll of employers comprising the membership of the association, and who are still in the employ of members of the association at the time of the issuance of the policies.

All future employees not on the pay roll of the employers comprising this association as of July 1, 1947, shall be eligible for participation in the sickness and accident disability insurance coverage hereinafter set forth after having been employed by members of the association and worked for a period of 115 8-hour days in the 6 calendar months immediately following employment. Employees to maintain sick leave eligibility, must, at the beginning of each calendar month, have worked at least 115 8-hour days in the immediately preceding 6 calendar months.

139. *Thirty-Day Probationary Period Required of New Employees or Nonunion Members or Employees Quitting Their Job*

New employees who have not worked in the industry or who have not been members of the union for a period of thirty (30) days shall be required to pass a probationary period of thirty (30) days before becoming eligible for any of the social security benefits under the ——— union insurance program.

The employer shall not be required to carry the insurance for any employee who has quit his job. An employee who has quit his job shall be required to pass a probationary period of not more than thirty (30) days before his new employer shall be required to place him on the list of those employees securing benefits under the ——— union insurance program.

140. *Union Membership in Good Standing Required*

Only employees of a contributing employer in the city of St. Louis regardless of local affiliation who are in good standing in the union shall be eligible to receive benefits from the fund. Membership in good standing shall remain a continuing qualification for the enjoyment of benefits.

NOTE.—This is a union-shop agreement.

141. *Seasonal and Probationary Employees Excluded*

This [Blue Cross Hospitalization] plan will cover for each of our regular employees hospital and surgical attention within the limits of the plan. This plan does not cover seasonal and probationary employees but only regular employees.

142. *Immediate Maternity Coverage for Present Female Employees; Dependent Wives and Future Insured Employees Must Wait 9 Months*

Maternity coverage will become effective immediately on all female employees who become insured on the day the plan becomes operative, but will not become effective on dependent wives, or on female employees insured in the future until nine (9) calendar months have elapsed after coverage commences for them.

If the insurance should terminate for any reason, maternity coverage will not cease until the expiration of the nine (9) calendar months' period immediately following thereafter.

143. *Employees Otherwise Eligible Exempted from Medical Examination*

Full-time hourly paid employees of the company who become eligible for the group hospitalization and surgical benefits furnished by the plan will not be required to take a medical examination as a condition of eligibility.

NOTE.—All full-time hourly paid employees with 3 months of continuous service are eligible to participate in the insurance program.

144. *Union To Obtain Insurance for Workers Unable To Qualify, Provided Cost Does Not Exceed 5 Percent of Usual Insurance Cost*

If for any reason, any worker is ineligible under the ordinary rules and regulations of the larger insurance companies writing group insurance or hospitalization plans for either of them, or in the event such insurance companies refuse to write the insurance provided herein, then and in that event, the employer shall call upon the union to furnish an insurance company that will provide the insurance that the employer has been unable to obtain, at a cost not exceeding 5 percent above the usual cost for group insurance and group hospitalization plans for similar groups in the industry and area. In such event, the employer shall not be liable until such insurance company is furnished.

145. *Union Has Sole Right To Make Rules and Regulations for Coverage Eligibility*

The union shall have the exclusive right to adopt and promulgate rules and regulations with respect to eligibility for insurance benefits and to determine the period of membership in good standing in the union which shall be a prerequisite for eligibility to benefits, subject to provisions contained in this agreement.

DEPENDENTS

Dependents are automatically eligible for certain benefits (hospitalization, surgical, and/or other medical care) in some plans, and in others only at the employee's option and provided he makes a financial contribution. Many plans make no provision for dependents' coverage.

Some employers pay the entire cost of family coverage; often the employee pays the full premium for such coverage, or makes a partial contribution, and the employer pays the balance.

Dependents may be entitled to either hospital, surgical, or medical benefits or to all of them. In a contributory plan, the worker may have the right to cover his family for one or more of these specific benefits, although under some plans he must subscribe to the entire program. Under some plans, coverage is extended to dependents only if a specified percentage of employees with dependents elect to do so.

The amounts and duration of benefits frequently are less for the dependents than for the employee for the same type of benefit, although in many cases the benefits are identical. The term "dependent" may or may not be defined; it usually includes the wife and unmarried minor children (between certain ages) of an employee.

Employees' and Dependents' Benefits Provided at Employer's Expense

146. *Hospital and Surgical Benefits to Defined Dependents at Employer's Expense*

The employer further agrees to extend coverage for daily hospital benefits, miscellaneous hospital benefits, and surgical expense benefits to the following dependents of employees:

(a) Male employee: Wife and unmarried children between the ages of two (2) weeks and eighteen (18) years.

(b) Female employee: Unmarried children between the ages of two (2) weeks and eighteen (18) years.

The word "dependent" in this article shall not include any individual who is insured as an employee by the employer.

147. *Dependents Automatically Covered for Hospitalization and Surgical Benefits, Subject to Limitations of Blue Cross Contracts*

The company will make available, and pay the expenses of, insurance for its employees as a group, covering hospitalization, surgical benefits, including maternity, on standard Blue Cross contracts. In the case of single employees, the coverage will be on an individual basis, and in the case of married employees the coverage will be on the family basis, and coverage in each case will be to the extent of and within the limitations of the standard forms of Blue Cross contract. In the event of any change in status during the contract year, the employee shall notify the company of such change.

148. *Dependents Automatically Covered at Employer's Expense*

The company further agrees to furnish and pay for insurance to the dependents of the employees of the company as per agreement with the union.

NOTE.—The types of benefits provided dependents is not specified.

149. *No Medical Examination for Dependents' Hospitalization Coverage if Enrolled Within 31 Days After Dependents Become Eligible for Coverage*

Dependents of eligible full-time hourly paid employees of the company will be eligible for the hospitalization benefits furnished by the plan. For male employees, "dependents" shall include a wife and unmarried children between the ages of fourteen (14) days and nineteen (19) years. For female employees, "dependents" shall include unmarried children between the ages of fourteen (14) days and nineteen (19) years.

Eligibility of employees' dependents will not be subject to prior medical examination of such dependents as a condition of eligibility; provided, however, that an employee with eligible dependents shall make application to the company to have such dependents covered under the plan not later than thirty-one (31) calendar days after such dependents become eligible for coverage. If no application is made to the company by an employee for such purpose, and within such thirty-one (31) calendar day period, the employee will be required to furnish, at his or her expense, satisfactory evidence of the insurability of such dependents before they shall become eligible for the hospitalization benefits furnished by the plan.

NOTE.—Surgical benefits are provided employees under the plan, but not to their dependents.

150. *Family of Married Man Covered; "Family" Not Defined*

The employer agrees to provide for all employees during the term of this contract the medical, surgical, obstetrical plan now in force with the [insurance

company], including coverage for the family of married employees as therein provided.

Employees' Benefits Financed Solely by Employer; Employee Contributes for His Dependents

151. *Employee Pays Cost of Dependents' Hospitalization Benefits; Employer Pays Cost of Employee Benefits*

The cost of the group insurance coverages which have been previously installed, in accord with the parties' agreement dated as of November 15, 1945, and as amended April 1, 1947, through the ——— insurance company and the Blue Cross, or their equivalent, will during the term of this contract be borne entirely by the company for eligible employees only. Those employees who wish hospitalization coverage for other members of their family not employed by the company may carry it by authorizing the company to deduct the extra cost from their earnings.

152. *Blue Cross Coverage for Dependents at Employee's Option and Cost*

The company agrees to purchase for each employee, after 3 months' continuous employment, individual membership in the associated Hospital Service of Philadelphia (Blue Cross). Additional membership for family members are to be purchased by the employee and may be done so as heretofore by pay-roll deduction.

153. *Employee Is Covered Automatically (and Without Charge), but Dependents Only by Employee's Option*

The employer will also arrange for the Blue Cross and Medical Service Association to make available to employees, at their expense, hospital expense benefits for their dependents, for such daily amount as specified for the employee, and will make such pay-roll deductions for this purpose as such employees may direct be turned over to the associations.

NOTE.—The employer, at his own expense, provides hospital and surgical benefits to employees.

154. *Dependents Covered Provided 75 Percent of Employees With Dependents Elect To Participate and Pay Specified Amount*

Employees who desire may, at their own expense, arrange for pay-roll deductions for hospital and surgical benefits for dependents at seventy (70) cents per week per employee (45 cents per week for hospital benefits and 25 cents per week for surgical benefits), provided 75 percent of all employees with eligible dependents shall elect to participate and authorize the company to make pay-roll deductions. The term "dependents" as used herein shall mean a wife and unmarried children over three (3) months and under eighteen (18) years of age.

Employees' Benefits Jointly Financed; Dependents' Benefits Financed Solely by Employer

155. *Contributory: Dependents Covered by Hospitalization at Employer's Expense*

The company agrees to extend at its cost its present employee hospitalization benefit plan to cover the eligible dependents of those employees who are or who may become participants in the plan. All other provisions of the company's present employee hospitalization benefit plan relating to coverage and to division of costs thereof between the company and the employees shall remain unchanged.

Under the extended coverage provisions of this plan, "employees' eligible dependents" shall mean the wives and unmarried children between ages of fourteen (14) days and nineteen (19) years.

Both Employees' and Dependents' Benefits Jointly Financed

156. *Employer Contributes Smaller Proportion of Cost for Family Coverage Than for Employee Coverage*

The company agrees to participate in a group hospitalization and surgical benefit insurance plan for employee. A mutually satisfactory insurance company shall be selected, and the company will pay 60 percent of the premium for each individual employee's insurance and 40 percent on family coverage—balance to be paid by the employee. This section will be effective only if 75 percent of the eligible employees included in the bargaining unit participate. The company reserves the right to extend the benefits of such insurance upon the same terms to employees of the company, not members of the bargaining unit.

157. *Employees Must Cover All Dependents or None; Husband of Employee Excluded In Defining Dependents*²

For male employees, dependents include only the wife and unmarried children between the ages of 14 days and 19 years. For female employees, dependents include only the unmarried children between the ages of 14 days and 19 years. (Husbands cannot be insured as dependents.) Employees who elect to insure their dependents must include all eligible dependents.

158. *Employee Option of Including Benefits But May Not Cover Dependents Without Participating Himself*²

If you have a dependent or dependents (as defined) you may enroll for personal insurance only or for personal and dependent insurance. However, you may not enroll for dependent insurance without enrolling for personal insurance. If you enroll for dependent insurance, all of your dependents (as defined) will be included.

159. *Employee With Dependents Must Subscribe for Dependents' Benefits if He Subscribes Himself*²

Your eligible dependents may be included in the plan only if you become insured under the plan. * * *. If you have eligible dependents you must subscribe for dependent benefits.

160. *Dependents Employed by Company or Living Outside Canada and United States Excluded From Coverage*²

The term "dependent" includes only (1) the employee's wife and (2) the unmarried children over 14 days and under 19 years of age of a male employee or of a widowed female employee. However, any such person who is an employee of the company, or who resides outside the United States and Canada, is not included in the term "dependent."

NOTE.—This agreement covers a Detroit plant.

161. *Dependents Include Spouse and Unmarried Children Living With Employee Except if Disabled and Confined at Time of Application*²

The following persons living with you at your place of residence are eligible to coverage as dependents provided they are not disabled and confined indoors

² From a descriptive booklet or related material.

at the time of application: (1) Spouse (husband or wife), (2) all unmarried children under 19 years but over 3 months of age. You should enroll for coverage for your eligible dependents when you enroll for yourself. Employees who have no eligible dependents when they enroll originally, upon acquiring dependents should enroll for coverage for them immediately with the personnel department or manager.

162. "Dependent Children" Defined To Include Stepchildren and Foster Children Regardless of Adoption

Under terms of this policy all adopted or all step and foster children not legally adopted but entirely dependent upon the employee shall be considered as the employee's children.

163. Dependents Include Totally Disabled Husband of Employee²

For purposes of this plan, dependents include your wife and unmarried children over 3 months but under 18 years of age who are not eligible for the plan as an employee. Totally disabled husbands of female employees may also be included as dependents after they have been wholly dependent upon the employee for maintenance and support for 3 months. By the payment of the weekly premium an employee insures all such dependents regardless of the number.

164. Employee's Husband Excluded From Hospital Plan²

All of the protection offered to the men is also available to the women, except that they cannot include their husbands in the family hospital plan. They can include their children.

165. Wife and/or Children Eligible Under the Plan as Employees Are Excluded From Dependents' Benefits²

This does not apply to a wife or any child who is eligible under the plan as an employee.

166. Dependents Excluded Because of Disability at Time of Election²

Dependents who are confined to a hospital at the time they are otherwise eligible cannot be included under the plan until termination of confinement.

167. Amount of Employee Contributions Geared to Earnings, and by Number of Dependents if Dependents Covered. Company Pays Balance of Cost

Class	Employee's monthly contribution ²		
	Employee without dependents	Employee with one dependent	Employee with two or more dependents
1-----	\$1. 30	\$2. 13	\$2. 67
2-----	1. 60	2. 43	2. 97
3-----	1. 90	2. 73	3. 27
4-----	2. 50	3. 33	3. 87

Your contribution toward the cost of this insurance will be deducted monthly from your pay check. The entire balance of the cost will be paid by your company.

The insurance company cannot accept applications for amounts of insurance other than those to which you are entitled in accordance with this schedule.

NOTE.—Although benefit amounts are listed by "base monthly earnings," only the amount of life insurance varies; the other benefits are uniform in amount.

² From a descriptive booklet or related material.

Financing the Plan

Financing is either: (1) by contributions by the employer into a (union) trust fund—the fund providing the benefits; (2) by joint employer and employee contributions—the employer providing the benefits; (3) entirely by the employer, who provides the benefits; and (4) by a combination arrangement, whereby the employer pays the full cost of certain benefits and the workers share in the cost of others—the employer providing the benefits.

A number of plans stipulate that employer or jointly financed benefits may be supplemented by others if the participant so desires, but that the cost of such extra benefits is to be borne by the employee. Prominent among arrangements of this type are dependents' benefits.

NONCONTRIBUTORY PLANS

Many health and insurance programs under collective bargaining are entirely employer-financed through purchase of insurance or by contributions to a fund from which the costs of benefits are defrayed. In a number of such instances, the employer's contribution provides benefits to his employees' dependents as well, although, in general, employees are required to pay for benefits for their dependents.

Cost to the employer is sometimes stated as a flat weekly, monthly, or annual amount for each covered worker; a stipulated contribution for each hour worked by the employees; a lump sum; or a certain percentage of the employer's pay roll. In the miners' plan, the employers contribute 20 cents per ton of coal "produced for use or for sale." Even when cost is not mentioned, it may have been fixed by specifying a Blue Cross or Blue Shield plan, or in another way approximated by specifying certain types and amounts of benefits.

Where part of the employer's work is done by contractors not covered by an agreement with comparable benefits, the employer is sometimes responsible for making contributions for employees of his contractor, as well as for his own employees.

The percentage contribution by the employer applies to total pay roll in some agreements; in others, the base for calculating the percentage contributions is carefully defined. The term "wages" may include or exclude tax deductions, pay-roll deductions, overtime, bonuses, or vacation pay. The "employee group" is often a limiting factor; the percentage contribution by the employer is based on wages of production workers, union members, workers covered by the agreement, or employees of the employer and his contractors. If employee earnings are the base of calculation, gross earnings are usually specified, emphasized by such phrases as "prior to pay-roll deductions" or

“prior to payment of employer contributions to the fund.” Occasionally a statement appears that the employer’s contributions to the fund are in addition to wages due to workers and are not to be deemed as wages. At least one plan, however, is known to provide for reopening the wage rate clause of the contract if the proposed benefit plan is found to be impractical. Another provides for a possible reduction in the wage scale if the proposed plan is established.

Based on Percent of Pay Roll

168. *Five and One-Half Percent of Total Weekly Pay Roll*

It is hereby agreed that the employer commencing with the week beginning April 28, 1947, and weekly thereafter, will pay to the union an amount equal to five and one-half (5½) percent of its total weekly pay roll of the earnings of the workers covered by this agreement. The sum thus received by the union will be applied by it toward a health, welfare, and vacation fund for the members of the union employed by the employer.

It is agreed that the employer, by making such payments to the health, welfare, and vacation fund shall not be required to make any additional payments to employees for vacation or any other welfare purposes.

It is agreed that neither the employer nor any individual employee shall have any right, title, interest or claim against the employer’s contribution toward said fund or against said fund. The administration of this fund shall be solely under the supervision of the union in accordance with the rules and regulations adopted by it.

169. *Percent of “Gross Wages Earned” by Employee Members of Union*

Now, therefore, the employer hereby agrees to forward to the ——— international union social security department, [location] each and every month, in advance, between the first and fifth day of every month, a sum equaling three (3) percent of the gross wages earned by his employee-members of this union for transmittal to the insurance carrier(s). The said sum of three (3) percent shall be calculated on the basis of the total aggregate wages received by said employee members during the preceding calendar month.

170. *Percent of Gross Earnings of Union Employees. Gross Earnings Include Cost of Living Bonus, Overtime, Holiday Pay, But Not Vacation Pay*

Commencing with the first pay-roll week following the vacation period of July 1946, employer shall pay into the industry health fund three-fourths of one ($\frac{3}{4}$ of 1) percent of the gross earnings of all of union employees who are members of the Philadelphia Joint Board. These earnings will include the cost of living bonus, overtime, if any, as well as holidays with pay, but will not include any vacation payments.

171. *Percent of Total Covered Weekly Pay Roll, Including Overtime*

Each employer, member of the association, agrees:

(a) To pay weekly to the ——— union, local —, four (4) percent of its total weekly pay roll, including overtime, of all its employees covered by this agreement (except cutters) towards the vacation, health, and welfare fund established and maintained by said union for various benefits of its members.

(b) To pay weekly to the ——— cutters union, local —, four (4) percent of its total weekly pay roll, including overtime, of all its cutters towards a vacation,

health, and welfare fund established and maintained or to be established and maintained by said union for various benefits of its members.

172. Percent of Weekly Pay Roll, Excluding Overtime

Each of the employers shall pay each month, as hereinafter provided, for the benefit of each of its production employees, a sum not to exceed $3\frac{1}{4}$ percent of the regular 35-hour weekly pay roll of the said employees for $4\frac{1}{2}$ weeks. No overtime shall be included in the computation of the weekly pay roll.

173. Percent of Pay Roll, Excluding Vacation Pay, Vacation Bonus, and Servicemen's Bonus

The company agrees during the term of this contract to make an expenditure of a sum equal to 2 percent of the pay roll of the employees involved for the purpose of providing certain insurance and other benefits for each full-time employee as hereinafter set out.

In determining the pay roll upon which the 2 percent above referred to is to be calculated, vacation pay, vacation bonus, and servicemen's bonus shall be excluded.

174. Percent of Weekly Wages (Before Deductions for Taxes) of Inside Workers and Employees of His Contractors

Each member of the association shall continue to be obligated until March 30, 1947, to pay to the joint board of ——— Union of Greater New York for the health and welfare fund a sum equal to $3\frac{1}{2}$ percent of the weekly wages (before deductions for taxes) of all of the workers covered by this agreement employed in his inside shop, if he maintains one, and in the shops of his contractors, except cutters.

Beginning with March 31, 1947, the amount of the aforesaid payments shall be increased to $4\frac{1}{2}$ percent, the additional 1 percent to be allocated towards the payment of retirement benefits, and each member of the association shall be obligated to pay the same to the joint board of ——— Union of Greater New York for the health and welfare fund.

175. Cost of Living Adjustments Excluded in Determining Employer Contributions

The cost of living adjustment granted by this supplemental agreement and the cost of living adjustment heretofore granted November 4, 1946, shall be exempt from the manufacturer's contribution to the amalgamated insurance and retirement funds.

176. Employer Contributes Percent of Gross Pay Roll of Workers Employed by Exclusive Contractors in City and Percent of "Bill" of Contractors Outside City

It is hereby agreed that all employers, members of the association, will pay weekly to the union the sums hereinafter referred to, which sums are to be used by the union for the said health insurance fund. No employer shall have any right, title, or interest in said fund or the administration thereof; neither shall any individual employee have any right, title, interest, or claim against said fund, or contribution thereto, except as may be provided by the bylaws of the union. The payments are as follows:

(a) Four and one-half ($4\frac{1}{2}$) percent weekly of their gross pay roll for the workers covered by this agreement, and four and one-half ($4\frac{1}{2}$) percent of the gross pay roll of the workers covered by this agreement employed by their exclusive contractors in the city of ———.

(b) Three and three-eighths ($3\frac{3}{8}$) percent of the entire bill of contractors (not merely pay roll of contractors), who are either employed by them outside

of the city of _____ or who are not their exclusive contractors in the city of _____.

177. *Two Percent of Total Labor Cost of Products Manufactured by Employer or for His Account. "Labor Cost" Defined. Payments Made Quarterly to Union Fund*

The employer shall pay, on the tenth day following the end of each calendar quarter year during the term of this agreement, to the benefit fund committee of the union, established pursuant to the constitution of the benefit fund of the union, adopted April 27, 1940, and as subsequently amended, 2 percent of the total labor cost of all garments manufactured by him or for his account during the preceding calendar quarter year. The term "labor cost" as used in this paragraph means the wages due to all employees of the employer, including union, nonunion, permanent and temporary employees employed by him in inside shops and engaged in occupations enumerated in clause _____, plus 2 percent of 80 per cent of the amounts paid by or owing from the employer to any and all contract shops whatever on bills for work done for the employer, including all work done by union, nonunion, permanent, or temporary employees in contract shops, except the term "labor cost" shall not include accessories as defined and enumerated in paragraph 7 (b) ⁹ hereof. The fund herein referred to is the one commonly known as the "sick benefit fund" of the union.

178. *If Net Cost After Dividends Is Less Than 2 Percent of Pay Roll, Difference Used To Purchase Additional Benefits*

If the net cost after dividends of such insurance for the eligible employees is less than 2 percent of the total pay roll of the eligible employees during the period subsequent to March 1, 1946, the difference will be used for the purchase of additional benefits to be mutually agreed upon. Any amounts required by law to be paid by the employer for similar insurance benefits will be deducted from the amount to which it is obligated hereunder and the insurance provided for herein modified accordingly.

179. *Union May Temporarily Reduce or Waive Percentage of Pay Roll Required of Employer if Fund Shows Surplus Exceeding Reasonable Needs*

Should the insurance fund acquire a surplus in excess of the reasonable and adequate needs to carry out the purposes of this fund and its administration as well as to maintain suitable reserves, the union may reduce or waive for temporary periods the percentage of the pay roll which the employer is required to pay hereunder, the original percentage is to be restored, however, if it shall be determined by the union that the need therefor has arisen.

Flat Amount

180. *Flat Amount Per Hour for Each Hour Worked by Employees Covered by Agreement*

Commencing with June 1, 1948, the corporation will set aside in a fund the sum of 5 cents per hour for each hour actually worked by any employee covered by the agreement between the parties dated June 23, 1947, to be used for the purposes of providing hospitalization, sick and accident benefits, prepaid medical service, and life insurance.

⁹ Accessories include composition belts, hats, embroideries, tucking, etc.

181. Flat Weekly Amount Per Employee

The employer will pay monthly, within ten (10) days after the expiration of any calendar month, to the ——— employees trust fund, which shall be administered and the principal and income whereof shall be used as hereinafter provided, the sum of \$1.75 per employee per week.

182. Specified Monthly Amount for Union Members in "Regular Employment," Irrespective of Days Worked Per Week

In the event that the employer shall procure the aforesaid insurance in group form either by a policy covering 50 or more members of the union employed by him or by membership in a bona fide trade association, whose members are under collective agreement with the union, then and in that event the employer shall pay each month as hereinafter provided for the account and benefit of each of the union members in his regular employ the sum of \$7 to the trustees hereinafter named. (A regular employee is one regularly on the employer's pay roll irrespective of the number of days worked per week.)

NOTE.—This agreement provides that the employer shall employ none but union members in good standing.

183. Cost Limited to Over-all Cost of 2 Cents Per Man-Hour or Specified Amount Per Month Per Man, Whichever is Greater

It is further agreed that the costs of such insurance for all the employees covered by this agreement will be paid for by the corporation, said cost being limited to an over-all cost of two (2) cents per man-hour, but shall be in addition to corporation-paid insurance costs at the present time. The total hours to be applied to this cost of two (2) cents shall be the average number of hours worked at the plants for the past 6 months, or three dollars and forty-six cents (\$3.46) per month per man, whichever is the greater.

184. Fixed Monthly Amount Per "Active Working Employee," Including Employees on Sick Leave

The present insurance plan shall be continued in operation without change until July 1, 1948. Thereafter, the company agrees to contribute the full premium of six (6) dollars per month per active working employee (including employees on sick leave) beginning July 1, 1948, for a group insurance plan for the life of the contract.

185. Employer to Contribute Flat Annual Sum to Benefit Association

The company agrees to make an annual contribution of seven thousand (7,000) dollars to the [name of company] mutual benefit association.

Other Arrangements

186. Royalty on Production

During the life of this agreement, there shall be paid into such fund by each operator signatory hereto the sum of twenty (20) cents per ton of two thousand (2,000) pounds on each ton of coal produced for use or for sale.

187. Employer to Pay Entire Premium for Specified Types and Amounts of Benefits

The company will provide and pay the cost of an employee group insurance plan which will be substantially as follows:

- (1) A death benefit of one thousand (1,000) dollars.
- (2) Sickness and accident benefits of thirteen (13) weeks at fifteen (15) dollars per week with a seven (7) day waiting period.

- (3) A hospitalization plan.
- (4) Surgical benefits of one hundred fifty (150) dollars.

The insurance will apply to all active (not laid off) employees who have ninety (90) days seniority.

188. Employer Pays Full Cost of Hospitalization if Employees Pay Full Cost of Medical-Surgical Benefits; Otherwise, Employer Pays 60 Percent of Hospitalization Cost

To provide hospital service and the medical-surgical under the New Jersey plan on the following basis :

For those employees who purchase the medical-surgical plan at their own expense, the company agrees to supply at its expense, the hospital service plan. For all others the company agrees to pay 60 percent of the hospital plan, where the employee agrees to pay the balance of 40 percent.

189. Employee and Dependents Receive Specified Benefits Without Charge; Employee Contributes for Surgical Benefits, Amount Varying With Number of Dependents

	<i>Noncontributory insurance ²</i>	
	<i>Daily hospital room and board benefits employee and dependents</i>	<i>Maximum for special hospital charges and ambulance fees employee and dependents</i>
<i>Life insurance employee only</i>	\$6	\$60
\$1,000		

The above benefits are provided without cost to you—the premiums being paid by your employer.

Contributory insurance

You may insure yourself and your eligible dependents for the surgical expense benefits by payment of the monthly premium shown below :

<i>Maximum surgical benefit, employee and dependents</i>	<i>Your monthly premium</i>	
\$150	Employee only.....	\$0.50
	Employee and wife or husband.....	1.65
	Employee, wife or husband and children.....	1.95
	Employee (without wife or husband) and children..	1.45

If you have more than one dependent eligible under the Definition of Dependents * * * and wish to insure any dependent for surgical expense benefits, you must insure them all.

190. Maximum Annual Employer Contribution Specified

The employer agrees to install a hospitalization insurance plan with the Associated Hospital Service of New York, known as the Blue Cross insurance plan, for the benefit of all of its employees who are either members of a basic crew or qualified employees, and their families, as soon as practicable. The employer shall, in no event, be required to contribute more than four thousand (4,000) dollars per annum to the cost of such a plan.

191. Employer Contributes Different Amounts for Different Groups of Workers

The parties hereto agree that the fund shall be continued, and that for the entire term of this agreement, the members of the association will, in accordance with the provisions hereof, make contributions equivalent to five and one-half (5½) percent of their gross weekly pay roll to all workers in the crafts enumerated

² From a descriptive booklet or related material.

in paragraph — of the 1940 agreement between the parties, and to three (3) percent of the gross weekly pay roll to all workers in those crafts enumerated in paragraph — of this agreement, whether such workers are employed in an inside shop of a member of the association or in the shops of contractors for members of the association. By the phrases "gross weekly pay roll" and "total gross pay roll" is meant, and the terms are hereby defined to be, the total wages due and paid each week, before deductions are made therefrom for Federal and State social security and unemployment contributions and withholding taxes, to workers in the crafts enumerated in paragraph — hereof, and who are employed either in the inside shop of a member of the association, and/or in the shop of such member's contractor.

However, contributions made by the members of the association to the fund covering those crafts first recognized in this agreement, in paragraph — hereof, shall not commence until June 1, 1949.

192. *Employer To Make Maximum Specified Additional Contribution on Request of Trustees of Fund*

If the trustees of the ——— insurance fund in any month request an additional payment not in excess of $\frac{1}{4}$ of 1 percent of the employer's total weekly pay roll paid to employees covered by this agreement, the employer agrees to make such additional contribution provided he regularly contributes to the fund, and the request is not made for a month for which the employer has already made payment.

193. *Company's Contribution Increased to Specified Maximum if Hospitalization Rates Increase*

The company agrees to contribute \$2.50 per month for the medical care and hospitalization of each employee in the employ of the company 90 days or more; this money to be paid to an association selected by the company and the employees. The company further agrees that in the event of an increase in hospitalization rates to \$3.50, the company will increase its contribution to \$3 per employee, and that this shall be the limit of the company's contribution. To receive this benefit the employee must either be working or on sick leave and under the care of the hospital association selected under this clause.

194. *Industry Plan—Employer Contributions to Fund Waived if He Provides Benefits Equal to Other Employers Contributing to Fund*

The employer agrees to pay monthly to the ——— insurance fund for the duration of this agreement an amount equal to one and three-fourths ($1\frac{3}{4}$) percent of his total gross weekly pay roll paid to employees covered by this agreement unless he provides at least the same benefits for his employees covered by this agreement as are provided by the members of the ——— insurance fund.

195. *Employer's Contributions Do Not Constitute Wages*

The payments to the health, welfare, and retirement funds, as hereinabove provided, shall not constitute or be deemed wages due to the workers.

196. *Industry Fund. If Proposed Benefit Plan Proves Impractical Wage-Rate Clause of Contract May Be Reopened*

It is hereby agreed that employers signatory to this agreement shall immediately work out a program to provide the following minimum group insurance, hospitalization, surgical and medical program for employees covered by this agreement to become effective August 1, 1949.

If, after thorough investigation, it is found impractical to overcome the many problems of applying such a program on a multiple employer basis, the union shall be granted a wage rate reopening on August 1, 1949. It is understood that the provisions of Section XX shall not apply should either party reopen this agreement as provided above.

197. Wage Scale May Be Reduced if Proposed Benefit Plan Is Established

The committee of the joint trade board shall study the hospitalization and insurance plan suggested by the union and other such plans and shall report thereon to the joint trade board. Thereafter, but only if both the association and the union shall so agree on behalf of their respective members, this agreement may be amended during the term hereof to provide for a hospitalization and insurance plan and a corresponding reduction in the wage scale hereof.

198. Union Recognizes Cost of Plan to Employer and Accepts Plan in Lieu of Additional Hourly Wage Adjustment

During the period that this agreement and all of its terms and provisions are in effect, the company agrees to purchase and maintain, without cost or charge to employees who are included within the coverage of this agreement, an insurance policy or policies providing such employees with group hospitalization and surgical benefits insurance, subject to the restrictions and conditions of such insurance policy or policies and the terms and provisions of schedule 2, attached hereto [group hospitalization and surgical insurance].

The union acknowledges and agrees that the net cost to the company of the commitment assumed by it under Section 1 of this Article is one and one-half (1½) cents per hour of employment for the effective period of this agreement, expressed as a plant-wide average monetary equivalent in relation to the employees who are included within the coverage of this agreement; and the union further acknowledges and agrees that the assumption by the company of such cost shall be in lieu of any hourly wage adjustment in excess of that stated in Section 1, Article XII, title "Wages," of this agreement.

NOTE.—Section 1 of Article XII provides a general increase of 10 cents per hour for each hour worked by an employee on incentive-rated operations and 15 cents for each hour worked on unrated operations.

CONTRIBUTORY PLANS

Under some jointly financed plans, all employees who choose to participate pay uniform amounts. Under others, employee contributions are graduated according to earnings or occupational groups and benefits are proportionate. Employees who elect to provide coverage for their dependents pay additional amounts.

Employees may be required to share costs equally with the employer. In other instances, the employer bears a greater share. The respective contributions may be specifically stated, usually as a percentage of wages or the employee's contribution is stated as a definite amount and the employer is obligated to contribute the balance necessary to maintain the plan.

Costs Shared Equally

199. *Amount of Contribution Not Specified; Benefits Listed*

The company will offer to the employees a group insurance plan as follows:

	<i>Amounts</i>
Life insurance-----	\$1,000
Accident and sickness insurance (per week)-----	15
(1st day for accident; 8th day for sickness; 13 weeks benefits at \$15 per week)	

The company agrees to pay one-half of the cost of such group insurance.

200. *Cost Not To Exceed Specified Amount to Employees and Employer*

The cost of this insurance will be not more than approximately 61 cents each 2-week pay day to each employee and to the company.

201. *Equal Contributions But Employer Assumes Administrative Costs*

The company agrees to contribute toward the purchase of group insurance. The plan agreed upon shall be administered by the company and the company will assume the cost of such administration. The company will contribute seventy-two (72) cents per week per each employee participating. Each participating employee shall contribute seventy-two (72) cents per week and authorize in writing deduction of such amount from his or her wages.

Employer Contribution Greater Than Employees

202. *Two-thirds by Employer; One-third by Employee*

The parties agree to put into effect and to maintain a plan of group insurance. The cost shall be borne two-thirds ($\frac{2}{3}$) by the company and one-third ($\frac{1}{3}$) by the participating employees.

203. *Two-thirds by Employer; One-third Payment by Employee Graduated According to Weekly Earnings*

The parties agree to put into effect and to maintain a plan of group insurance. The cost shall be borne two-thirds ($\frac{2}{3}$) by the company and one-third ($\frac{1}{3}$) by the participating employees. Said plan of group insurance shall provide the following benefits:

<i>Classification</i>	<i>Life insurance</i>	<i>Accidental death and dismemberment</i>	<i>Weekly accident sickness benefits</i>	<i>Monthly cost per employee</i>
Hourly paid employees earning weekly (40 hours):				
A. Less than \$25-----	\$750	\$1,000	\$10.50	\$0.70
B. \$25 but less than \$35-----	750	1,000	14.00	.78
C. \$35 but less than \$45-----	750	1,000	17.50	.86
D. \$45 and over-----	750	1,000	21.00	.94

Compensation for nonindustrial accident to begin first day. Compensation for sickness to begin eighth day.

204. *Sixty-Forty Ratio, Maximum Monthly Premium Per Employee Specified*

The present insurance plan covering mill employees shall be continued in effect. Premiums are not to exceed \$1.20 per month for each employee. The employee will pay 40 percent of the premium and the corporation will pay 60 percent.

Fixed Employee Contribution; Employer Pays Difference

205. *Fixed Employee Contribution; Employer Pays Remainder*

The company will continue to provide insurance at low rates for employees who are eligible and who desire to take advantage thereof.

Through the ——— society of the [insurance company] in the amount of one thousand (1,000) dollars will be available at a cost of sixty (60) cents per month and nonoccupational accidental death and dismemberment insurance in the amount of one thousand (1,000) dollars will be available (up to the time an employee has attained his seventieth anniversary of his birth or until his retirement) at a cost of ten (10) cents per month making a total of seventy (70) cents per month to the employee as the company pays the balance. The above insurance will be governed by the terms and conditions of the policy.

Fixed Employer Contribution; Employee Pays Difference

206. *Fixed Employer Contributions; Union and Participating Employees Liable for Annual Deficit. Surplus and Dividends Used for Additional Coverage and/or Increased Benefits*

The company agrees to purchase in the name of the company from a reputable company as much insurance as possible from a fund created by the use of 7 cents per hour granted each employee for this purpose under the terms of the agreement; and the company further agrees that any amount not spent from this fund and any amounts received in the form of dividends from an experience rating shall be used in the next contract year for the purchase of additional coverage and/or increased benefits.

* * * * *

If the insurance at the end of the year exceeds 7 cents an hour, the union as well as the men who are participating for these benefits will be liable for the difference.

207. *Employer Pays 10 Percent of Gross Premium*

The ——— company will pay ten (10) percent of the gross premium on any of the above contracts.

NOTE.—The contracts referred to are “packages” which are offered to employees according to their family status. The benefits in each “package” include life and accidental death and dismemberment, daily hospital and “in hospital” medical expense and surgical benefits.

INSURANCE DIVIDENDS AND RATE REBATES

An employer who bears the total cost of a policy is usually allowed to retain all dividend payments or rate rebates, although in some instances dividends or refunds are used to provide additional insurance. If insurance is jointly financed, such accumulations are often passed on to employees in reduced premiums, additional benefits, etc. In one such case, the dividends are administered by a joint employer-union board; in another, dividends are prorated between the employer and employees on the basis of contributions made; and, in a third, they are used by the employer to pay the full premium for employees during incapacity from sickness or accident.

Noncontributory Plans

208. *Noncontributory Plan—Employer Retains Dividends or Refunds*

It is understood and agreed by the union and the company that any dividends or refunds paid by the insurance company with respect to insurance premiums shall belong to the company.

209. *Noncontributory Plan—Association Contract—Dividends or Refunds (Less Expenses Incurred) “Ratably Divided” Among Member Firms*

Any and all dividends or refunds received by the said trustees shall be ratably divided and promptly paid to each of the employer firms, members of the association, less any expenses which may be incurred.

210. *Noncontributory Plan—Receipt of Dividends No Reason for Employer To Increase Expenditures or Coverage*

The actual cost to the company of administering the plan shall be a charge against the 2 percent above referred to. The providing of the insurance and benefits referred to in this paragraph shall be subject to any rules or regulations of the Blue Cross or other organization or organizations providing the insurance or benefits. The company shall be under no obligation to increase its expenditure or the coverages by reason of any dividends or similar distributions which it may receive under any insurance policies taken out by it under this paragraph.

211. *Noncontributory Plan—Dividends or Refunds Used for Premium Rate Increases or Trustees’ Expenses. Surplus, if Any, Used for Additional Benefits*

Any and all dividends or refunds received by the said trustees shall be retained for the purpose of payment of any increases in rates of premium which may be required to continue the existing insurance in force for a subsequent year or years, and any surplus remaining thereafter shall be used by the trustees for the purchase of additional insurance benefits as may be approved by the union. Dividends may also be used for the payment of any expenses of the trustees which may be incurred under section — of the trust indenture heretofore executed.

Contributory Plans

212. *Contributory Plan—Employer Selects Insurer and Retains Dividends*

The employer agrees to maintain a group insurance plan under which each employee will be entitled at his option to participate to the extent as provided in the schedule of benefits hereto annexed, marked “A.”

The employer agrees to pay fifty (50) percent of the gross premiums of such group insurance and each employee who elects to participate therein shall pay his proportionate share of the fifty (50) percent of the gross premiums to be borne by all participating employees. Each participating employee’s share of the premium shall be deducted from his pay at his individual direction to the employer in writing. It is understood and agreed that all dividends on the entire group insurance shall be payable to and shall be retained by the employer. The employer shall choose the insurance company with which the group insurance is placed.

213. *Contributory Plan—Dividends Held in Trust for 1 Year; Used To Pay Full Premiums for Disabled Employees During Incapacity From Sickness and Accident*

Any dividends earned and received on insurance purchased under this provision shall be held in trust by the company for a period of one (1) year from the date the insurance policy first becomes effective, after which such moneys are to be expended for the purpose of paying the full premium for employees who, while still on the pay roll of the company, are incapacitated from work through sickness or accident. Such trust fund shall be so used until exhausted in the payment of such premiums in the order in which cases of incapacity arise.

Decision as to what shall be done with any balance in such trust fund that may be on hand as of March 30, 1950, shall be open to negotiations on or after said date.

214. *Contributory Plan—Dividends Prorated Between Employer and Employees According to Contribution*

The company will continue in effect a plan for voluntary group insurance and will pay not less than one-half of the cost. The employees will pay the balance of the premium.

It is agreed that when dividends are earned and paid under the policy that such dividends as are applicable to the proportion of the premium paid by the employees, will be returned to them.

215. *Contributory Plan—Dividends Administered by Joint Union-Employer Committee*

Any moneys refunded as dividends from the health and accident plan are to be administered by a joint committee of the union and the company, such committee to be set up immediately.

216. *Contributory Plan—Dividends Used To Reduce Premiums*

This entire program is operated as a mutual participating contract for all members who will share in whatever dividends are earned. Plans at present time anticipate payment of dividends in reduced premiums as dividends are earned under the contract.

UNDERWRITING THE PLAN AND SELECTING THE INSURER

Many of the plans which are union-sponsored (often on an industry- or area-wide basis) provide for the establishment of a fund which is either jointly or union administered. Employers' contributions are paid into the fund, which either makes benefit payments directly or through insurance purchased by the fund from a commercial carrier. One union, the Amalgamated Clothing Workers of America (CIO), has established its own insurance company.

Under other union-created plans, as well as plans originally sponsored by employers, the employer provides the benefits through a group insurance policy obtained from a commercial carrier, or through a contract with a Blue Cross or medical service organization. Such

group insurance programs occur both in contributory and noncontributory plans.

Employer contributions may be used to purchase insurance directly from an insurance company, or they may be tendered as periodic cash payments to a trust fund, the union, or a mutual benefit association. Under certain circumstances, self-insurance (direct payment of the employee's claim) is permitted to employers who "elect out" of the four State-administered disability insurance programs which allow private plans as an alternative (see p. 2). If the contributions are turned over to the union, the latter is responsible for providing the benefits either through the purchase of an insurance policy or by direct payment from the fund established.

It is frequently stipulated that the policy is to be underwritten by a "reputable," "reliable," or "established" company. Sometimes the insurance company is specified by name, or the employer chooses from a given list. Still other contracts require a policy that is acceptable to the union or trustees.

217. *Insurance Company Designated by Name*

The company will inaugurate a plan, to be underwritten by the [insurance company]; covering group life insurance, nonoccupational accident and sickness benefits, hospital care, and such other benefits as are provided by the plan.

218. *Employer To Purchase Insurance From One of Five Listed Companies; Union May Propose Other Insurance Companies With Lower Rates But Employer's Decision Final*

The employer agrees to install a group insurance policy covering its employees not later than March 1, 1946. The cost of this policy including present insurance will not exceed 2 percent of the employer's pay roll and will be borne by the employer. This policy will be written with one of the following insurance companies: [names of five companies]. The union may propose an insurance company other than those mentioned above if it feels that the rates of the proposed carrier are lower, but ultimate discretion in the choice of the carrier will rest solely with the employer.

219. *Employer Purchases Insurance From Payments to Fund for Which He Is Responsible. Employer to Furnish Union With Quarterly Reports*

The employer agrees to set aside in a fund with no cost on the part of the employees the sum of \$1.20 per week or \$5.20 per month maximum for all employees who are in the service of the employer three (3) months. The employer will pay out of this fund the premium each month to the ——— insurance company who will insure the employees for group life, sick, and accident weekly benefits, surgical and medical care which policies shall become part of this agreement. The employer will be responsible for this fund and agrees to furnish the union representative each 3 months, a statement of moneys put in the fund, employees insured, and balance in fund. It is understood that this maximum amount will be paid in the fund by the employer for all employees who are eligible while they are on the pay roll of the company, also employees who are laid off temporarily by the company not to exceed one (1) month.

220. Insurance Company To Be Approved by Board of Trustees

In the event that the [board of trustees] enters into a contract for the issuance of a group insurance policy by an insurance company, under which any one or more of the benefits hereinabove described are payable, the premium for such insurance policy shall be payable out of the payments paid by the employer as above described. Such contract shall be entered into only with an accredited and qualified insurance company approved by the board.

221. Selection of Carrier By Union After Joint Study of Bids; Plan Financed and Administered By Company

A list of benefits desired will be submitted to various insurance companies by the union and bids will be solicited from same. There will be a joint study of the plans submitted by the various insurance companies in an effort to obtain the greatest possible benefits for the above premium. It is understood, however, the selection and retention of the insurance plan and carrier will be in the sole discretion of the union.

* * * * *

The group insurance plan will be administered by the company.

NOTE.—This is a noncontributory plan.

222. Change in Carrier Only by Mutual Consent

The company agrees to maintain, without cost to employees the present group insurance and hospitalization plan, with the same company unless a better policy is available with another company at no higher cost. Any such change to be made by mutual consent of the company and the union.

223. Employer May Pay Premiums to Insurance Company Directly or Through Association

That premium payments shall be made by the employer directly or through the association to the insurance company selected.

224. Employer To Pay Benefits or Purchase Insurance

The employer shall, at its own expense, during the life of this agreement, pay the benefits hereinafter described to the employees covered by this agreement or shall procure and maintain in force an insurance policy from a reputable and established insurance company providing the same benefits.

225. Employer May Self-Insure

The insurance specified in this Article VII hereof shall be provided by a policy or policies written by a reputable insurance company or companies, but this shall be without prejudice to the right of the [employer] to provide such insurance through its own insurance department, in case the [employer] elects so to do.

226. Employer Not To Operate Plan But To Insure With Reputable Insurance Company

It is understood that the employer will not operate this insurance benefit plan, but will obtain a policy from a reputable and established insurance company, which will administer the benefits described above.

227. No Reference To Specific Insurance Company

The employer agrees to procure and maintain in force during the life of this agreement an insurance policy providing benefits to employees who have been in the employ of the employer for one (1) year or more in accordance with the schedule which follows.

228. *Insurance Company Selected Must Cover All Employees, Either in Single Policy or Separate Policies for Union and Nonunion Employees*

That the insurance company to be selected must be one which will issue either a single policy to all employees of employer or separate policies both to nonunion and union employees of employer containing similar benefits at similar costs.

DISPOSITION OF FUNDS ON TERMINATION OF PLAN

A number of methods are prescribed for the disposition of funds in the event a plan which involves the creation of a fund is terminated. Any moneys left may either be: (1) held for payment of benefits to eligible employees; (2) refunded to employer and employees; (3) retained by the union for welfare purposes; (4) distributed "as required by law;" or (5) used "within the general purposes for which the plan was created." One agreement provides that the equivalent of premium payments shall be added equally to employees' hourly rates if the plan is found to be illegal or if insurance coverage cannot be obtained.

229. *Distribution of Surplus Funds After Dissolution as Required by Law. Trustees Not Liable for Unintentional Errors or Omissions*

In the event of the final dissolution, abandonment, or termination of this agreement, or any renewal thereof, by operation of law or otherwise, the surplus funds (after allowance for expenses of dissolution or other termination) available for distribution shall be held in trust and accounted for and distributed as required by law.

The trustee-directors and the corporation shall not be required to do more than to act in their discretion and to use their best efforts to determine the basis and details of any plan for such distribution and to carry out such plan. They shall not be held liable for unintentional errors or omissions concerned with their acts and proceedings.

230. *Fund Divided Between Employer and Union After Withholding Enough to Cover Commitments*

The relief plan covered by this agreement is in full effect for the duration of this contract. It may be terminated by either party after expiration of this contract, in which event the money held by the treasurer will be divided into two equal parts and returned after withholding enough to cover any commitments already made by the board.

231. *Union To Use Fund for Same General Purpose for Which It Was Created*

In the event that the agreement between the union and the employer pertaining to the health benefit fund shall not be renewed upon its expiration, then the money remaining in the fund shall be expended by the union on an equitable basis within the general purposes for which the fund was created.

232. *Union To Use Fund To Purchase Whatever Type, Amount, and Period of Insurance It Will Provide*

If, at the expiration of this agreement, no further provisions are made for the continuance of the insurance fund and there remains surplus funds on deposit, the union shall use such funds for the purpose of providing to its members in

good standing insurance benefits for whatever type, amount, and period the funds will permit.

233. *Options Open to Trustees for Disposition of Health Center on Termination of Contract*

Upon the expiration of this agreement, or any renewal thereof, if no provision is mutually made for the continuance of the health center, then the board of trustees shall have the discretion to determine whether they shall operate the center insofar as funds may be available or may be obtained from any source, or in their sole discretion they may liquidate, sell, assign, or transfer the property, equipment, or other assets belonging to the health center and transfer said property and assets to any other institution, public or private, in the city of _____ which will utilize the said funds or property for the purpose of carrying out, insofar as may be possible, the furnishing of clinical medical care to the members of the [union] similar to the manner provided in this agreement.

234. *Noncontributory Sick Benefit Fund: Benefits Continued Until Fund Exhausted if Plan Terminated. If New Plan Negotiated, Surplus Applied to Employer's Contribution*

At the end of the contract period any money still in the fund will be disposed of as follows:

If the same or an alternative sick benefit plan is agreed upon in a new contract, such money shall apply against the company's contribution to such a plan.

If no plan is agreed upon for any reason, then benefits shall continue to be paid as above to employees on the pay roll at the end of the contract period until the balance of the fund remaining at the end of the contract period is expended.

NOTE.—The fund referred to is a sick benefit fund towards which the employer contributes each month during the contract period 1 dollar per month for each employee in the bargaining unit. The fund is administered by a joint employer-union committee with equal representation.

235. *Dismissal Pay Benefits Substituted as Death Benefit in Event of Termination of Insurance Plan*

In the event of the discontinuance of the present group insurance plan of the [employer] during the life of this agreement the dismissal pay schedule will apply in the payment of death benefits to the party or parties designated by the employee, or to his estate. It is understood and agreed that so long as the group insurance plan is in effect the dismissal pay schedule will not apply as a death benefit payment under any circumstances.

236. *If Plan Illegal or Insurance Unobtainable, Equivalent of Present Premiums Added to Hourly Rates*

If the above described welfare program should be determined to be illegal, or if for any other reason such insurance, coverage or plans cannot be obtained, then it is agreed by the company and the union that the equivalent of present premium payments shall be added equally to the hourly rate of each employee.

OTHER FINANCING ARRANGEMENTS

237. *Company Provides Basic Amount of Life Insurance; Additional Amounts Available at Specified Monthly Premium, Remainder Paid by Company*

The company agrees, on or before September 1, 1947, to make available to all active employees having seniority, the opportunity of purchasing life insurance

protection which shall supplement the life insurance protection now provided to all employees at the company's sole expense.

Employees may purchase such additional life insurance, which will be offered under a standard plan, at a monthly premium rate of sixty (60) cents per \$1,000 principal of protection, with the understanding that all costs in excess thereof shall be assumed and paid for by the company.

The union and the company agree to promptly appoint committees for the purpose of effectuating and presenting this plan to the employees.

238. *Employer Provides Surgical Benefits; Employer and Employee Contribute Jointly for Life Insurance, Sickness and Accident Benefits; and Employee Provides Medical Benefits*

Life, Sickness, Accidental, and Surgical.—The company will procure and maintain in force during the life of this agreement an insurance policy providing the benefits set forth below for those employees who signify in writing and authorize the company to deduct from their pay each week as a partial contribution. The insurance benefits are briefly as follows:

- (a) Life insurance, \$1,000;
- (b) Accidental death, \$1,000;
- (c) Sickness and accident benefits in accordance with the following schedule * * *.

* * * * *

Hospitalization.—The company will bear 85 cents per month of the cost of this hospitalization insurance and will deduct whatever additional sums are necessary to meet the total cost from the employee's pay.

Surgical.—The present total cost for this surgical insurance coverage of 75 cents per month will be borne by the company.

Medical Benefits.—The company, upon receipt of written authorization from an employee, will deduct from his pay a sufficient amount to cover the total cost of this medical insurance.

239. *Employer Pays Full Hospitalization Premium for Single Employees, or for Married Employees Who Do Not Choose To Cover Dependents; Pays Half the Premium for Married Employees With Dependents*

The company will provide for each employee hospitalization insurance and will pay the full amount of the premium for single employees or married employees electing coverage only for themselves and one half of the amount of the premium for married employees with dependents. The balance the first pay roll of each month. All new employees will be eligible for participation immediately upon completion of three (3) months' service with the company (subject to regulations of the insurance company's plan).

240. *Blue Shield Benefits at Employer's Expense to Employees Subscribing to Blue Cross Hospitalization Plan*

All union employees who take out and pay for membership in the Blue Cross will be furnished the same membership in the Blue Shield at the company's expense.

241. *Benefits Without Cost to Employee With 3 or More Years' Service, Contributory for Those With Less Service*

The company will make available to employees of less than three (3) years' service participation in group life, sickness, and accident insurance at a contributory cost to the employee of twenty-five (25) cents per week. All employees

employed for three (3) years or more shall receive such insurance without cost to the employee.

242. Employer To Provide Insurance Equivalent to That Already Provided by Union Insurance Plan

The employer agrees to maintain during the term of this agreement insurance coverage for its employees with respect to life, accident, health, hospital, and other benefit insurance with its own carriers, substantially equal to the insurance presently furnished by the [union] insurance fund to employees under its own insurance plan.

243. Contributory Plan—Deductions Made Subsequently for Weeks in Which No Employee Deduction Made. Employee Contributions In Advance Required for Leave Exceeding 30 Days

In situations where the weekly deduction is missed, such deduction will be made up from subsequent pays. For leaves of absence in excess of 30 days, provisions should be made at the beginning of the leave for such payments.

Administration

Methods of underwriting and administering employee-benefit plans show many variations. Frequently, the details are not included in collective bargaining agreements. Where a trust fund is set up, the method of underwriting, control, and day-to-day administration may be stated in a separate document—the trust agreement or indenture—which may or may not be attached to the collective bargaining agreement. Moreover, the trustees or other administrative body usually promulgates rules and regulations which are seldom attached to the agreement.

If employer contributions go into a special fund, as is customary in association or industry plans, there is a problem of control or administration of the fund. This is different from administration of the plan itself; the latter involves claims for benefits, benefit payments, handling of complaints, and similar matters. The two administrative functions may be handled by one or two agencies. A distinction is also made between the over-all policy-making administrative agent and the agent responsible for day-to-day operation. Over-all policy is decided by the trustees with or without the approval of an advisory committee. The purchase of insurance, or handling of fund investments, may be by an executive officer under the direction of the trustees. The collection of employer contributions is also the trustees' function. In addition, there is the claims handling—also under the supervision of an executive officer, under the direction of the trustees.

Employer payments may be paid into a special fund or directly as premiums to an insurance company. If a separate trust fund has been established, the money may be used to pay benefits directly to covered employees, to purchase commercial or Blue Cross insurance policies,

or to finance a full-fledged medical service program. Each type involves a variation in administrative functions.

No single method of control or administration of a health and insurance plan is provided, but four basic methods stand out clearly: (1) by the union and employer jointly; (2) by a tripartite agency, including representatives of the union and the employer and a neutral person—a board of trustees; or (3) solely by the union, or the employer; and (4) the union, the employer, or the union and employer jointly, together with an insurance company which assumes responsibility for payment, usually the adjudication of benefit claims. Administrative methods do not necessarily follow the nature of the financing, i. e., whether the employer alone contributes or whether employer and employees jointly share the cost of the benefits. These basic methods of administration—union, employer, or jointly—appear both in contributory and noncontributory plans.¹⁰

Generally, when the plan is financed by direct employer payments to an insurance company, the insurance company is the administrator, although the union and employer frequently share in this responsibility. For example, a joint committee of union and company representatives may review all claims. Under some insurance-company plans all claims are filed through the union. This may be equally true if the trustees of a fund decide on a commercial insurance plan. If an employer adopts self-insurance, he usually keeps the necessary records, handles the funds, and administers the claims, sometimes through a joint union-management committee.

Some plans which appear from the contract to be administered solely by the union or employer may actually be administered by the insurance company, if the benefits are insured. The employer is sometimes specifically prohibited from operating the plan himself, and is required to purchase a policy under which the benefits will be administered by the insurance company. In contracts of the latter type, the employer may stipulate that his obligation will be fully discharged by procurement of the policy and payment of the premiums; his liability is limited to the premium payments. The presumption is that the insurance company alone will be responsible for administering the plan, i. e., for handling claims and determining what types of illness are covered by the policy and whether the employees are entitled to benefits.

Joint administration may involve all that the term implies, with rules and regulations both formulated and carried out by a committee or board of trustees. Some of these plans are modified by including

¹⁰ See sec. 302 of the Labor Management Relations Act of 1947 for regulations affecting the administration of welfare trust funds to which employers contribute.

an advisory council which has jurisdiction over such matters as types and amounts of benefits to be included and eligibility for coverage or benefit payments. Further division of responsibility is exemplified by one plan in which the types and amounts of benefits payable are prescribed by the joint council but the union alone makes regulations and administers the fund accordingly.

NONCONTRIBUTORY INDIVIDUAL COMPANY PLANS

244. Fund To Conform With Requirements of the Taft-Hartley Act

Social security fund.—The company agrees to terminate the present security trust fund, effective May 31, 1948, and to establish on June 1, 1948, a social security fund, which shall be administered by a joint board of company and union trustees with equal representation to both parties. The details concerning the establishment and administration of the fund shall be worked out between the company and union on ratification of this agreement. The joint board shall immediately thereafter prepare plans, which shall include hospitalization, sick and accident benefits, prepaid medical service, and life insurance, the premiums for which to be paid out of the social security fund. The fund shall conform to the requirements of the Labor Management Relations Act of 1947. The board may seek the advice and help of the social security department of the [union] and of such other agencies as it may see fit in its work.

NOTE.—See footnote 10, p. 65.

245. Contract Excludes Employer from Administration on Ground That Plan Was Established Prior to January 1, 1946 (an Exemption Provided by Taft-Hartley Act)

Effective with the workweek beginning December 15, 1947, the employer agrees to pay to the union, an amount equivalent to four and one-half (4½) percent of its total weekly pay roll of all its employees covered by this agreement toward a health and welfare fund maintained by the union and established prior to January 1, 1946, for the purpose of providing its members with health and welfare and recreation benefits and contributions toward the vacation benefits * * *. The aforesaid fund is to be maintained and administered by the union in accordance with the bylaws and rules and regulations adopted by the union for that purpose. The employer shall have no right, title, or interest in and to said fund or the administration thereof. No individual worker shall have under this paragraph of the agreement, any right, title, or interest in, or claims against the employer's payments towards the health and welfare fund, or against said fund, except as may be provided by the union's bylaws or rules and regulations for said fund.

NOTE.—Certain plans established prior to January 1, 1946 are exempt from the requirement of Section 302 of the Labor Management Relations Act of 1947 that employers participate in administering employee welfare funds of specified types.

246. Parties To Establish Rules and Regulations by Mutual Agreement

The company and the union may establish by mutual agreement rules and regulations, or issue interpretations to govern the administration of the above [benefit] plans, from time to time, and such rules, regulations and interpretations shall be binding on the employee or employees as fully as though set forth herein.

247. *Employer To Issue Rules and Regulations To Carry Out Purpose of Plan*

Reasonable rules and regulations shall be promulgated by the [employer] to make effective the intent and purpose of the insurance provisions of this agreement.

248. *Joint Insurance Committee To Administer Benefits*

There shall be established an insurance committee composed of representatives of the employer and the union. It shall be the duty of this committee to meet regularly to effect a more efficient and effective administration of the social benefits provided for in this agreement.

CONTRIBUTORY INDIVIDUAL COMPANY PLANS**249. *Employer Administered: Joint Conferences on Plan at Request of Either Party***

The administration of the plan by the company shall continue as heretofore: * * * At the request of either party, a meeting between representatives of the union and the company shall be held to explore any problems which may have arisen with regard to the administration of the plan.

250. *Cost of Operation and Responsibility for Administration Vested in Company*

The company agrees, for so long as business conditions permit and the required number of its employees with three (3) months or more of service so elect, to continue in effect its present liberal plan of group life, weekly indemnity, hospital, and surgical insurance; provided, however, that the gross premium cost of all benefits thereunder shall be divided equally between the company and the employee, and that the cost of operation of the plan will be assumed by and the full responsibility of its administration shall be vested in the company; and provided, further, that this agreement shall be subject to renegotiation in the event of subsequent enactment of any law or regulation which would provide similar benefits through the medium of a pay-roll tax.

251. *Joint Union-Employer Administration of Contributory Plan. Insurance Carrier To Be Mutually Satisfactory*

The employer agrees to maintain a contributory group insurance plan which will provide employees with life insurance, hospital expense insurance, surgical reimbursement and nonoccupational accident and health insurance. The specific benefits shall be as follows: * * *.

The group insurance plan is to be underwritten by an insurance company, mutually satisfactory to the union and the employer. The employer and the union are to be equally represented in the installation of these benefits and in matters relating to the administration of the group insurance plan, over which the employer has control under the terms of the insurance contract. The employer shall apply 50 percent of the gross premiums. New employees shall be eligible to join the plan after sixty (60) calendar days of employment.

252. *Managed by Company Relief Association Which Includes Union Officers on Board of Directors*

The entire insurance program is managed by the [company] relief association, which association is managed by thirteen directors elected by the members of the association. Approximately half of the directors are officers of local — of the [union]. [The] relief association performs certain administrative functions in the operation of the hospitalization and insurance program.

NONCONTRIBUTORY ASSOCIATION OR INDUSTRY PLANS

253. *Union Administers Fund; Neither Employer Nor Employees Have Right, Title, or Claim to Fund*

It is hereby agreed that the employer, commencing with the week beginning April 28, 1947, and weekly thereafter, will pay to the union an amount equal to five and one-half (5½) percent of its total weekly pay roll of the earnings of the workers covered by this agreement. The sum thus received by the union will be applied by it toward a health, welfare, and vacation fund for the members of the union employed by the employer.

It is agreed that the employer, by making such payments to the health, welfare, and vacation fund shall not be required to make any additional payments to employees for vacation or any other welfare purposes.

It is agreed that neither the employer nor any individual employee shall have any right, title, interest, or claim against the employer's contribution towards said fund or against said fund. The administration of this fund shall be solely under the supervision of the union in accordance with the rules and regulations adopted by it.

254. *Self-Insured Plan: Union Pays Benefits, Operating and Administrative Expenses, Directly From Fund*

The parties further agreed that the [union] shall also have the right to adopt rules and regulations in connection with health and retirement benefits, including eligibility of members of the union therefor, and to determine the date when payment of health and vacation and retirement benefits shall commence. It shall also have the right to set aside sufficient reserves for ensuing years, including payment of health, vacation, and retirement benefits to the members of the union beyond the expiration date of this agreement. It shall have the sole right to make payments to the members of the union of the health benefits and retirement benefits and contributions toward the vacation benefits and to pay the operating and administrative expenses of each type of benefit of the health and welfare fund.

255. *Union Purchases Policies From Union Fund to Which Employers Contribute*

Now, therefore, the employer hereby agrees to forward to the ——— union social security department, each and every month, in advance, between the first and fifth day of every month, a sum equaling three (3) percent of the gross wages earned by his employee-members of this union for transmittal to the insurance carrier(s). The said sum of three (3) percent shall be calculated on the basis of the total aggregate wages received by said employee members during the preceding calendar month.

The above-described sum of three (3) percent shall be forwarded by the employer to the ——— international union, social security fund, as above described, for transmittal by the said ——— international union social security department to the insurance company(s) providing the benefits herein stated.

In consideration of said money forwarded to the ——— international union social security department as here provided, the ——— international social security department agrees to procure such insurance coverage which will extend, beginning the date the employer's first contribution is due as set forth in the preceding paragraph, the benefits herein stated to said employee-members in accordance with the terms and provisions of the insurance policy or policies as herein stated and with the rules and bylaws under which said fund is administered.

256. Union Adopts Rules and Administers Over-all Fund; Joint Board Determines Types and Amounts of Health Benefits

With respect to the health benefits under the health, welfare, and vacation fund, a council of six (6) persons is hereby established, to be composed of three (3) representatives of the association and three (3) representatives of the union. The council, which may be presided over by the impartial chairman, shall have full power and authority to determine the types and amounts of health benefits which members of the union shall receive, not exceeding, however, the total amount allocated by the union from the fund for health benefits.

Subject to the provisions of this article, the health, welfare, and vacation fund shall be maintained and administered by the union in accordance with bylaws or rules and regulations to be adopted by the union for that purpose. The union will furnish the association with copies of all bylaws or rules and regulations and any amendments and modifications thereof in any manner relating to the fund.

257. Joint Union-Association Committee To Administer Health Service

The employer shall, with each weekly check-off remittance, pay a sum equal to 5 cents for each worker employed during that week toward the maintenance of a health service; said health service to be jointly controlled by an industry committee consisting of equal representation of the union and the associations.

258. Joint Committee To Establish and Administer Insurance Fund

It is agreed that a joint committee representing the employers and the employees represented by the [union] shall be selected to establish and govern a joint insurance fund.

259. Trust Fund Administered Jointly by Employers and Union Through Trustees Appointed by Each

The company agrees to pay the sum of \$2.40 monthly for each working union employee on the pay roll of the company as of the first day of each month, from January 1, 1948, to December 1, 1948, inclusive. Remittances are due on the first day of each month and are to be paid into an insurance fund created and set up pursuant to a Trust Indenture made and entered into by the companies named in the Trust Indenture, the union and trustees named therein, which Trust Indenture is attached and marked "appendix A" (as extended by agreement attached hereto and marked "appendix B" and "appendix C") is hereby made part of this article with the same full force and effect as if fully stated herein.

The company, in conjunction with the other companies named in the Trust Indenture, and the union, respectively, agree to promptly name from time to time the trustees to be nominated by them.

260. Policies Issued in Name of Trustees Designated by Employer and Union. If employer Joins Association Contracting With Union, Association Trustees To Represent Employer

Irrespective of the form of insurance provided by the employer, whether it be group or otherwise, the policy shall be issued in any event in the name of trustees, two of whom shall be designated by the employer and two of whom shall be designated by the union. Should the employer, however, be or become a member of a bona fide trade association, whose members are under collective agreement with the union, the trustees designated by said association shall be deemed the employer's trustees and representatives on said board of trustees.

261. Fund Administered by Tripartite Board—Six Union Representatives, Two Employers, and Impartial Chairman

The fund shall be administered by a board of trustees, hereinafter referred to as the "board," consisting of nine (9) members, to be constituted as follows:

A. Any party agreeable to both parties of this agreement, shall act as chairman.

B. The employer contributions to the fund shall designate two (2) representatives as members of the board. The chairman of the board shall call a meeting of the employers at which their representative members of the board shall be elected, and shall supervise and authenticate such election.

C. The union shall designate from among its members six (6) representatives who will act as members of the board.

The members of the board shall hold office for a period of 1 year from July 1.

262. Tripartite Committee To Establish and Maintain Plan

It shall be the duty of the said social security commission (hereinafter referred to as the commission) to administer such funds in the following manner: First, for the execution of the contract existing at this time between the association and the union covering vacations and vacation pay for the workers of members of this association which contract is dated November 27, 1944; Second, for the setting up and maintaining of a health clinic and medical benefits for workers of members of the association, covered by this contract; Third, for the ultimate establishment of retirement benefits for aged workers of members of the Association, the basis for which retirement and eligibility for such benefits shall be established by the commission. In the event that legislation shall subsequently be enacted covering the matter of above described benefits, then the contracting parties shall agree as to the extent to which the funds shall be used to augment the benefits to be derived from such legislation, or if the legislation is mandatory, then the extent to which the assessment shall be modified in accordance with the situation as it then exists.

NOTE.—The commission is tripartite, consisting of 2 representatives of the association, 2 of the union, and an impartial chairman.

263. Administered Jointly by Union and Association With Disputes Referred to Impartial Chairman Under the Agreement

(a) The employer shall pay weekly directly to local No. — an amount equal to one (1) percent of the total wages paid to the workers, said fund to be used by local No. — to pay sick and death benefits to the workers.

(b) The employer shall pay weekly directly to local No. — an amount equal to one (1) percent of the total wages paid to the workers, said fund to be used by local No. — as a welfare fund for the workers who are in the employ of each individual employer.

(c) The employer shall pay weekly directly to local No. — an amount equal to one (1) percent of the total wages paid to the workers, said fund to be used by local No. — as a pension or retirement fund.

(d) Local No. — shall furnish the employer with an annual audit of the funds referred to in subdivisions "(a)," "(b)," and "(c)" of this paragraph and a statement of the results of which shall be available for inspection at the office of the local.

(e) Payments to be made by the employer in accordance with subdivisions "(a)," "(b)," and "(c)" of this paragraph shall not constitute or be deemed to be wages of the employees. No individual employee shall have any right, title,

or interest in or to or claim against said funds, except as may be prescribed by the bylaws or rules and regulations governing the same.

(f) The funds referred to in subdivisions "(a)," "(b)," and "(c)" of this paragraph shall be administered jointly by local No. — and the [association] and, in the event of a deadlock as to the administration of such funds, such dispute shall be decided by the impartial chairman.

264. Joint Administration; Disputes to Neutral Party

The employer shall contribute two (2) dollars per week for each employee, member of the union, to a welfare fund created for the welfare of the members of the union employed by the employer and such contribution shall be made directly to the union at the end of each week. The employer and the union shall be equally represented in the administration of such funds as provided by law and in the event they cannot agree on any matter in connection with the administration of such fund they shall appoint a neutral third party to bring about an agreement which shall be binding upon the parties.

265. Health and Welfare Fund Administered in Accordance With Terms of Separate Trust Agreement

During the terms of this agreement the employers shall contribute and pay weekly to the named trustee (or the ——— workers' health and welfare fund) under the aforesaid trust agreement, a sum of money equivalent to 3 percent of the total weekly pay roll including overtime (before deductions for taxes) of the employer's workers covered by this agreement. Such moneys so paid and contributed shall be used and administered as a health and welfare fund in accordance with the terms and provisions of the said trust agreement.

266. Trust Agreement Regulating Welfare Fund Incorporated Into Collective Bargaining Agreement

All provisions concerning the establishment, maintenance, and administration of the fund are contained in a separate agreement and declaration of trust which is being executed simultaneously with the execution of this agreement, and which is hereby incorporated into this agreement as though fully set forth herein.

267. Association Contract: Employer Sends Contributions to Associations for Transmittal to Union

The employer shall pay to the union an amount equivalent to five (5) percent of the weekly wages of the employees covered by this agreement for the period commencing October 1, 1946 and terminating October 1, 1947. Checks in payment of these amounts shall be made payable to "[union] insurance fund;" payment to be made to such fund for the purpose of purchasing group insurance to provide for such employees' death benefits, hospital benefits, sick benefits, surgical benefits, and disability benefits, and no part of such fund shall be used for any other purpose. The employer agrees to make payment of said sum in the manner above provided to the ——— association within six (6) days after the first of each month to cover wages paid during the preceding calendar month; such checks, together with the statement on the form provided for by the union shall be forwarded to the ——— association, which shall within five (5) days thereafter turn over such checks, together with the statement furnished by said employer, to the union. No financial obligation is to be assumed by the association by reason of such collection, except to turn over such money received by the association from the employers to the union.

BENEFIT CLAIM AND PAYMENT PROCEDURE

Details on the filing, processing, and payment of benefit claims are rarely written into union agreements. Such information is usually given in the booklets, handbooks, or pamphlets especially printed for distribution to participating members. In large measure, the type of control and administration of a plan usually determine the procedure for making claims and obtaining benefits. Claims may, therefore, be filed by the employee with the employer, the union, the administering board, or the insurance company. The union frequently offers assistance in filling out the forms. Application forms and instructions are available at the offices of the employer, the union, or both.

Benefits are paid to the employee by the employer, the insurance company, the union, or the trustees of the fund.

268. Benefits Paid Directly From Fund by Joint Committee

The fund will be administered by a committee composed of representatives of the union and the company in equal numbers. Payments from the fund will be made only by check jointly signed by two (2) representatives, one to be designated by the union and the other by the company. This fund shall be used by the committee so designated for the relief of employees who are prevented from working because of any sickness or injury not covered by the compensation act. Specific rules shall be drawn up, and may be changed from time to time, by the committee created above in accordance with the following principles: Payments shall be made from the fund toward compensation of employees for wages lost and expenses incurred upon proof satisfying the committee that the employee is prevented from working because of sickness or injury as above described. The specific amount of payments may be varied from time to time depending upon the amount of money on deposit in the bank and expected future receipts. However, at any one time payments may be varied by the committee as to individual employees based only on hardship incurred.

269. Union-Management Committee on Claims

It is agreed that the company shall provide a life, accidental death, health, accident, medical, hospital, and surgical plan for its employees. Also, there shall be a union-management committee on claims established. The benefits and details of this plan are covered in a separate memorandum furnished by the company to the union.

270. Claims Paid Through Employer's Office. Reports on Claims Furnished Union by Employer and Insurance Company

The employer agrees that the policy or policies which he takes out will provide for the payment of all claims to members of the union through the employer's office, and will notify the union of such payments. The employer agrees to furnish regularly a complete monthly report to the union in conformity with a procedure established by the union on reporting forms provided by the union. The carrier company also must agree to supply the union with all information on claims which the union may require for the study and evaluation of the insurance program.

271. Insurance Carrier Solely Responsible for Determining Claims

The insurance company shall be solely responsible for determining when and how much compensation shall be paid for all such illnesses and accidents and the members of the association shall not be responsible or liable in any amount where the insurance company rejects or refuses to pay all or any part of a claim.

272. Industry Area Plan—Claims Procedure: (1) Employee Notifies Union; (2) Union Notifies Insurance Company; (3) Insurance Company Mails Proper Forms; (4) Forms Sent to Insurance Company. Twenty-Day Time Limit on Filing Claims²

If you become disabled, notify your union office immediately. Be sure to give your name, social security number, home address and name of employer. The union office will notify the insurance company. The insurance company will mail a claim check blank to you at your home address, with full instructions.

If it is not physically possible for you to advise the union office, a member of your family, a fellow-employee or union member may do so for you, but you should make sure that the union is notified.

In order to receive the weekly benefits, you and your doctor must complete a claim blank which should then be returned to the home office of the insurance company.

If you become confined to a hospital give the union the information described above and also the name of the hospital. Your claim for hospital benefits will be considered separately and a different type claim blank is mailed by the insurance company to your home address, unless you request it be mailed to the hospital.

To receive the hospital benefits you and the hospital must complete a claim blank which is then returned to the insurance company.

If you do not give the necessary complete information, the payment of your benefits will be delayed. Therefore, follow all instructions carefully.

* * * * *

In case of death of an insured member, his beneficiary should notify the member's union office. The union office will notify the insurance company. The insurance company will furnish the beneficiary with a death claim form with all instructions. If the beneficiary so desires, the union office will be glad to help in the completion of these forms which must then be returned to the insurance company in order that final disposition of the claim may be made.

The insurance company requires that it be notified not later than 20 days after the date of an accident, the start of a sickness or the date you enter a hospital. Extension of time will be allowed if it is shown that it was not reasonably possible for you to give the notice inside the 20 days' limit.

For your own benefit and in order to receive the payments promptly it is advisable to notify your union office during the first week you are disabled.

RECOURSE TO GRIEVANCE PROCEDURE AND/OR ARBITRATION

Disputes concerning the administration or operation of a benefit program or particularly the individual claims for benefits may be handled either through the regular grievance and arbitration machinery or through a procedure especially devised for the purpose. Relatively few agreements indicate the method of settlement, although some specifically bar the use of the regular grievance procedure.

² From a descriptive booklet or related material.

273. Grievances Under Plan Handled Outside Regular Grievance Procedure

Any problems, complaints, or grievances arising under or concerning group insurance shall not be subject to or handled under the grievance or arbitration provisions of the agreement, but will be handled in accordance with separate rules.

274. Disputes Over Fund Administration Not Subject to Regular Grievance Procedure But to Arbitration Directly. Arbitrator Appointed by Court if Not Selected Within 20 Days

In case a disagreement shall arise over the administration of the sick benefit fund the same shall not be subject to the grievance procedure set forth in article —, but the company and the union will attempt to agree upon an impartial umpire. If within twenty (20) days of conditions occurring which give rise to the dispute no umpire is agreed upon, either party may petition the District Court of the United States for the Northern District of [state] to appoint an impartial umpire. The decision of the umpire so agreed upon or appointed by the District Court shall be binding on all concerned.

275. Dispute Over Claims Subject to Arbitration on Basis of Prevailing Group Insurance Practice in the Industry

Any dispute over a claim for any of the foregoing benefits may be treated as a grievance by either the employer or the union and shall be decided under the arbitration provisions of article XXII on the basis of the prevailing practice in providing group insurance benefits of this character in the — industry. This arbitration clause shall not be used by the employer to reduce its present benefits.

276. Dispute Over Claims To Be Settled by Representatives of Union, Employer, And Insurance Carrier

The group insurance plan will be administered by the company. Should any dispute arise regarding claims, the administration or functioning of the insurance plan, each party will name two representatives to meet with representatives of the insurance carrier to resolve such dispute.

277. No Recourse by Employee if Benefit Claim Rejected

Rejected claimant shall have no recourse against the joint insurance fund, the joint committee, the union, the employer, or any of the officers' agents or members of any of the above.

NOTE.—This plan is administered by a joint employer-union committee.

278. Union Committee May Make Recommendations on Disputed Claims to Insurance Company

The company and the union agree that any disputed claims arising from this insurance program shall be submitted to a committee composed of two representatives from the union and the decision of this committee on such claims shall be recommended to the insurance company.

279. Issues Pertaining to Benefits Subject to Bargaining But Not to Arbitration. Company President's Decision Final

This agreement shall in no way affect the status of employees under employee benefit plans such as retirement plan, group life insurance plan, and death benefits plan for annuitants. It is agreed by the union and the company that issues pertaining to such subjects as the above may be bargained through the procedure

set forth above except that neither party shall have the right to have any such issue arbitrated. If any such issue is not settled as the result of negotiations between the parties, the union shall have the right to refer such issue to the president of the company whose decision shall be final and binding upon both parties. The company will advise the union of any changes in any such plans before making an announcement of same to members represented by the union.

280. Joint Committee To Hear Disputes But Have No Authority To Govern Premiums or Payments

The insurance committee shall consist of two (2) members appointed by the corporation and two (2) members appointed by the Union. This committee shall hear all disputes concerning group insurance and hospitalization but have no authority to govern premiums or payments.

Employer and Union Safeguards

EMPLOYER SAFEGUARDS

An employer is generally protected against higher costs of plans by a statement governing his maximum contributions and by provisions authorizing changes in the types and/or amounts of benefits when costs exceed the amount which he has agreed to contribute. Such changes may be authorized by a general clause permitting the employer to make necessary adjustments, or by a detailed provision such as the substitution of a lump-sum death payment for life insurance. Another arrangement is to stipulate that costs of the program over and above those covered by the employer's contribution shall be borne by the employees.

If the union purchases the policy, the employer is sometimes protected by a disclaimer of responsibility for benefit payments in the event of default. The agreement may state that the employer's responsibility will be discharged by procurement of the policy and payment of the premiums.

Employers are further protected in some agreements against competitors who might otherwise reduce their production costs by failure to provide equivalent employee benefits. In such clauses the union agrees not to sign a contract with other employers in the same industry, or in the same locality, which would provide for a lower contribution rate.

Protection Against Increased Costs

281. Specified Employer Contribution To Constitute Maximum for Present and Any Future Agreement

The union agrees that the three (3) percent pay-roll contribution as herein stated shall constitute a permanent ceiling and that no time in connection with this or any future agreement will said union increase the three (3) percent pay-roll cost of the social security program to the employer.

282. No Additional Employer Contributions To Be Required or Requested

It is mutually agreed that this contract shall cover any and all monetary costs to the employer to, or for the benefit of, the employees through December 31, 1950, and the employer shall not be required or requested to make any new, additional, or increased payments of any type or kind to, or for the benefit of, the employees, except any costs involved as the result of the adoption of a suitable substitute for section 4 (c), and the employer shall not be required or requested to make any change in the ----- retirement plan.

NOTE.—Section 4 (c) pertains to wage rates, job classifications, promotions, etc.

283. Employer Liable Only for Benefits Obtainable by Specified Contribution

In the event that the cost of such medical coverage shall exceed said amount, the obligation of such employer shall be only to furnish such medical coverage as he can obtain for \$2.75 per month.

284. Costs Limited to Over-all Cost of 2 Cents Per Man-Hour

It is further agreed that the costs of such insurance for all the employees covered by this agreement will be paid for by the corporation, said cost being limited to an over-all cost of two (2) cents per man hour, but shall be in addition to corporation paid insurance costs at the present time. The total hours to be applied to this cost of two (2) cents shall be the average number of hours worked at the plants for the past 6 months, or three dollars and forty-six cents (\$3.46) per month per man, whichever is the greater.

285. Employer May Change Plan at Any Time To Prevent Annual Benefit Payments From Exceeding 1 Percent of Annual Pay Roll

The company agrees to maintain at its expense the disability plan set forth in the attached Exhibit "D" subject to the following limitations:

The total of the benefits paid at all of the plants and branches of the company and its subsidiaries included in the plan, wheresoever located, in a fiscal year shall not exceed 1 percent of the total of the pay roll of the covered employees at all such plants and branches and subsidiaries, wheresoever located, and the company shall have the right, at any time, to make such changes in the plan as it may deem necessary to operate it within said limitation.

If the company makes changes in the plan as provided for above, the company agrees to furnish the union with a statement certified by the public accounting firm responsible for auditing the company's business that the disability benefits claims have exceeded 1 percent of the total pay roll described above.

286. Company May Substitute Death Benefit for Life Insurance in Event of Substantial Increase in Premiums

If for any cause the premium rates on such group insurance are increased by an amount which, in the opinion of the [employer], is substantial, the [employer] may in its discretion modify or discontinue such practice. In the event of such discontinuance, the [employer] will substitute a severance death pay benefit plan * * * [or] will agree to a plan which shall at least be as favorable to the employees as a severance pay death benefit plan.

287. Union Agrees To Absorb Future Increases in Insurance Rates, But Company Will Discuss Changing Underwriters at Union's Request

The union agrees that the employees will absorb any increases in rates as may be made from time to time by the ----- service. If the ----- service rates are increased and then union wishes, the company agrees to discuss purchasing insurance coverage with other companies to the extent of the present sum of \$1.60 per

month per employee that the company is hereby agreeing to contribute toward the employees hospitalization and surgical insurance coverage.

No Responsibility for Default by Insurance Carrier

288. *Employer's Responsibility Discharged by Procurement of Policy and Payment of Premium*

The company's obligation hereunder will be discharged by the procurement of an insurance policy and the payment of the premiums thereon.

289. *No Obligation on Employer's Part if Insurer Selected by Union Defaults on Just Claim*

If the company disapproves of the insurance carrier selected by the union, it is understood and agreed there shall be no additional financial or moral obligation on the part of the company if the insurance carrier defaults on any just claim.

290. *Employer Obligated To Continue Plan Only as Long as Deductions of Contributions Are Allowed for Income Tax Purposes*

The company will continue its present pension plan and group insurance plan now in force, as long as it is entitled under applicable law, to a deduction for income tax purposes of amounts contributed thereto.

Other Safeguards

291. *Union To Require Nonassociation Members To Make Contributions to Fund*

The local unions agree to include in all contracts to be made by them with firms in the ——— industry located in New York City who are not members of the association a provision that such employers shall in the same manner make similar contributions of four (4) percent of their respective weekly pay rolls to the said health, welfare, and vacation fund.

292. *Other Contracts Signed by Union in Industry To Stipulate Same Contributions*

During the term of this agreement, the union obligates itself to enter into no contract or agreement whereby any employer engaged in the men's and boys' clothing industry will not be obligated to pay the amount required to be paid to the trustees as set forth in paragraphs 10-A (1) and (2) hereof. During the term of this agreement, the union agrees to insert a clause in all of its collective bargaining agreements with manufacturers employing members of the union engaged in the manufacture of men's and boys' clothing, or with the contractors of such manufacturers, to the effect that the manufacturer or contractor shall pay to the trustees under the agreement and declaration of trust the sums set forth in paragraphs 10-A (1) and (2) hereof (as the same may from time to time be modified according to the terms hereof), to be applied under the agreement and declaration of trust. It shall not be considered a violation of this agreement for employers who are under the jurisdiction of the Chicago joint board of the union to pay the amounts specified in paragraphs 10-A (1) and (2) to trustees other than the trustees, or for the collective bargaining contracts or agreements with such employers so to provide. This paragraph may be waived by an instrument in writing executed by the ——— Association of the United States of America and the union and approved by the board of directors of the ——— Association of the United States of America and the general executive board of the union.

PROTECTION OF THE FUND

In plans which provide for the creation of a fund based on either employer or joint contributions, different safeguards are often established in order to assure the payment of premiums or benefits. Some agreements establish definite limitations upon the administrative expenses. The use of the funds for any other purpose, such as strike benefits, is explicitly prohibited.

The individual worker may not make a claim on the fund except insofar as he is entitled to benefits. On severance of employment, he may not receive any part of the employer's contribution instead of insurance benefits, nor may he assign any benefits or receive cash in lieu of such benefits. A corollary provision states that the employer shall forfeit all "title or interest" in his contributions to the fund.

Another form of protection is to specify how the funds shall be invested.

Statutory protection of "health and welfare" funds is provided in the Labor Management Relations Act of 1947 (sec. 302), according to which payments made to welfare funds are subject to the following conditions: The fund must be established as a trust under a written agreement and administered jointly by employers and employees. It must provide for medical or hospital care, pensions, workmen's compensation, insurance of any of the foregoing benefits, unemployment benefits, life insurance, disability and sickness insurance, or accident insurance. Contributions to funds established after January 1, 1947, providing for pooled vacation benefits are prohibited. Pension funds must be kept separately from others. The restrictions on the administration of the funds do not apply to those established by collective bargaining agreements prior to January 1, 1946.

293. *Fund To Be Used Only for Purposes Stated in the Agreement*

The health, welfare, and vacation fund established by the union prior to January 1, 1946, pursuant to collective agreements with employers, in the industry and maintained since its establishment for the purpose of providing members of the union with health, welfare, and vacation benefits, shall continue to be maintained for such purposes.

* * * * *

The health, welfare, and vacation fund shall be maintained and used exclusively for the purposes herein set forth and only for the benefit of the members of the union who are entitled to benefits to be provided by said fund.

294. *Fund Not To Be Used for Purposes Disallowed by Applicable Law*

No payments hereafter made into said fund shall be used for purposes which exceed the purposes of the law applicable to such funds. It is agreed that the present procedure of sending a list showing the earnings each week together with check for the amount due shall be continued during the life of this agreement.

295. *Trustees Limited to Specified Percentage of Contributions for Administrative Expense*

Out of the sums annually contributed by the contributors, the trustees may use not more than 5 percent for administrative expenses. There shall be included in the administrative expenses all reasonable and necessary expense of collecting the contributions and administering the affairs of the trust hereunder, including but not limited to the leasing of an office, the employment of clerical help and the purchase of such materials, supplies, and equipment as the trustees in their discretion may find necessary or appropriate in the performance of their duties; the expenses of at least one audit annually by a certified public accountant; the cost of any suit or proceeding brought by the trustees to carry out this agreement or to enforce their rights hereunder, and the cost of the defense of any suit or proceeding brought against the trustees, including reasonable counsel fees, provided such suit or proceeding shall not have resulted from the willful default or neglect of the trustees.

296. *Fund May Not Be Used in Connection With Strike Activity*

The fund accumulated from the source as above set forth shall not be used by the union in connection with any strike activity, including but not limited to strike benefits.

297. *Employer Has No Right, Title, Interest, or Claim to Fund; Employee Rights Governed by Rules and Regulations*

No member of the [association] shall have any right, title, interest, or claim, legal or equitable, in or to any sum paid by him or by any other employer to the health and welfare fund or to any of the funds of the health and welfare fund itself. No member of any local union affiliated with the [union] joint board shall have any right, title, interest, or claim, legal or equitable, against his employer or in or to his employer's or any other employer's payments to the health and welfare fund. Rights of members of the union against the health and welfare fund shall be governed by the rules and regulations which have been adopted in connection therewith.

298. *Neither Association, Employer-Members, or Union Members Have Right, Title or Interest in Fund*

Neither the association nor any of its members shall have any right, title, or interest in the said fund. No individual member of the union shall have any right, title, or interest in or claim to the employer's payments to the fund, or to the fund except as may be provided in the bylaws or rules and regulations governing the fund.

299. *Employer's Rights to Fund Limited to Right to Designate Representatives on Administrative Board*

No employer shall have any right, title, or interest in the fund or the administration thereof other than the right of employers to designate representatives on the board.

300. *No Employee Right to Employer's Contribution Instead of Benefits, Nor May He Assign Benefits or Receive Cost in Lieu of Benefits Upon Termination of Employment*

No employee shall have the option to receive instead of the insurance benefits any part of the contribution of the employer. No employee shall have the right to assign the insurance benefits or any other benefits to which he may be or

become entitled under the agreement and declaration of trust or to receive a cash consideration in lieu of such benefits either upon termination of the trust therein created, or through severance of employment or otherwise.

301. *Employee May Assign Hospitalization Benefits Due Him to a Hospital, But May Not Assign Other Benefits; Nor May He Receive Other Compensation Instead of Benefits*

No employee shall have the option to receive instead of the insurance benefits herein contained any other form of compensation. No employee shall have the right to assign the insurance benefits or any other benefits to which he may be entitled under this agreement, or to receive a cash consideration in lieu of such benefits either upon termination of the insurance herein created, or through severance of employment or otherwise. Upon written agreement given by the union or to the insurance company, an employee may be permitted to assign to a hospital any hospitalization benefits due him.

NOTE.—No fund is involved in this agreement; employer contributions go towards the purchase of insurance.

302. *Employer Not Entitled to Return of Contribution to Fund*

In no event will the employer be entitled to the return of any part of any contribution hereafter made hereunder.

303. *Fund Is Property of One Union Even Though Members of Another Union May Participate in Benefits*

As provided for in the previous agreements between the parties hereto, hereinabove referred to, the fund shall be the sole property of, and be administered jointly by and between the International Ladies' Garment Workers' Union and the Los Angeles Cloak Joint Board of the International Ladies' Garment Workers' Union. Local ——— of the International Brotherhood of Teamsters is specifically excluded as a party to the title and administration of the fund, provided, however, that this shall not be construed to exclude members of local — from participating in the benefits arising therefrom. Neither the [employers'] association nor any of its members shall have any title or interest in, or claim in or against, the fund.

304. *Money in Fund Invested in Government Securities*

All moneys paid into the fund shall be invested in securities of the Government of the United States, except such moneys as in the sole judgment of the trustees are required to make health and welfare benefits as the same accrue.

INSPECTION OF RECORDS AND OTHER ENFORCEMENT MEASURES

Many agreements require employers to furnish reports or to grant access to their records, upon union or trustee request. If a plan is administered by the union, the union may be required to make periodic reports to the employer, or an employer committee may examine the union's benefit records. Trustees (or other administrative agents) of a fund are usually required to furnish reports to both union and employer.

In the event that an employer defaults in the payment of his contributions the union affected may have the express right to take one or more of the following steps: It may "institute or intervene in any

proceedings at law, in equity or in bankruptcy" to collect sums due the fund or the employees; it may strike without being in violation of the agreement; or it may demand a bond which will become forfeit if the employer again defaults. In addition, the employer may be held liable for any benefits the worker would have received under fully insured conditions.

Periodic Reports, Audits, and Access to Records

305. *Employees May Examine Master Group Policies in Employer's Office During Office Hours*

The foregoing benefits shall be subject to all the terms and conditions which are fully set forth in the master group policies on file in the office of the employer and of the [union] and such policies may be inspected by any employee during office hours of the employer or the [union].

306. *Union Review of Policies and Records. Union Right to Reject Policy Not Conforming to Agreement*

The union shall have a right to reject the insurance program or policy of any employer which, in the opinion of the union, does not conform to the terms of this agreement.

The employer shall furnish the union with such evidence, information, and records as may be required by the union for the purpose of establishing the fact of coverage of each employee covered by this agreement, as well as the fact of payment of the employer's obligation hereunder.

The employer agrees that he will arrange with the insurance carrier that they will notify the union of any failure by the employer to pay the insurance premiums.

307. *Union May Examine Employer's Books; Union Right To Take Appropriate Action In Event of Noncompliance*

The union shall have the right at all reasonable times to examine the books, records, and papers of the employer for the purpose of ascertaining whether the employer is complying with the provisions of subsections (a) and (b) of this clause [establishment of fund based on employer contributions], and with Federal and State unemployment insurance, social security and workmen's compensation laws. In the event the employer fails to comply with this subclause the union may take such action as it deems appropriate to enforce the same, anything in clause 38 [no strike, no lock-out] to the contrary notwithstanding.

308. *Employer Advisory Committee May Inspect Union Benefit Records*

The money so paid to the union shall be held and administered by it as a fund for the exclusive purpose of providing relief and social benefits to sick and needy members. An advisory committee of employers shall be established, consisting of a representative of each association which is a party to an agreement with the union. The advisory committee shall have the right to examine the books of the benefit fund for the purpose of checking the collection thereof.

309. *Industry Plan—Noncontributory: Employer To Supply Copy of Pay Roll to Trustees (one Union and one Association Representative)*

Each employer shall prepare, in quadruplicate, a list of all production employees on its pay roll as of the first day of the reporting month, the hourly rate

of pay for each of said employees, and the sum arrived at by multiplying the hourly rate of each of said employees by 4.93 (equivalent to hourly rate of 35 hours \times $3\frac{1}{4}$ per cent \times $4\frac{1}{2}$ weeks) and forward three copies of said report to ——— trust fund together with payment of the sum due, as appears from said report, to the order of said ——— trust fund. Hourly rates in excess of \$1.91 shall be reported as \$1.91. Piece workers shall be reported at \$1.91 per hour.

The pay-roll reports hereinbefore referred to shall be forwarded as hereinbefore provided, not later than by the 10th of each month, to the trustees, as provided in subdivision ——— hereof, based on the preceding month's pay roll.

310. *Employer's Failure To File Reports or Make Payments Considered a Breach of Agreement; Disputes Over Amount Due Handled Through Grievance Procedure*

Failure to file reports and make the required payments after 5 days' written notice by registered mail by the union shall be deemed a breach of this agreement. Any dispute as to the amount of payment properly due shall be resolved in the manner provided in this agreement for disposition of disputes.

311. *Union To Prepare Report of Operations Prior to Expiration of Contract. Details of Report Specified*

One month prior to the expiration of this agreement the union shall submit to the secretary of the association a report regarding the group insurance program. The report shall include a statement of the benefits provided for (their character, amount and duration of payments), the cost to the fund of providing such benefits, the amount of reserve, if any, that has been accumulated to the date of the report, the number of employees to whom, during the preceding year, benefits have been paid and the amounts and reasons thereof, and a statement of the administrative expenses paid out of the fund.

312. *Trustees May Request Reports From Employer and Have Access to Pertinent Books and Records*

The employer shall furnish to the trustees, upon request, such information and reports as they may require in the performance of their duties under the agreement and declaration of trust. The trustees, or any authorized agent or representative of the trustees, shall have the right at all reasonable times during business hours to enter upon the premises of the employer and to examine and copy such of the books, records, papers, and reports of the employer as may be necessary to permit the trustees to determine whether the employer is fully complying with the provisions of paragraph 2 [employer contributions to fund].

313. *Union To Prepare Financial Reports At Least Once a Year*

The union shall keep full and accurate books and records regarding the financial condition of the health benefits under the fund. At least once a year the union will furnish the association with copies of financial reports prepared by the union's auditors covering said benefits. If the union's auditors prepare such reports more often than once a year, copies thereof shall be submitted to the association.

314. *Trustees To Submit Certified Quarterly Financial Report*

The board [of trustees] shall submit a quarterly financial report prepared by a certified public accountant covering the financial transactions of the fund.

315. *Copies of Annual Fund Audit to Union and Employer; Available for Inspection*

At least once each year there shall be an audit of the sick benefit fund as above created, copies of which will be furnished the company and the union and will be available for inspection by any interested party at both offices at all times.

316. *Employer To Furnish Union With Specified Information, Including Agreements With Insurance Carrier*

The company agrees to furnish to the union within 30 days a preliminary report outlining the intended contribution of the company toward the insurance plan, including premium payments, wages payable for administration of the plan and copies of all verbal and written agreements between the company and the insurance carrier.

The company agrees to furnish to the union a quarterly report showing the premiums paid by the company and the employees toward the insurance plan, benefits paid under the plan, and reimbursements, if any, paid by the insurance carrier.

317. *Contributory: Union To Receive Financial Report on Operation of the Plan*

The union shall receive full information as to gross costs of such insurance, losses, and benefits paid and dividends received by the company.

General Enforcement Provisions

318. *Union May Require Bond or Cash Deposit as Surety From Employer Who Defaults; Employer Liable for Any Benefits Employee Would Have Received if Proper Insurance Coverage Had Been Maintained*

If the employer defaults in the payment of premiums, and if after notice has failed to correct such default, the union may demand a bond or sum of money equivalent to one-half ($\frac{1}{2}$) of the annual premium of the company to guarantee the continued payment of insurance premium for that company.

If the employer fails to provide the proper insurance coverage for any employee who is eligible to such insurance benefits as herein provided he shall be liable for such benefits and shall make payments to the worker in the same manner and amount as the insurance company would have paid the worker, had the worker been properly covered by an insurance policy.

319. *Trustees May Fine Delinquent Employers for Each Day of Delinquency*

Employer contributions to the ——— industry insurance fund shall be paid in full on or before the 5th day of each calendar month and no later. The laxity of any employer in meeting his obligations by the 10th day of each calendar month shall necessitate action on the part of the trustees in placing a fine of \$10 per day and for each succeeding day thereafter until such fines and contributions are paid in full by the delinquent employer.

320. *Trustees May Take Necessary Action To Enforce Employer Contributions to Employer-Association Trust Fund*

In case of default or delay on the part of any subscriber in the payment of any contribution hereunder, the trustees are empowered in their discretion to take whatever action is necessary to effect the general intent and purpose of this indenture to provide insurance coverage for employees of such contributor.

321. *Agreement Provisions Relating to Administration and Enforcement, Including Arbitration, Applicable to Benefit Plan*

This supplemental agreement and the collective bargaining agreement and the agreement and declaration of trust shall be construed as a single document, and all provisions of the collective bargaining agreement relating to the administration and enforcement thereof (including provisions for arbitration) shall apply to the administration and enforcement of this supplemental agreement.

322. *Employee-Benefit Provisions May Be Enforced in Same Manner as for Wage Clause*

Failure by the employer to participate in the said welfare fund of the _____ Industry of the Port of New York and to make the payments required therefor, or otherwise to provide the insurance specified above, shall render the employer personally liable to the employees (or their beneficiaries or dependents as the case may be) for the payment of the said benefits; and the rights of the employees to collect said benefits shall be enforceable in the same manner and on the same basis as wages.

323. *Union To Be Sole Complaining Party*

The [union] joint board shall be the sole complaining party in connection with any enforcement of the obligations of members of the [association] under this provision.

324. *Union May Call Strike If Employer Defaults; Trustees May Institute Proceedings At Law To Collect Sums Due. Employer Right To Contest Demands, by Arbitration or Otherwise*

In the event that the union receives written notice from one or more of the trustees, designated by the trustees for that purpose, that the employer has failed to pay in full any sum due the trustees under paragraph 2, and that such failure has continued for five (5) days, the union may direct its members to discontinue work in the plant of the employer and to discontinue work upon products manufactured for the employer by contractors until all sums due from the employer under paragraph 2 have been paid in full. The remedy provided for in this subparagraph shall be in addition to all other remedies available to the union and the trustees and may be exercised by the union, anything in the collective bargaining agreement to the contrary notwithstanding. Payment by the employer under protest shall be without prejudice to his right to contest the correctness of the trustees' demand, by arbitration or otherwise.

The trustees, in their own names as trustees, may institute or intervene in any proceedings at law, in equity, or in bankruptcy for the purpose of effectuating the collection of any sums due to them from the employer under the provisions of paragraph 2.

325. *Union May Order Work Stoppage If Employer Fails To Procure or Continue Policy; Local May Take Legal Action To Collect Benefits Due Members*

In the event that the employer fails to obtain or continue an insurance policy or policies covering all the benefits hereinbefore mentioned, the union shall, after five (5) days' notice to said employer, be permitted to direct its employees to discontinue work in the plant of the employer until such time as all of the employees of the employer are covered by a policy or policies embodying all of the benefits hereinbefore mentioned. The remedy provided for in this article shall be in addition to all other remedies available to the union, and may be exercised by the union, anything in the agreement to the contrary notwithstanding.

The local union, in its own name, may institute or intervene in any proceedings at law, in equity, or in bankruptcy, for the purpose of effectuating the collection of any sums due its members from the employer under the provisions of the insurance benefits hereinbefore referred to.

Adjustments to Health or Social Security Legislation

A number of agreements provide for adjustment of benefits to possible future social security laws requiring compulsory contributions covering benefits that have already been provided by the collective bargaining contract. To guard against duplicate payments and duplication or overlapping of benefits, the employer is sometimes allowed credit for his contributions under the State law against those for which he pays under the negotiated plan. Some clauses authorize the elimination of the particular benefits from the plan; others stipulate reduction of benefits under the plan so that the combined benefits and the law will equal the present benefits under the plan.

Still others provide for revision of the plan if any part of it is duplicated through Federal or State legislation. If the State law requires employees to contribute to a temporary disability compensation plan, the resulting employer savings in premium costs are sometimes directed to be used for the provision of other benefits, such as life insurance.

Other agreements contain general provisions that the programs shall be governed by applicable State laws (presumably relating to insurance policies).

326. Automatic Conformity to Federal Legislation

In the event any rules and regulations issued by the United States Government concerning the operation of the above described [social security] program should make necessary changes in the program hereinabove described, such changes shall automatically become part of this agreement during the effective period of operation of such rules and regulations. Parties hereto further agree automatically to do any and all things necessary to effectuate compliance with the pertinent provisions of the aforesaid act and said rules and regulations.

327. Establishment of Plan for Disability Benefits Under State Disability Insurance Act

By a majority vote, the members of the district council and/or local unions may agree and the members of the [employers' association] approve the establishment of a voluntary plan through an admitted disability insurer to be designated by the labor representatives of the [joint committee] for the payment of disability benefits as provided under the State of California's Disability Insurance Act. The said program shall become effective the 1st day of July 1948.

328. Employees To Assign Contributions Required Under State Plan to Contract Plan, as Allowed by Law

The parties agree to institute and maintain uniform group insurance plans; the master policies issued by the insurance companies shall be attached and made

part of this contract. The group insurance plans to be effectuated must be acceptable to this union.

The plans shall be operated under joint union-management administration. Provision shall be made for continued insurance of employees during periods of temporary lay-offs unless employment is secured elsewhere.

It is understood and agreed that employees shall cooperate in instituting the insurance plans by assigning the 1-percent pay-roll tax (that would normally go to the State disability plan) to the private plan. The union agrees to secure the cooperation of its members in this regard.

Moneys paid by the company shall be paid into a joint insurance fund which shall be administered and expended by the trustees for the purpose of providing to the employees of company life, accident, health, and other forms of group insurance including medical care and hospitalization and to provide such reserves as the trustees may deem necessary.

The trustees of such joint insurance fund shall consist of the following:

Each company participating in the joint insurance fund shall name one trustee whose vote shall be equal to the total number of company-appointed trustees. The union-appointed trustee and the company-appointed trustees shall by mutual agreement appoint an impartial trustee.

To the extent and in the manner above mentioned, the company joins with other companies, who have made or may make contracts with this union containing provisions similar to those set forth in this section, in establishing and maintaining the said joint insurance fund; it being understood, however, that the fund will be held and managed by the trustees thereof under the terms and provisions of a declaration of trust or trust agreement to which the trustees and the union shall be parties. The trustees shall render reports at regular intervals to the company and the union respecting application of the moneys received and benefits paid.

The company agrees to make available to the trustees any and all records of employees hired, classifications of employees, names, social-security numbers, and account of wages paid, that the trustees may require in connection with sound and efficient operation of the joint insurance fund above mentioned, or that may be required by the insurance companies covering the employees.

Each company, including the instant company, participating in the joint insurance fund, shall pay to the trustees, monthly, the sum of \$6 for each union member, provided said union member has 3 months' seniority and has worked not less than 115 hours during the preceding calendar month.

Vacations, paid holidays, and time lost from injuries and compensated by workman's compensation insurance shall be considered as time worked; the payments to be made by the company shall be made within 15 days after the first day of each month.

The trustees shall annually cause a full audit to be made of the operations of the trustee fund by a nationally recognized audit firm.

Any of the provisions of this section may from time to time be modified with the consent of the union and with the consent of the company trustees provided however, that such modification shall not increase the amount of the payments to be made by the company to said joint insurance fund.

In the event that the instant employees covered by said insurance plan desire group insurance plan for the dependents of employees of the instant company, the cost of such insurance shall be borne by the said employees.

NOTE.—The California law permits employers to "contract out" from the State plan by setting up one which is equal in all respects to the State plan and greater

in at least one. There is no tax on the employer for this purpose, but employee tax may be diverted as above.

329. *Sickness and Accident Benefit Plan To Be Modified To Conform With State Plan*

The above sickness and disability benefits shall apply from the signing of this contract until December 31, 1948. A plan of sickness and disability benefits in conformity with the laws of the State of New Jersey will be inserted in this article and will supersede the provisions of this article as now written on January 1, 1949.

NOTE.—This clause is taken from a 2-year agreement effective August 1948.

330. *Renegotiation in Event of Legislation; No Loss of Present Benefits*

In the event any Federal or State government or agency thereof shall provide a plan or plans of insurance to which the employer shall be obligated to contribute, then in such event both the union and the company agree to re-open this article and re-negotiate the same, the intent being that union employees do not lose any of the benefits provided for by the insurance fund and the trust indenture.

331. *Renegotiation on Reduction or Elimination of Duplicate Employer Payments in Event of Legislation, Subject to Arbitration*

In the event that State or Federal legislation shall be enacted requiring the employers, during the term of this trade agreement, to pay premiums or taxes, measured by the wages of members of the union, for any of the social insurance benefits herein provided for, the parties hereto shall, promptly after the enactment of such legislation and within 10 days after service of written notice by the association on the union, commence negotiations in respect to the reduction or elimination of that portion of employer contributions required by this agreement as is applied to the purchase of such social insurance benefits which may be provided by employer payment of premiums or taxes under such State or Federal legislation; and in the event that parties fail within 30 days after the commencement of negotiations to arrive at an agreement, the matter shall be determined by an umpire designated by the then Mayor of the City of New York, the decision of such umpire to be final and binding on the parties.

332. *Duplicate Benefits Canceled and Employer Relieved of Cost*

Should any Federal or State social security law be enacted and put into effect during the period of this agreement, providing benefits paralleling any of those contained herein and imposing the cost thereof upon the company, then and to that extent only shall such paralleling benefit provided herein become inoperative and canceled in the policy of insurance and the company shall be relieved of the cost thereof in order to avoid duplication of insurance costs.

333. *Legal Benefits To Be Supplemented To Provide Contractual Benefits. If Law Requires Employee Contributions, Contractual Benefits Reduced and Employer Savings Used for Life Insurance Benefits*

If, during the term of this agreement or any extension or renewal thereof, there shall become effective any compulsory State or Federal system of employee-group insurance financed by compulsory contributions from employers, including the employer herein, which system duplicates in whole or in part that system of benefits provided in this article IV (a) [group insurance benefits] shall be modified so that its obligation will be to provide benefits that will, when added to the benefits under such compulsory system, equal the benefits of the employees as

provided in article IV (a). In the event such compulsory State or Federal system shall be financed by compulsory contributions from both employees and employers, then the benefits in section (a) shall be reduced and any savings in costs to the employer shall be utilized to provide life insurance benefits.

334. *Relation to State Disability Plans: Benefits Equal Difference Between Agreement Benefit and State Benefit, Plus \$1,000 Life Insurance Policy*

The weekly benefits in case of disability due to accident or sickness not covered by the applicable workmen's compensation law, shall be equal to fifty (50) percent of the average total weekly earnings, including overtime, computed on the basis of the total earnings of the preceding quarter of the year, but in no event less than fifteen (15) dollars per week for a period of thirteen (13) weeks beginning with the first day of disability due to accident, and the eighth day of disability due to sickness, provided, however :

(a) That in the State of Rhode Island and in any other State where employees are required by law to contribute to a sickness or health compensation plan operated under law, the employees shall receive in weekly sickness benefit, under this agreement, only such amount, if any, as shall be necessary to bring the weekly sickness benefit up from the amount paid under such law to the amount, and for the duration, that is payable as hereinabove provided [in the preceding paragraph], and

(b) Such employees in the State of Rhode Island or in any other State where employees are required by law to contribute to a sickness or health compensation plan operated under law, shall be covered by an additional life insurance policy, with right reserved to change beneficiary, in the principal sum of \$1,000.

335. *Cash Weekly Benefits Extended To Conform With State Law*

The group insurance program now in effect will be maintained by the company until January 1, 1949 and thereafter except as provided for below :

Effective January 1, 1949 the accident and sickness weekly indemnity provision of the current program will be extended to conform with the New Jersey Temporary Disability Benefits Law, as approved on June 2, 1948 to provide for benefits as now provided (\$10.50 to \$35 weekly) for the first thirteen (13) weeks of disability as shown in the schedule of insurance contained in Exhibit "C" annexed hereto and benefits as provided under the New Jersey Temporary Disability Benefits Law (\$9 to \$22 weekly) for the next thirteen (13) weeks.

336. *Establishment of Sickness and Accident Benefit Plan Operative Only if Approved as Private Plan Under State Temporary Disability Benefits Law*

The employer shall obtain and pay for in full, for every employee covered by this agreement, a sick and nonoccupational accident insurance policy which shall provide that said employees shall receive the payment of \$25 per week in case of sickness, commencing on the fourth (4th) day of sickness for a maximum of twenty six (26) weeks annually, subject to competent medical examination and control. If however the employee is sick for a period of fourteen (14) or more days then the employer shall compensate him for the first three (3) days of sickness at the rate of \$5 per day. In the case of accidents the policy shall provide that the payments of \$25 per week shall be paid the employee from the first day of the accident.

This section shall be operative only if and as long as such an insurance policy is approved by the Unemployment Compensation Commission as a private plan under the Temporary Disability Benefits Law. Should this plan not be approved,

or if approved, should approval subsequently be withdrawn, then this section shall be inoperative and the employer and the union hereby agree to reopen this contract for the purpose of negotiating and providing the employees with a private plan which will meet with the approval of the Commission.

Note.—This agreement covers a New York plant.

337. *Employee Deductions Under State Disability Law Paid to Union Fund To Provide Insurance Required by Law*

It is further agreed that the employer will deduct 1 percent of the employees' pay as required by the California Unemployment Insurance Disability Act. The deduction will not exceed the maximum provided by law and will be paid to the union ([union] insurance trust fund). The union agrees to provide insurance as required by the California Unemployment Insurance Disability Act for all of the employees for whom the deductions are made and paid to the union. Such plans shall be approved by the appropriate State agency as required by law.

NOTE.—Under this agreement employers contribute \$3 per month to a fund administered by the union.

338. *Employer Assumes Employees' Share of Pay-Roll Tax Required Under State Disability Benefits Law*

The company agrees to pay for the temporary disability benefits provided for under the New Jersey law known as the Temporary Disability Benefits Law effective January 1, 1949.

NOTE.—Under the New Jersey law employees are required to contribute 0.75 percent of their wages but the employer may assume all or part of this amount. The employer's contribution amounts to 0.25 percent of covered pay roll. Under this contract, employees also receive hospital, surgical, and medical benefits at the employer's expense.

339. *Payments to Employee Under Insurance or Compensation Laws Are Deducted from Benefits Paid by Plan*

Where, under any item covered by insurance or compensation laws, the employee is entitled to benefits under this agreement, such insurance or compensation payment shall be offset against such benefits.

340. *Validity and Interpretation of Plan Subject to State Law*

The blanket insurance policy or policies herein mentioned having been executed and delivered in Philadelphia, Pa., it is hereby mutually agreed that the laws of the Commonwealth of Pennsylvania shall govern the validity and interpretation of the within social security provision and the said policy or policies herein mentioned.

The Individual Worker's Equities Under A Benefit Plan

Whenever a worker is temporarily off the job, whether because of lay-off, illness, leave of absence, or other reasons, the question of continued protection under the benefit plan arises. Life insurance generally terminates 31 days after employment ends, but the employee has the privilege of converting the insurance to an individual policy, at a higher premium rate. Other insurance (sickness and accident, hos-

pitalization, etc.) generally terminates at the same time as employment, or shortly thereafter.

In industries with sharp employment fluctuations, or in which temporary lay-offs occur frequently, the worker is often left unprotected. Some collectively bargained plans established on an area-wide or industry basis extend protection to union members in the event of transfer to another employer. Attachment to the industry's labor market, rather than to a particular shop, determines eligibility for continued participation. Under such industry plans, the worker continues to be covered when he shifts from one plant to another; i. e., coverage is retained by employees transferring to other plants in the same industry where an insurance plan is in effect. This practice resembles pooled vacation plans whereby vacation allowances are drawn from a central fund, to which each employer makes periodic contributions on the basis of his total pay roll. In this way, workers who transfer from shop to shop and are seasonally employed for short periods still receive their earned vacation credits.

TEMPORARY LAY-OFF OR LEAVE OF ABSENCE

Protection of employees who are laid off or who are granted leave of absence varies. Under some agreements, a worker continues to be covered for a specific period, usually from 1 to 2 months, and sometimes up to 6 months. In a contributory plan, extended coverage usually depends on the continuation of the employee's contributions. Some plans exclude temporarily laid-off workers from coverage; others provide for consideration of continuance of insurance coverage under such circumstances. Occasionally, provision is made for automatic coverage of rehired employees, without the usual waiting period. One contract specifies that the employer shall hold insurance dividends in trust for payment of employee contributions during periods of disability. (See clause No. 211.)

341. *Noncontributory: Company Continues Premium Payments for 13 Weeks if on Sick Leave and for First Month After Lay-Off*

The company agrees to continue payment of said premiums during an employee's absence because of sickness or accident for a period of thirteen (13) weeks and further agrees in case of lay-offs to pay the first monthly premium due on said policies during the period of lay-off.

342. *Noncontributory: Sickness Insurance Continued for 2 Months, Other Insurance for 3 Months After Leave of Absence. Employer Relieved of Contribution if Employee Completes 3-week Probationary Period in Another Plant in the Industry. Absence Due to Total Disability Not Considered Leave or Severance of Employment*

Any worker who is given a temporary leave of absence by the employer for any reason except sickness or accident shall be covered for life, hospitalization, and

surgical aid insurance benefits by the employer for a period of at least three (3) months from the date of his leave, and for sickness and accident insurance, for a period of at least two (2) months from the date of his leave; but, if such employee secures employment in another plant in the industry, such employee shall be required to pass a probationary period of three (3) weeks with the new employer, and upon his having passed this probationary period, the new employer shall place this employee on the regular list of those employees participating in the insurance program. The original employer shall then not be required to continue payment of premiums for the insurance herein mentioned for that employee.

Under terms of all the policies in effect, absence from work due to total disability of any sort shall not be interpreted to be either a leave of absence or a severance of employment as referred to in this contract or in the policies.

NOTE.—New employees who have not worked in the industry or who have not been members of the union for a period of 30 days must pass a 30-day probationary period to participate in the plan.

343. *Noncontributory: Coverage Extended to End of Contract Year in Case of Sickness; Terminates Earlier if Separated for Other Reasons*

In case of sickness, the entire benefits will be carried until the end of the contract year.

Termination of Insurance—All forms of insurance to terminate on the last day worked in “quit” or “discharge” cases.

In the case of lay-off, leave-of-absence or retirement, the insurance benefits to terminate at the end of the month in which such lay-off, leave-of-absence or retirement occurs.

Employees recalled after lay-off shall be reinstated immediately upon return to active duty, without waiting 6 months.

Upon termination of employment for any reason, “life insurance” may be converted to an individual policy within 31 days without physical examination.

344. *In Case of Absence for Illness, Hospitalization Coverage is Extended Not To Exceed 1 Year and Life Insurance Coverage Until Return to Work*

Employees unable to work because of illness or accident shall be covered for life insurance until return to work and for hospitalization for a period not to exceed one (1) year.

345. *Noncontributory: Life Insurance and Hospital Benefits Terminate After 3 Months' Lay-Off; Other Benefits Immediately. All Benefits Terminate After 5 Months' Absence Due to Sickness or Accident. Advance Notice by Employer of Payment of Premiums.*

In case an employee is laid off, life insurance and hospital benefits under this agreement shall terminate where an employee has been on lay-off for three (3) months or more; the benefits under accidental death, dismemberment or loss of sight and surgical expense insurance shall terminate at the time the employee ceases active work.

All insurance benefits under this agreement shall terminate where an employee has been absent due to sickness or accident (excluding workmen's compensation cases) for five (5) months or more.

The employer will notify, in writing, employees laid off or absent due to sickness or accident prior to the time when payment of insurance premiums will be discontinued by the employer, so as to give the employee the opportunity to convert

the life insurance and Blue Cross during the thirty (30) day grace period after payment of the last premiums by the employer.

346. *Noncontributory: Coverage for Maximum of 2 Months After Lay-Off*

Laid off employees shall be reported and premiums paid for a period not exceeding 2 months.

347. *Life Insurance Coverage Extended for 60 Days During Leave of Absence; Employee To Make Arrangements on Insurance Paid for by Him*

Company group life insurance carried by the company for the benefit of the employee shall be continued during leaves of absence for a period not exceeding 60 days except as to insurance paid for by the employee, in which case such employee shall make arrangements concerning the same.

348. *Noncontributory: Coverage Except for Life Insurance for 1 Month During Temporary Lay-Off or Leave of Absence*

During a period of temporary lay-off or leave of absence, the system of insurance except life insurance provided herein shall be continued for a period of 1 month beyond the end of the month during which the employee ceased work.

349. *Extended Coverage During Temporary Lay-Off for 30 Days Following End of Month of Lay-Off; Coverage Continued During Seasonal Lay-Off Provided Recalled to Work by Specified Date*

Any employee temporarily laid off by the company shall continue to be eligible for benefits provided in the comprehensive group insurance plan now in force until the end of the month of his said lay-off and for a further period of thirty (30) days thereafter. Any employee seasonally laid off and who is recalled by the company by March 15 following his seasonal lay-off shall, during the period of his seasonal lay-off, continue to be eligible for the benefits provided in comprehensive group insurance plan now in force, provided that he shall give notice of illness or accident to the company promptly in order to be eligible for health or accident benefits.

350. *Noncontributory: Coverage Extended for 31 Days During Leave of Lay-Off, But Terminates Immediately on Date of Termination of Employment. Termination of Employment Defined.*

In the event of an employee being granted a leave of absence authorized by the company for any reason other than nonoccupational accident or sickness, all group insurance benefits will remain in full force and effect for the period of the authorized leave of absence, but not exceeding thirty-one (31) consecutive days from date of the authorized leave of absence.

In the event of an employee being laid off by the company, all group insurance benefits will remain in full force and effect for the period of the lay-off, but not exceeding thirty-one (31) consecutive days from date of lay-off, but should any such employee during the said period accept employment elsewhere, all group insurance benefits will then terminate on the date of such employment.

In the event of termination of employment, all group insurance benefits will terminate on the date of termination of employment by the company. For the purposes of this paragraph, "termination of employment" shall include any discharge or voluntary quit, and may include, at the option of the company, any break in continuous active work with the company due to any strike, sit-down, stay-in or slow-down, or any curtailment or restriction of, or interference with, production.

351. *Noncontributory: Life Insurance Continued During Total Disability for Maximum of 12 Months and Provided Death Occurs Before Age 65*²

If you become totally disabled your life insurance protection continues for a period equal to the time it has been in force but not exceeding 12 months, providing death occurs prior to age 65 and the group policy is in full force.

352. *Noncontributory: Employer Not Required To Cover Employees on Lay-off, on Leave of Absence, or Prior to Completion of Probationary Period*

The company shall be under no obligation to make payments under this article for any employee after his employment with the company is terminated for any reason or while the employee is laid off or on leave of absence or for any other reason not drawing wages or, in the case of a new employee, until after he has finished his probationary period.

353. *Contributory: No Limit on Extended Coverage During Illness, Provided Insurer Consents and Employee Pays His Share of Cost*

Provided the insurance company, carrying the group life insurance and the sickness, accident, surgical, and medical insurance upon the lives of employees of the company, and the hospital service corporation of which employee is a member consent, the company will continue to make the payments called for under section XIV, XV, and XVI during said period [of sick leave without pay] provided the employee continues to carry his share, if any, of the cost of the various coverages.

354. *Contributory: Group Insurance Continued for Employees on Leave of Absence for Full-time Union Service, Provided Employee Pays His Share of Premium at Least Monthly in Advance*

The group insurance of such employees [on leave for full-time union service] shall be continued in force during such authorized leave-of-absence in case, and in such manner, as the provisions of the company group insurance contract permit, provided they pay their share of the group insurance premiums at least monthly in advance.

355. *Contributory: Employee May Maintain Coverage (Limited to 31 Days for Accidental Death and Dismemberment and Accident and Sickness) During Leave or Lay-off by Paying Premiums*

The company agrees to permit all employees on the seniority list who are on leave of absence or laid off to maintain insurance coverage upon monthly payment of premiums to the personnel office of the company, except that the group accidental death and dismemberment, accident and sickness insurance shall be suspended at 31 days in cases of lay-off or leaves of absence for reasons other than sickness or accident.

356. *Extended Coverage Under Blue Cross Plan During Maternity Leave of Absence, Provided Employee Pays Premiums in Advance*

An employee granted a maternity leave of absence may elect to continue her coverage in the Blue Cross plan for a period not to exceed 12 months from the effective starting date of said maternity leave of absence providing: (1) the employee notifies the company prior to the commencement of her leave of absence of her desire to continue such membership, and (2) pays in advance the contribution necessary to cover her share of the premium cost of such membership for the elected period. (3) The provisions of this clause shall be effective as of

² From a descriptive booklet or related material.

June 10, 1948, and shall apply only to employees granted a maternity leave of absence on this date or subsequent thereto.

357. *Contributory: Employee Covered During Temporary Lay-Off Unless Employed Elsewhere*

Provision shall be made for continued insurance of employees during periods of temporary lay-offs unless employment is secured elsewhere.

NOTE.—This plan is jointly financed in the sense that employees assign to the employer-union plan the 1 percent pay-roll tax that would normally go to the State disability plan.

358. *Employer To Continue Contributions for 6 Months After Employee's Illness or Injury, Provided Employee Contributions Made*

The company will contribute to a family doctor and hospital contract or contracts or insurance for necessary medical and hospital treatment which the unions may select, subject to the approval of the company, covering the families of its employees an amount equal to the amount paid by the employees not exceeding one (\$1) dollar per family per month. At the request of the employees the company will deduct the employee's contribution from his earnings and make disposition thereof in accordance with such contract or contracts or insurance as may be entered into between such employees or their representatives and such doctors, hospitals, or insurance company. Where such employee is temporarily off the company's pay roll because of sickness or injury, on satisfactory proof having been made to the company that he has contributed to any such contracts the company will continue its contribution, as above set forth, for a period not to exceed six (6) months.

359. *Contributory: Employer Pays Full Premium for Employee and His Dependents for First Month of Employment After Lay-Off*

In the event of a lay-off of one or more insured employees for more than 1 month after the month in which such lay-off occurs, the company agrees to pay the full insurance premium for such employee and his dependents, if any, for the first month of his employment after his call back and return to work.

360. *Contributory: Consideration Given to Extending Life Insurance Coverage During Lay-Off. Continuation Also Subject to Regular Employee Contributions*²

If you are temporarily laid off, your insurance can be continued until the end of the policy month following the policy month in which the lay-off starts. If at the end of that period you are still on temporary lay-off, consideration will be given to continuing your life insurance for a longer period. Continuation of insurance during lay-off will be subject to payment of contributions on or before the pay days on which they would be deducted if you were working.

361. *Military Service Leave: Coverage Continued for 1 Year and 40 Days With Entire Premium Paid by Company*

Members of ----- union, local No. -----, who enter the armed forces of the United States shall be continued on the group life insurance rolls for a period of one (1) year and forty (40) days from their entry therein. They shall be treated for this purpose as being on a leave of absence without pay.

Their entire premium shall be paid by the company for both the contributory and noncontributory insurance for such period, and where the amount of insur-

² From a descriptive booklet or related material.

ance is to be determined by the length of service regular increases shall be made just as though the individual continued on his duties with the company. All insurance will terminate if the country goes into an actual state of war.

362. *Military Service Leave: Company Pays Premium on National Service Life Insurance for Same Face Value as Under Company Plan, up to Maximum Amount. Coverage Under Company Plan Ceases*

Premiums on an amount of national life insurance equal to the amount of [company] group insurance carried by the individual, but not to exceed ten thousand (10,000) dollars, and for a period not to exceed beyond 6 months and 90 days after the termination of war. Such insurance must be applied for within thirty (30) days after induction. [Company] group insurance will be terminated upon separation from the pay roll.

363. *Military Service Leave: Company Pays Premiums on Government Insurance Provided Employee Enrolled in Company Plan 30 Days Prior to Enlistment or Draft*

In addition, during the term of this agreement, the company will forward to each employee who has been or during the contract is drafted, or enlists under said act, an amount of money sufficient to cover life insurance premiums under the insurance plan offered by the United States Government in a face benefit amount equal to that carried by the employee when employed by the company, provided such employee has enrolled in the company group insurance plan thirty (30) days prior to his enlistment or draft.

364. *Insurance Canceled 90 Days After Entry Into Military Service; Reinstated Without Examination or Waiting Period on Return Within 90 Days After Honorable Discharge*

Company group life insurance carried by employees entering military service will be canceled ninety (90) days after employee enters such service. Advance premium paid by employee beyond date of cancellation will be refunded to employee. Insurance of employees re-entering company service within ninety (90) days after honorable discharge from military service will be reinstated without physical examinations or waiting period.

TERMINATION OF EMPLOYMENT OR OF UNION MEMBERSHIP

Under some benefit programs, all coverage ends when an employee leaves the company. Commercial group life insurance coverage is customarily extended for 1 month after employment ends, but beyond this period in a few plans. It is also standard under commercial insurance to continue hospital and surgical coverage for a specified period after employment ceases, under fixed conditions: If an operation is performed within 3 months after termination; if hospital confinement or operation results from total disability which is continuous from date of termination; in pregnancy cases within 9 months after employment ends.

In plans which require union membership in good standing as a condition for receipt of benefits, an employee's loss of good standing automatically removes him from coverage.

On termination of service, a participant is permitted to convert his group life insurance coverage, without medical examination, to an individual policy with the same insurance company. However, application for the change must be made within 1 month after severance of employment. Some plans extend the conversion privilege to hospitalization and surgical-medical coverage. Under Blue Cross and similar hospitalization plans, coverage may be converted to an individual plan at a slight increase in cost.

365. *Contributory Plan: All Benefits Convertible After Termination, Subject to Age, Employment, and Application Restrictions*²

You may continue benefits if you leave this company by changing to an individual policy which is issued subject to [insurance company's] underwriting rules, if you (1) are employed elsewhere (2) are less than 60 years of age and (3) apply for the policy within 31 days after you leave.

NOTE.—The benefits provided under the plan include accidental death and dismemberment, sickness and accident, hospital, surgical, and hospital and surgical for dependents.

366. *Noncontributory: Blue Cross Convertible After Termination*

On January 1, 1949, revised and extended employee benefits connected with group hospital, medical-surgical insurance will be effected. Announcement of all benefit programs with full explanations, including the company's retirement plan in booklet form, will be distributed to each employee as soon as possible.

Employees leaving the company may continue the services provided they notify the Blue Cross office within 30 days after they leave the employ of [the company]. They will be given credit for accumulated time, but revert to standard contract terms (12 months waiting period for maternity), unless termination is due to conditions stated in paragraph —.

367. *Life Insurance Extended for 31 Days After Termination of Employment; Other Benefits Cease Immediately*

The life insurance, at the [employer's] expense, on any employee covered hereby, shall cease, automatically, thirty-one (31) days after the date of the termination of employment of such employee, and said accident and sickness and hospitalization and surgical benefits insurance shall continue only while the employee remains in the employ of the [employer].

368. *Conversion to Sum Equal to or Less Than Group Life Insurance Policy. Other Insurance Ceases on Termination of Employment or at Age 70, Whichever Is Earlier.*²

Upon termination of your free and contributory group life insurance as outlined in your certificate, due to termination of employment, you will be entitled to have issued to you, without medical examination, provided you make application to the [carrier] within 31 days after termination of employment, a policy of life insurance in any one of the forms customarily issued by the [carrier] (except term insurance), in an amount equal to—or, at your discretion, less than—the amount of your protection under the group life policy, upon the payment of the premium applicable to the class of risk to which you belong and to

² From a descriptive booklet or related material.

your age at the time of conversion. The accident and sickness and accidental death and dismemberment coverages are not convertible and terminate upon termination of employment or attainment of age 70 whichever is the earlier date.

You name your own beneficiary and may change the beneficiary at any time by filling out a request form.

369. *Insurance Terminates When Union Membership or Service for Covered Employer Terminates, With Privilege of Converting Life Insurance*²

The insurance benefits on any member will terminate at the end of the premium month following the date on which he ceases to work for a contributing employer, or terminates his membership in the union, providing premiums are paid in his behalf * * *. When the life insurance of a member terminates it may be converted to an individual policy of life insurance without medical examination within 31 days.

NOTE.—This is a union shop agreement.

370. *Insurance Coverage Terminates on Date of Separation if Employee Quits Without Notice or is Discharged for Cause, but is Extended During Lay-off or Sickness, or if Employee Quits After Giving due Notice*

In the case of employees temporarily unemployed as a result of lay-off or because of quitting after giving a week's notice or because of discharge but not for disciplinary reasons, the foregoing benefits, with the exception of sickness and accident benefits, shall be continued up to six (6) months after the end of the policy month of lay-off, quitting, or discharge, the premiums for such coverage to be paid from the welfare reserve fund, and not to be chargeable against last employer. Any employees who are temporarily unemployed because of quitting or discharge must be ready, able, and available for work in the lithographic industry in the Detroit area.

Employees who walk out on the job without notice or who are discharged for disciplinary reasons without notice shall have their insurance canceled as of the date of termination of employment.

Any employee who is temporarily laid off or who is temporarily unemployed because of quitting or discharge shall have his insurance canceled immediately upon securing employment other than in the lithographic industry.

371. *Conversion to Individual Life Insurance Policy (Except Term Insurance) Allowed, Without Physical Examination on Written Application Within 31 Days After Termination*²

Upon termination of your insurance on account of termination of employment you may convert the life insurance—without physical examination—to an individual life insurance policy in any one of the forms customarily issued by [insurance company], except term insurance, provided written application is made to the insurance company within 31 days after termination of employment. If you should die during this 31-day period, the amount of the insurance would be payable to your beneficiary.

372. *Maternity Benefits Extended 9 Months After Termination*²

If your employment terminates, your protection and that of your dependents under this plan will automatically cease, except in the case of maternity when claims for hospital expense on employees will be honored within 9 months after termination of employment.

² From a descriptive booklet or related material.

373. *Extension of Hospital and Surgical Benefits for Employees*

Group hospital indemnity is payable for confinement commencing (a) while the employee is insured, or (b) within 3 months following termination of the employee's insurance provided the confinement results from total disability which has been continuous from date of termination, or (c) within 9 months following termination of the employee's insurance provided the confinement results from pregnancy or resulting childbirth or miscarriage.

If more than one operation is performed during any one period of disability reimbursement will be made for each operation but not more than the maximum reimbursement of \$150.

Maximum surgical reimbursement is made for operations caused by non-occupational accident or sickness in accordance with the schedule attached.

An important feature of the plan is the provision that if an employee's insurance lapses during any period of disability, the employee is entitled to reimbursement regardless of whether the operation is performed before cancellation or within 3 months thereafter during the continuance of the disability (9 months if the operation is due to pregnancy or resulting childbirth or miscarriage).

374. *Extension of Hospital and Surgical Benefits for Dependents*²

In addition to covering hospital confinement beginning and operations performed while your insurance with respect to a dependent is in effect, hospital and surgical benefits are payable for hospital confinement beginning and operations performed, (a) within 3 months after termination of the insurance if the dependent is disabled from the date of termination to the date hospital confinement commences or the operation is performed, or (b) for confinement and operations due to pregnancy, childbirth, or miscarriage within 9 months after termination of the insurance.

RETIREMENT FOR AGE OR DISABILITY

Contracts sometimes stipulate that all insurance will cease on retirement, or at a given age. However, the employee may convert his life insurance (usually without physical examination) to an individual policy for which he alone assumes premium payments. Some other plans provide continuation of life insurance at no cost to the employee, either for an amount equal to that in force at the time of retirement or for a smaller amount.

Extension is less frequent for other types of health and insurance benefits than for life insurance. Conversion of such benefits to individual policies is rarely, if ever, mentioned in a contract, though it is permitted by some underwriters.

375. *Employer To Maintain Life Insurance on Retirement Equal to Amount in Force at Time of Retirement*

The company shall continue to maintain the group life insurance of a "retired employee." The term "retired employee" shall mean a former employee of the company whose employment has been terminated by retirement and who shall have been placed on the company's retirement list by resolution of the retirement committee, provided that the company shall have notified the insur-

² From a descriptive booklet or related material.

ance carrier in writing, prior to [date], or the effective date of the retirement of the employee, that the employee is to be placed on such retirement list. The amount of insurance as to each retired employee shall be the amount of insurance in force on his life hereunder at the time he shall have become a retired employee. The insurance hereunder on a retired employee is to be canceled when such retired employee has issued to him an individual policy under the conversion privilege.

376. *Employer Pays Premiums on \$500 of Life Insurance for Retired Employee, Who May Convert Remainder (if any) or Original Amount at Own Cost*²

When you retire, your life insurance will be continued in force by your company without cost to you as long as you live. The amount of life insurance which will be continued is \$500 for all employees regardless of the amount of your insurance prior to retirement. If, prior to retirement, your amount of life insurance was larger than \$500, you may convert the balance without medical examination and continue the additional protection at the insurance company's regular rates at your own expense in the same manner as if you terminated your employment.

377. *Employer Assumes Cost of Life Insurance for Employees Retiring for Age or for Total and Permanent Disability*

In the event that an employee retires at age sixty-five (65) from the service of the company and is drawing social security benefits, the company will continue such employee's group life insurance and assume the entire cost.

In the event an employee retires on account of total and permanent disability and has completed ten (10) years of service, the company will continue such employee's group life insurance and assume the entire cost.

378. *Noncontributory: Life Insurance Extended at Employer's Expense for 1 Year After Employee's Retirement*

The life insurance, at [employer] expense, on any employee covered hereby shall cease, automatically, thirty-one (31) days after the date of the termination of employment of such employee and said accident and sickness and hospitalization and surgical benefits, medical expense and consultation fees insurance shall continue only while the employee remains in the employ of the [employer]; provided, however, that the [employer] shall continue in force, at its own expense, on the life of each retired employee who retires in accordance with the provisions of the section entitled—"retirement allowance," hereinafter set forth, on and after June 1, 1945, group life insurance in the amount of \$1,000 for a period of one (1) year after the date of such employee's retirement. The provision to continue in force group life insurance in the amount of \$1,000 on the life of each retired employee for a period of one (1) year after the date of such employee's retirement shall include only those employees who retire on and after June 1, 1945.

379. *Noncontributory: Employer Continues Payment of Life Insurance Premiums During Total Disability Commencing Before Age 60*²

If employment is terminated prior to age 60 because of total disability the life insurance will be continued without cost. Evidence of continued total disability will be required from time to time.

² From a descriptive booklet or related material.

330. *Life Insurance Paid in Installments in Event of Permanent and Total Disability Prior to Age 60*

If an employee qualifies under the policy provisions for permanent and total disability benefits prior to age 60, the amount of his life insurance will be paid to him in installments.

331. *Noncontributory: Lump-Sum Payment of Not Less Than Face Value of Policy or Continuation of Benefits Without Premium Payments in Event of Total Disability*

There shall be provision for the continuation without premium payments of benefits payable under the policy for each employee who has been deprived of his employment because of total disability, such continuation to run for the entire period of such total disability. This provision may be limited to those employees who suffer such total disability before reaching the age of sixty (60) years. With respect to such employees sixty (60) years of age and over, the employer shall continue to pay premiums on them for a period of at least 1 year from the last day worked, and the benefits under the policy shall be payable by the carrier company for a period of 1 year after the termination of the policy.

In substitution for the above, the policy may provide for a lump-sum payment of not less than the face amount of the policy to any totally disabled employee.

332. *Employer To Pay Life Insurance Premium for Retired Employee, Provided Acceptable to Insurance Carrier*

In the event that any employee is eligible for old age retirement and in fact retires, the company will continue to pay the group life insurance premium upon said employee, provided that this arrangement is acceptable to the insurance carrier.

333. *Retired Employee May Retain Hospital and Surgical Coverage by Continuing His Contributions; Medical and Weekly Sickness and Accident Coverage Ceases*

At retirement on pension at age 65 or later an insured employee may retain his hospital and surgical benefits under the ----- insurance policy for himself and wife upon continuing to pay his regular premiums. Medical and weekly indemnity benefits, however, will not be available for such employees.

NOTE.—This is a contributory plan.

OTHER COVERAGE PROVISIONS

334. *Termination of Surgical Insurance If Employee Is Transferred to an Ineligible Class or If Other Insurance Terminates*

An employee's surgical expense insurance shall automatically terminate if he is transferred to a class of employees not eligible for the insurance, or if his other insurance referred to in the section "employees insured" terminates, or if this rider terminates. If the employee's surgical expense insurance is terminated upon the termination of such other insurance, any reinstatement of such other insurance shall automatically effect a reinstatement of the surgical expense insurance provided the employee remains eligible therefor.

335. *Coverage Continued During Strike, Lock-Out, or Other Suspension, Provided Each Party Continues Contributions*

To keep policy in force, both employer and employee must pay his share, during any strike or lock-out, regardless of its duration. Same applies during any suspension, in the industry, beyond the control of either management or labor.

386. *Hospitalization Coverage Continues for 9 Months After Termination of Policy in Case of Maternity and 3 Months in Case of Total and Continuous Disability Beginning While Policy Was in Effect*

The policy shall provide for the payment of benefits after the termination of the policy for a period of nine (9) months in the case of maternity, and for a period of three (3) months in the case of hospitalization in connection with total and continuous disability sustained while the policy was still in effect.

387. *Insurance Lapses at End of Premium Month in Event of Strike*

The company and the union agree * * * that all insurance shall lapse at the expiration of any premium month during which employees are on strike.

CHAPTER 2.—PENSION PLANS

Introduction

Pension or retirement plans provide regular periodic payments, or annuities, to employees who retire or who are retired from service for one or a combination of the following reasons: they have reached a certain age, called the "normal" retirement age; they have served a minimum number of years; or they have become permanently and totally disabled.

Like other employee-benefit plans, pension plans have long existed in industry. They were almost invariably established unilaterally by the employer, and often were contributory. The war period witnessed the growth and development of such plans, whether established by the employer or negotiated through collective bargaining. The inadequacy of present social security old-age and survivors' insurance benefits stimulated the demands by unions for pension benefits negotiated through collective bargaining and financed entirely by the employer.

Although some major pension plans have been initiated as a direct result of collective bargaining, the details of most of these plans are seldom outlined in the collective bargaining contract. Usually, the agreement will indicate only in general terms the method of financing and methods of administration. Pension amounts, eligibility requirements, administrative rules and regulations, and other similar provisions are generally prescribed in the rules and regulations issued by the trustees, or by the union (in a union-administered plan), or contained in a separate document or booklet which may or may not be attached to the collective bargaining agreement. Other collective bargaining agreements contain a commitment by the company to pay retirement allowances in accordance with a separate retirement-allowance plan, which is jointly negotiated and signed as a separate agreement.

Usually, the pension or annuity is paid only if the retiring employee meets the age and/or service requirements or is totally disabled. Under some plans, however, other conditions for retirement are provided. For example, an employee retiring or otherwise leaving the company's employ before the normal qualifying period, but after a stipulated age or period of service, may receive a reduced annuity, beginning immediately on separation, or a deferred annuity, with pension payments beginning at the normal retirement age. If the plan is a

contributory one, an employee on separation from service before retirement may choose between an annuity or a lump-sum refund of his contributions, with or without interest.

Under some contributory plans the survivors of an employee who dies before retirement receive a lump sum equal to his contributions or, more rarely, periodic payments, either monthly for life or for only a stipulated period. Some plans provide also for payments to beneficiaries if the employee dies within a limited period after retirement; normally, however, survivor annuities are paid only if the employee has elected, prior to actual retirement, to accept a reduced annuity during his lifetime. (The omission of survivor benefits, particularly lump-sum payments, may be offset by life insurance.)

Retirement from service with a full annuity is usually automatic or compulsory at a specified retirement age, frequently 65. A number of unions are seeking to make retirement optional with the employee, partly on the ground that an employee's productive capacity does not necessarily end at age 65, and partly on the ground that pension payments under the plan, even when added to Federal old-age benefits, are inadequate to compensate for the loss of regular earnings.

Pension plans which are the direct product of collective bargaining tend to provide flat-sum pension payments irrespective of the employee's earnings or length of service. Older plans, usually employer-initiated, tend to provide pension payments which are based on a formula and which vary according to age at time of entry into the plan, retirement age, length of service, earnings, etc. Some plans authorize deduction of all or part of the primary Federal social security (old-age) benefits from the amount due under the formula; other plans provide no such deduction.

Topics discussed in this chapter are illustrated by clauses or portions of clauses excerpted from the agreement or an accompanying descriptive booklet. The latter are indicated by a footnote. Complete pension plans from both sources are set forth in the appendix.

Specimen Benefit Plans

1. *Contributory Insured Annuity Plan: Yearly Annuity Equals 50 Percent of Employee's Total Contributions. Retirement at Normal Age, or Earlier With Reduced Annuity; on Separation Before Eligible for Annuity, Choice Between Refund and Deferred Annuity; Lump-Sum Refund of Employee Contributions to Survivor if Employee Dies Before Retirement; on death of Annuitant, Survivor Receives Lump-Sum Refund of Unexpended Balance of Contributions, or Annuity if Annuitant Elected Reduced Amount for Himself. No Credit for Prior Service to Employees Not Joining When Eligible. Additional Pension at Employer's Cost for Service Prior to Effective Date of Plan for Eligible Employees*

Effective date: The plan became effective June 1, 1942.

MEMBERSHIP

An employee may become a member of the plan on the first day of the month after the following conditions have been met:

- (a) He has been in service at least 5 years.
- (b) He is under 64½ years of age.

An eligible employee may become a member of the plan by signing the card provided for that purpose. Each member will receive a certificate of his membership in the plan.

An employee who does not become a member of the plan when first eligible may do so at a later date. In such a case, membership will commence on the first day of the month after the card is signed, and he will receive no retirement annuity or other benefits for service before that date.

RETIREMENT DATE

The normal retirement date is the first day of the month coinciding with or next following the 65th birthday. Retirement annuity payments commence on the normal retirement date and continue as long as the member lives.

With the consent of the company, a member may retire before the normal retirement date on a reduced amount of retirement annuity.

A member will not be permitted to remain in service after the normal retirement date except with the special consent of the company. If a member is permitted to remain in service after the normal retirement date, his and the company's contributions will stop and retirement annuity payments will commence as if the member had actually retired on the normal retirement date.

MEMBERS' CONTRIBUTIONS

Each member will contribute 2 percent of his earnings up to \$3,000 per year.

A member whose earnings are over \$3,000 per year will contribute 2 percent of the first \$3,000 of his earnings each year and 4 percent of the excess of his earnings over \$3,000 each year.

Members' contributions will be deducted from their earnings each pay day. In determining the rate of contribution, earnings are computed from January 1 of each year. Thus, a member will contribute 2 percent of his earnings until his total earnings in each year have reached \$3,000 (counting all earnings from January on, regardless of the date he becomes a member), and 4 percent of his earnings during the remainder of that calendar year.

RETIREMENT ANNUITY AND COMPANY'S CONTRIBUTIONS

Each member who remains in service until his normal retirement date will receive a retirement annuity to be paid monthly. The yearly amount of this retirement annuity will be 50 percent of the member's total contributions under the plan.

The company will pay the excess of the cost of the above retirement annuity over the member's contributions. The company will pay considerably more than one-half of the cost of this retirement annuity.

The company intends to provide, without cost to the employees, an additional retirement annuity for each employee who became a member of the plan as of June 1, 1942, and who had then been in service at least 6 years. The yearly amount of this retirement annuity will be 1 percent of the member's yearly rate of earnings on June 1, 1942, multiplied by the number of completed years of continuous service, excluding the first 5 years of such service. The company

expects to make payments to the insurance company over a period of years, and each such payment will be applied to purchase these retirement annuities for eligible employees in order of nearness to retirement date.

All benefits and contributions under the plan are independent of, and in addition to, benefits and taxes under the Federal social security program.

NOTE.—Refer to examples of the amounts of members' contributions and retirement annuities.

DEATH BEFORE RETIREMENT

If a member dies before his retirement annuity payments commence, his beneficiary will receive the member's contributions plus 2 percent interest, compounded annually, on each contribution from the June first following the date it was paid to the first of the month in which death occurs.

A member may change his beneficiary at any time.

BENEFITS AFTER RETIREMENT

The regular retirement annuity is paid as long as the member lives after his retirement date, and if he dies before receiving total retirement annuity payments at least equal to his contributions with interest, the balance will be paid to his beneficiary. Interest is at the rate of 2 percent compounded annually, on each contribution from the June 1 following the date it was paid to his retirement date.

Instead of receiving the benefits described in the preceding paragraph, the member may elect a reduced retirement annuity to be paid as long as he lives, with the further provision that all or part of this reduced retirement annuity will be continued after his death during the remaining lifetime of a person (known as the joint annuitant) named by him.

A member may elect this form of retirement annuity at any time more than 5 years before his retirement annuity payments commence; otherwise, satisfactory evidence of his good health will be required.

NOTE.—Further information concerning this form of retirement annuity and the conditions governing its election will be included in the certificate issued by the insurance company.

TERMINATION OF SERVICE

If a member leaves the service before his retirement annuity payments commence, he may elect one of the following options:

(a) He may leave his contributions and interest with the insurance company and receive a retirement annuity beginning at his normal retirement date.

If he has been a contributing member of the plan for 10 years and is age 40 or over, the retirement annuity will be that purchased by both his own and the company's contributions. The retirement annuity for service before June 1, 1942, will be included only to the extent it has been purchased before the member leaves the service.

If he has been a contributing member of the plan for less than 10 years or is under age 40, the retirement annuity will be that purchased by his own contributions only.

(b) He may have his contributions returned to him with 2 percent interest compounded annually on each contribution from the June 1 following the date it was paid to the first of the month in which the election is made. The insurance company will ordinarily make the payment in one sum, but it reserves the right to spread the payment over 12 months.

If he elects this option, all of his benefits under the plan will be canceled.

NOTE.—A member may not withdraw his contributions or interest as long as he remains in the service of the company, or borrow against them at any time.

TEMPORARY ABSENCE

A temporary absence authorized by the company (such as sickness, accident, military service, or leave of absence) will not be considered termination of service and will be governed as follows:

(a) If earnings continue during the absence, contributions by the member and the company will continue on the basis of such earnings.

(b) If earnings cease, contributions by the member and the company will cease, but the retirement annuity previously purchased will not be affected. Upon resumption of earnings, contributions will be resumed.

If a member's service is terminated during a period of temporary absence, the provisions governing termination of service will apply.

ASSIGNMENTS

No assignments of any of the benefits under this plan will be valid or recognized.

CONTRACTS

The member's rights and benefits under the plan outlined in this booklet, will be governed by the group annuity contract issued by the — Life Insurance Company to — Corporation.

FUTURE CHANGES IN PLAN

Any suggested change to the plan shall be negotiated and mutually agreed upon by the company and the bargaining committee. Also, the insurance company has the right to make changes in the contract after May 30, 1947. No change or suspension will affect the retirement annuity or other benefits already purchased by the member's and the company's contributions.

If the plan is discontinued, each member will receive a retirement annuity to commence at the normal retirement date, including the regular death benefit provision, but without the right to withdraw contributions. Whether or not the member remains in the service of the company, the amount of the retirement annuity will be that purchased by both the member's and the company's contributions before discontinuance.

2. Noncontributory Plan: Fifty Dollars Per Month Plus Additional Amount Geared to Service Over 25 Years. Full Pension Paid After 25 Years' Service for Voluntary Retirement at 65 for Men, 55 for Women, and When Retired by Company at Age 68 for Men and 58 for Women. Reduced Pension if Retired at 70 After 15 Years' Service or if Permanently Incapacitated. Compensation Payment After Retirement Deducted From Amount of Pension

The company agrees to continue, during the term hereof, the present pension plan, the provisions of which are as follows:

(a) Any employee who has completed twenty-five (25) years of continuous service with the company (and its predecessors) and has reached the age of sixty-five (65) years (in the case of female employees the age shall be fifty-five (55) years) may voluntarily retire upon a regular pension.

(b) The company may require an employee with twenty-five (25) years of continuous service to retire on a pension if the employee has reached the age of sixty-eight (68) years (for female employees the age shall be fifty-eight (58) years).

(c) The amount of the aforesaid pension shall be fifty (50) dollars per month for employees with twenty-five (25) years of continuous service with an additional one (1) dollar per month for every year of service in excess of twenty-five (25) years; provided, however, that in no case shall a pension exceed seventy-five (75) dollars per month.

(d) (i) The company may retire, upon a modified pension, employees coming within the following classification: Any employee over seventy (70) years of age with less than twenty-five (25) years but more than fifteen (15) years of service may be retired on a pension at the rate of two (2) dollars per month for each year of service.

(ii) Any employee who is permanently incapacitated and has had at least twenty (20) years of service will be retired on a pension rate of two (2) dollars per month for each year of service up to twenty-five (25) years with an additional one (1) dollar per month for each year of service in excess of twenty-five (25) years.

Provided, that in the case of any person who shall hereafter be put on a pension and who is also then or at any time thereafter contemporaneously receiving workmen's compensation, employer's liability, occupational disease or similar compensation payments from the company or from its insurance carrier, the amount of such payments shall be a credit against the amount of pension payment to which he shall be entitled;

3. *Noncontributory Plan: Simple Statement of Basic Provisions. Vesting Included. Limited Pension Payments to Beneficiaries if Employee Dies After Age 55 While in Company Employ or Within 5 Years After Retirement. Employees Eligible After 5 Years' Service and Age 30*

The company agrees to wholly pay for the pension plan outlined below:

Eligibility: Employees are eligible after 5 years of service and attainment of age 30.

Retirement Age: Normally 65; or earlier with consent of company, on a reduced amount of pension.

Amount of Pension: 1 percent of basic earnings over \$50 a month for each year of future service.

Minimum Pension: \$25 a month, in addition to social security benefit.

Termination of Service: If an employee terminates service after age 55, with 20 or more years of service, pension benefits already purchased vest with the employee, payable on retirement.

In Event of Death: If an employee dies after age 55 while in the employ of the company, his beneficiary receives a regular monthly payment for 5 years equal to the pension he would have received if he had retired on the date of his death.

If a retired employee dies within 5 years after retirement, his pension payments are continued to his beneficiary for the remainder of that 5-year period.

4. *Establishment of Noncontributory Industry Pension Plan. Employers Contribute \$1 Per Month to Trust Fund Administered Jointly, With Provision for Umpire To Resolve Disputes. Trustees to Determine "Nature, Extent, and Duration" of Pensions. No Payments Made Until Specified Date*

Commencing with the date of this agreement, the employer shall contribute on the first day of each month one (1) dollar for each of its employees covered by

this agreement who have passed the probationary period and who have been employed by it for at least three (3) days, full or part time, during the preceding month to a trust fund to be known as the Dyers and Printers Pension Fund. This fund shall be held in trust and administered by four trustees, two to be selected by the employers who contribute to the fund and two to be selected by the union. The employer shall submit monthly a list of employees for whom he is contributing.

The fund shall be held and used for the sole and exclusive purpose of providing pensions upon retirement to the employees of the employer and the employees of other employers making similar payments and/or to furnish benefits to the family or dependents of such deceased employees. The trustees shall determine the nature, extent, and duration of the pensions to be paid employees and/or the nature, extent, or duration of the benefits to be paid to their families or dependents out of the principal or income or both of the fund, provided, however, that no payments shall be made out of this fund prior to June 1, 1950.

The determination of a majority of the trustees or the umpire hereinafter mentioned as to the nature, extent, and duration of pensions and/or benefits to be paid together with the detailed basis therefor when made shall be reduced in writing and made a part of this agreement.

In the event that a majority of the trustees is not obtained on any issue, the dispute shall be referred to a neutral person to be called the "umpire" agreed upon by the trustees or in the event of their failure to agree upon such umpire within five (5) days, an umpire shall, on petition of either group, be appointed by the district court of the United States for the district where the trust fund has its principal office. The umpire shall decide the dispute and his decision in writing shall be final and binding upon all parties.

The trustee shall cause the fund to be audited at least once a year and the statement of the results of the audit shall be available for inspection by interested persons at the office of the fund, the office of the employer, and the office of the union.

5. Retirement Allowance Equal to 1 Week's Pay for Each Year of Continuous Service. Retirement at Age 65 or on Disability, After 10 Years' Service. No Credit for Continued Service After Age 65

When an employee is retired by the company due to the fact that the employee has either attained the age of 65 years or has become disabled, (as the direct result of a compensable industrial accident or occupational disease incurred in the employ of the company) to the extent that such disability prevents him from qualifying for any job within the local plant, the employee shall be paid a retirement allowance calculated in the following manner provided he had accumulated 10 years or more of continuous service at the time he became 65 years of age or became disabled as described above.

The retirement allowance shall be 1 week's pay for each year of continuous service. One week's pay shall be determined by adding the employee's wages for the 10 consecutive calendar years during which the employee received the highest annual compensation from the company and which fell after December 31, 1936, and dividing this sum by 520 to obtain the average weekly earnings for the ten (10) year period.

A voluntary request for retirement by an employee who has attained the age of 65 years shall not affect his eligibility for a retirement allowance. There shall be no obligation on the company to continue the employment of an em-

ployee who has attained the age of 65 years and the attainment of age 65 by an employee shall be sufficient cause for retirement by the company.

Should the company continue the employment of an employee after the employee has attained the age of 65 years, such employee shall not be credited with additional continuous service after attaining age 65 and his eligibility for a retirement allowance shall not increase due to such delayed retirement. Employees who attained the age of 65 years prior to August 18, 1947, shall be credited with the total continuous service they have accumulated up to August 18, 1947, in consideration of the fact that prior to this date they did not have the opportunity to elect to retire and receive a retirement allowance when they attained the age of 65 years.

An employee who is laid off but is eligible for reemployment shall not be eligible for a retirement allowance unless he attains the age of 65 years while laid off and eligible for reemployment. (The agreement provides reemployment rights for a period of two (2) years following the date of lay-off.)

A laid-off employee who refuses an offer of reemployment by the company at the plant from which he is laid off shall, by such refusal, forfeit all rights to a retirement allowance should he attain the age of 65 years while still laid off.

An employee who accepts any pension from the company upon completion of his employment shall not be eligible for a retirement allowance.

There shall be no obligation on the company to reemploy any person who has been retired in accordance with the terms of this section. If the company should rehire such former employee, he shall be hired as a new employee, without credit for previous service.

An employee who is discharged for just cause in accordance with the terms of this agreement shall not be eligible for a retirement allowance.

An employee absent on leave for a continuous period in excess of two (2) years shall not be eligible for a retirement allowance except in the case of personal illness.

6. *Contributory Plan—Pension Equal to \$50 per Month for Members Since Inception of Plan; for Others, Monthly Income Based on Number of Years of Contributions. Employee Option To Subscribe for Additional Pension Amounts*

The employer and the union agree that the following provisions shall govern — Employees' Retirement Income Plan:

(A) All full-time employees shall apply for membership in the plan at the expiration of their probationary period as stated in article III (A) [seniority] of the contract. However, the certificate described in (B) below and the deductions described in (C) below shall become effective on the following January 1.

(B) The employer shall issue in the name of each member a legal benefit certificate, as evidence that the employer will provide the benefits and privileges stated therein.

(C) Application for membership in the plan shall be authorization for the employer to deduct the required payment each month from the salary of^a the employee beginning with the month in which the retirement income certificate is effective and continuing through the month preceding the employee's sixty-fifth (65th) birthday. However, should employment continue after the sixty-fifth (65th) birthday, the deduction of payments for the plan shall continue until payments have been made for thirty (30) full years or employment terminated, whichever occurs first.

(D) Each employee who became a member of the plan at its inception, namely, April 1, 1942, shall be issued a certificate effective with that date and providing retirement income of fifty (50) dollars per month for life.

(E) All other employees shall be issued certificates effective the first day of the month in which their payments begin and providing a monthly retirement income based on the number of years payments will be made prior to retirement according to the scale shown below.

All employees shall also have the privilege of subscribing for additional units and/or half units. The total monthly maximum pension provided by the original unit and the additional units shall not exceed the lesser of:

(a) \$150 per month.

(b) One-half of the employee's current salary.

<i>Years employee contributes to fund</i>	<i>Monthly pension at retirement</i>	<i>Years employee contributes to fund</i>	<i>Monthly pension at retirement</i>
1-----	\$0. 50	16-----	\$14. 00
2-----	1. 00	17-----	16. 00
3-----	1. 50	18-----	18. 00
4-----	2. 25	19-----	20. 00
5-----	3. 00	20-----	22. 00
6-----	3. 75	21-----	24. 00
7-----	4. 50	22-----	26. 00
8-----	5. 25	23-----	29. 00
9-----	6. 00	24-----	32. 00
10-----	7. 00	25-----	35. 00
11-----	8. 00	26-----	38. 00
12-----	9. 00	27-----	41. 00
13-----	10. 00	28-----	44. 00
14-----	11. 00	29-----	47. 00
15-----	12. 00	30-----	50. 00

(F) No employee shall forfeit or have terminated his membership in the — Retirement Plan except as provided by the certificate of membership.

1. Employees granted a leave of absence as stated in article XIV (B) of this contract, shall continue as members in the plan unless resignation or death occurs during such leave of absence. Upon return to work the employee shall either make up all payments in arrears within one (1) year or shall surrender his certificate for a new one with a retirement income based on the number of years of contribution according to the scale in paragraph (E).

2. Employees granted military leave of absence as stated in article XIV (B) (3) of this contract, shall be considered to have made payments during the entire period of such leave, except that their cash withdrawal equity shall be based upon the actual payments made plus interest. If any such employee shall have left his payments on deposit with the employer, these payments will be applied on the period of employment starting with the return to work.

3. Any employee granted leave of absence shall be entitled to continue his payments for his retirement income certificate during such leave if he so wishes.

7. Noncontributory—Age and Death Benefits Based on 1 Percent of Average Yearly Pay Times Number of Years Worked up to Age 65. Optional Retirement at Age 60, Compulsory at 65, Subject to Maximum 5 Years' Extension

Age.—Any employee who has reached the age of 60 may be pensioned. Any employee who has reached the age of 65 must be pensioned, but yearly extensions may be granted, not to exceed five times.

Sickness pension.—If an employee has a doctor's certificate, stating it is impossible for him to work, he may obtain a pension at any time after ten (10) consecutive years' employment.

Should he again become able to earn more than \$30 per week before age 65 he must forfeit his pension unless the company refuses him employment. Upon being reemployed by the company, his pension ceases.

In *computing continuous employment* and annual pay, time spent in the armed services or on leave of absence shall be considered as continuous employment, but if said leaves are more than six months' duration, that year will not be considered in computing average pay.

Widows and orphans.—Should a pensioned employee die leaving a widow, she will receive the full pension until she reaches age 65, at which time the amount of the social security payments which she receives will be deducted from the pension.

Should the pensioner leave minor children, the full amount of the pension will be paid until the youngest minor child reaches the age of 18, but the amount of social security payments paid will be deducted from the pension.

In order to be eligible for this pension the widow must have been married to the pensioner for at least 10 years previous to his receiving the pension.

Should the widow remarry she forfeits all rights under this plan.

Computation.—The amount of the pension shall be 1 percent of the average yearly pay for the last 10 years before taking the pension, times the number of years worked up to age 65; the maximum, however, shall be 40 years.

Rights.—The pensioner shall retain his place on the seniority list. He will also be granted the right to live in company houses as long as he pays rent, and have the same privileges when purchasing coal, etc., as the other employees.

8. Contributory Plan—Employee Contributes 2½ Percent of Current Earnings; Employer To Bear Remainder of Cost, Including Prior Service. Pension Approximately the Sum of 1 Percent of Average Monthly Earnings in Each Year of Service. One-Year Service Eligibility Requirement

(a) Present hourly paid employees who have completed 1 year of service will be eligible for membership in this plan, provided males have not reached age 65 and females have not reached age 60.

(b) Normal retirement date will be the first of the month following employee's appropriate birthday.

(c) Contribution and amounts of retirement income.

(1) Beginning at normal retirement date, each eligible employee will receive a monthly life income equal to one (1) percent of current monthly earnings for each year of service rendered while in the plan. The current monthly earnings will be figured on the basis of forty (40) hours per week times the basic hourly rate.

(2) Towards this benefit, each eligible employee will make monthly contributions equal to two and two-thirds (2⅔) percent of current monthly earnings, while the employer will contribute the necessary balance.

The foregoing is, in substance, the pension plan as compiled by the — Insurance Company, a copy of the prospectus upon which the pension plan of the company is to be based is attached hereto and made a part hereof, known as Plan Two.

The foregoing has reference to future service. The following has reference to past service. The company hopes and expects to provide, out of current earnings, retirement benefits equal to one (1) percent per year of past service.

It is the hope and desire of all the parties hereto that this pension plan can be put into operation beginning July 1, 1948.

9. Percentage Formula in Computing Pension Amount Varies With Service at Retirement Age. Deductions for Social Security Benefits and Annuity Payments Under Insured Annuity Plan

A. Every employee covered by this agreement who has been continuously in the service of the company for twenty (20) or more years shall be eligible upon attaining age sixty-five (65) to a monthly pension computed as follows:

One and one-half ($1\frac{1}{2}$) percent of his normal monthly earnings multiplied by his years of service.

From the amount so computed shall be deducted:

(1) Any benefits to which the employee is entitled under the Social Security Act of 1938.

(2) Any benefits to which the employee's wife is entitled under the Social Security Act. If she has not attained age sixty-five (65) at the date of the employee's retirement but will attain that age within the 3-year period immediately following, the wife's benefits shall be deducted, beginning with the month following that in which she becomes eligible therefor.

(3) Any annuity payments which have accrued to the employee's benefit under the annuity plan underwritten by the — Life Insurance Company as evidenced by the certificate issued to the employee.

The balance of the amount originally computed after deduction of the amounts determined in paragraphs (1), (2), and (3) above shall be paid monthly by the company to the employee during the life of this agreement.

B. Every employee covered by this agreement who has been continuously in the service of the company for ten (10) years but less than twenty (20) years shall be eligible upon attaining age sixty-five (65) to a monthly pension computed as follows:

One and one-quarter ($1\frac{1}{4}$) percent of his normal monthly earnings multiplied by his years of service.

That portion of the total pension to be paid by the company shall be determined as described in part "A" of this section.

C. Any employee who has less than ten (10) years of service at the time he attains age sixty-five (65) shall not be eligible to any pension from the company but will receive only such benefits as have accrued under the annuity plan and the Social Security Act.

D. For the purposes of this section "normal monthly earnings" shall be determined as follows:

Earnings for regularly scheduled workweek, calculated in accordance with appropriate section of this agreement, multiplied by 52 and divided by 12.

E. Any employee who has failed to contribute to the annuity plan underwritten by the — Life Insurance Company and offered by the company during any period subsequent to July 1, 1933, when he was eligible to do so, shall have that portion, if any, of the pension which the company has agreed to pay reduced by an amount equal to the annuity which would otherwise have accrued during such period.

Contractual Obligations

A number of agreements pledge the employer to institute a pension plan or to negotiate or consult with the union on the establishment

or revision of such a program. Others bring an existing plan or the parties' agreement in principle as to the substance of the plan within the scope of the agreement. Similarly, some agreements pledge the employer to continue an existing plan for the duration of the contract. Modifications of existing benefits are usually permissible only with union consent or after union consultation. In contrast, some agreements emphasize the noncontractual character of the plan or reserve to the employer the right to modify or discontinue it.

10. *Mutual Understanding on Pension Plan Made Part of Agreement*

The understanding between the company and the union referred to in article XX of the agreement between the company and the union effective August 20, 1947, has now been carried out by the offer of a "Pension Plan for Hourly Paid Employees of — Company effective June 1, 1948." It is understood that this plan pertains to all the company's hourly paid employees, including those represented by other unions.

NOTE.—Article XX referred to above states: "The understanding between the company and the union with respect to a pension plan for hourly paid employees is set forth in Appendix H attached hereto and made a part hereof."

11. *Retirement Plan Approved by Company Stockholders Made Part of Agreement*

To the extent that it affects employees covered by this agreement, the retirement plan as approved by the stockholders of the company on April 6, 1949, is hereby made a part of this agreement.

12. *Pension Payments Continued for Duration of Contract*

The existing arrangement whereby payments are made to persons who have been relieved from active duty will be continued throughout the period of this contract. Payments at the rate now being made will be continued to April 1, 1950 [expiration date of agreement], for all persons now receiving them, and at the rate of \$75 per month until April 1, 1950, to any persons who may be relieved from active duty after April 1, 1949, and before April 1, 1950. In each case the amount received by the employee, as social security, if any, shall be deducted from the amount payable to him.

NOTE.—The previous agreement also provided pensions of \$75 monthly.

13. *Employer Will Continue Retirement Insurance During Life of Contract*

The company agrees that during the life of this contract it will keep in force its present insurance contracts providing group life, accident and health, hospitalization, accidental death and dismemberment, and retirement income benefits for employees.

14. *Noncontributory Insured Pension Plan To Be Maintained During Life of Agreement Despite Company Right Included in Insurance Certificates To Change or Terminate Plan for Listed Causes*

The company has a group annuity (pension) contract with the [insurance company] which provides that the company may purchase at fixed rates a pension for life for each of its employees who has reached the age of sixty-five (65) years in the case of males and sixty (60) years in the case of females and who has been credited with continuous service of at least twenty (20) years with the company. The pension is paid monthly. Its annual amount is equal to two (2) percent of the total compensation paid to the retired employee during such period

of continuous service with the company, with a minimum annual amount of seven hundred twenty (720) dollars.

Pension premiums are paid by the company. The continuance of the pension plan is subject to the continued payment of such premiums by the company. At the initiation of the plan, certificates were issued to the employees which included the statement that the company reserves the right to alter or terminate the plan at any time without further liability to employees except those who have already reached retirement age. The company made this reservation because it recognized that future circumstances beyond its control might require it to alter or terminate the plan. Causes which may lead to such an alteration or termination are the following:

(a) New or existing legislation requiring the company, by taxation or otherwise, to contribute toward the cost of existing or additional governmental social security, pension and/or other social benefit programs designed for purposes similar to the company's pension plan;

(b) Legislation prohibiting the deduction of the costs of pensions from gross income in determining the company's tax liability;

(c) Governmental regulations or economic or other conditions adversely affecting the company's earnings; and

(d) Other factors or contingencies which cannot now be foreseen. For the term of this agreement, however, but without commitment or liability thereafter, the company agrees not to exercise its right to terminate the present pension plan or reduce its benefits for any of the foregoing reasons or for any other reason.

15. *If Insurance Company Cancels Retirement Annuity Plans, Employer to Try to Obtain Similar Plans*

The company will keep in effect during the life of this contract the retirement annuity plans now underwritten by — Insurance Company and the — Insurance Company of America, subject to any rights of cancellation given to either of said insurance companies by the terms of its policy.

In the event of any such cancellation, the company will use its best efforts to obtain the underwriting of a similar annuity plan or plans providing equal benefits.

The retirement plans will be reviewed by representatives of the employees and of the company, if duly requested by the representatives of the employees, during the course of the negotiation of labor agreements for the year 1950.

16. *Employer to Continue Present Plan As Long As Contributions Credited for Income Tax Purposes*

The company will continue its present pension plan and group insurance plan now in force, as long as it is entitled under applicable law, to a deduction for income tax purposes of amounts contributed thereto.

17. *Company to Put Into Effect and Administer Pension Plan, Under Consideration, Subject to Internal Revenue Approval and Participation by 75 Percent of Eligible Employees*

Subject to its approval by the Bureau of Internal Revenue, Treasury Department of the United States, and providing that not less than 75 percent of those eligible to do so enroll in the plan, the company will put into effect and administer for the benefit of its employees the retirement plan now under consideration.

18. *Company to Offer Signatory Union More Favorable Pension Benefits Agreed to With Other Unions*

Section —, Pension and Benefit Plan, of said collective bargaining agreement has been agreed upon by the parties with the understanding that should the com-

pany and any other labor organization in the — division enter into a collective bargaining agreement which accords pension and benefit plan treatment more liberal or favorable than that presently in effect, after taking into account the other provisions of such agreement, including any relinquishment by such other organization of benefits presently in effect, then the company will offer to the [union] pension and benefit plan treatment which is similarly more liberal or favorable, in order to provide similar treatment for the employees for whom the [union] is the collective bargaining representative.

19. *No Reduction in Benefits or Privileges Without Union Consent*

During the term of this agreement, no change may be made without the consent of the union in the existing plan for Employees' Pensions, Disability Benefits, and Death Benefits which would reduce or diminish the benefits or privileges provided hereunder.

20. *Advance Discussion With Union Before Changes Put Into Effect*

Studies have been made from time to time in connection with the contributory plan for annuities which was inaugurated on January 1, 1936. In the event any changes are made in the contributory plan for annuities within the next contract year, the company, without waiving its rights under the plan, will discuss such proposed changes with the union before putting them into effect.

21. *Noncontributory Plan: Joint Union-Management Study of Problems Created if Company Obligates Itself to Maintain Present Retirement Plan Without Change*

By reason of the pending proposals as to legislation, both Federal and State, with respect to welfare benefits, particularly Federal social security benefits, and in the light of the uncertainties of the legal position of the — Company if it made a firm obligation to maintain all present provisions in the existing retirement plan without change, modification or alteration, therefore, the union and the — Company agree and undertake as follows:

(a) The union and the — Company will jointly study and examine the legal and actuarial effect of making contractual the existing retirement plan and will consider and consult upon possible changes in such plan, by means of a committee composed of representatives of both parties, which will make its report to the parties promptly, at which time the parties will consider such findings and conclusions for the purpose of possible further action.

(b) Joint efforts will be made to obtain determinations from appropriate agencies including the Public Service Commission as to the legal effect of agreement to maintain the existing retirement plan without change, modification or alteration.

(c) Pending and subject to such definitive ascertainment, the — Company will continue the tables of benefits and qualifications of employees in the existing retirement plan without change, modification, or alteration.

NOTE.—This agreement covers a public utility; therefore the reference in the third paragraph to the Public Service Commission.

22. *Plan is Not Part of Contract*

The company has announced various benefit plans for its employees, which expressly are not made a part of this agreement. Under the provisions set forth in these plans the company expresses its purpose to give its employees the benefits therein outlined until and unless the company, in its own judgment, sees fit or is required by law to modify or terminate any one or all of said plans.

23. *Employer Reserves Right to Modify or Discontinue Plan*

The employer has voluntarily put into effect as of December 1, 1944, the Employees' Retirement and Pension Plan of the — Company for the exclusive benefit of its employees and their beneficiaries. This plan provides death benefits as well as pensions for the employees. The plan has been placed in effect and has received Treasury Department approval, and has received the approval of stockholders of the employer. It is the intent of the employer to continue the plan in effect in substantially its present form. However, it reserves to itself the unrestricted right to modify, amend, or discontinue the plan at any time.

24. *Booklet Outlining Pension Plan Attached to but Not Part of Agreement*

The — Company's retirement and group insurance plans, in effect as of October 31, 1948, are as set forth in the contracts which the — Company has with the [insurance company] and the — Insurance Company. An outline of each of these plans is in the booklet form which is attached to but is not a part of this agreement and is provided only for the purpose of information to the employees of the — Company.

25. *Union May Request Negotiations if Formal Plan Not Established Within 1 Year. Present Informal Program To Continue*

Pension retirement practices of the [company] shall be in accordance with past custom until a formal pension plan is established. Negotiations for such a plan may be instituted if such a program is not established within a year.

NOTE.—This is a 2-year contract.

26. *Negotiations To Be Continued on Pension Plan*

Negotiations and research will continue on the pension plan until an agreement is reached.

27. *Negotiations on Setting up "Trusteed Pension Reserve Fund," but Eligibility Requirements, Benefit Amounts, and Contributions To Be Governed by Existing Plan*

Eligibility requirements and amount of retirement allowance in case of retirement, and eligibility requirements and amount of disability allowance in case of total and permanent disability for regular employment for hire, and the amounts to be contributed by the employees and by the [employer], shall be in accordance with and governed by the terms and conditions of the retirement allowance plan agreement, as amended, now in effect, or any amendments thereto or revisions thereof hereafter agreed upon.

Notwithstanding any of the foregoing pension provisions, it is agreed that the negotiations between the parties hereto with respect to the setting up of a sound trusteed pension reserve plan for the employees covered by this agreement will be resumed and continued as expeditiously as practicable, immediately following the signing of this agreement.

28. *Employer To Consider Establishment of Contributory Plan*

The employer agrees to take under advisement the possibility of the installation of a cooperative pension plan, whereby the employees would contribute equally in the cost and maintenance of such a plan, and whereby the employees would be eligible for pension payments, on retirement, after twenty (20) or more years of service, such payments to equal up to fifty (50) percent of the employees retiring regular weekly pay, and to continue until the deaths of the employees. The employer, between now and the expiration of this contract

will advise the contents of such plan, if any that can, economically, consistent with the ability of the employer be offered for this purpose.

29. *Company Will Discuss Contributory Plan Proposed by Union During Life of Agreement*

The company will discuss any pension plan proposed by the union at any time during the life of this contract. It is the intent of this clause to allow the union ample time to survey their membership to be able to present a contributory plan to the company for consideration.

30. *Employer To Consult With Union on Revised Pension Plan*

The company furthermore agrees to consult with the union, with a view towards the early submission to the [public utilities] commission of revised plans for—

- (a) The retirement of employees according to age and length of service, and
- (b) Retirement because of physical disability.

Eligibility Rules for Membership in Plan

Eligibility for participation in the pension plan is usually based upon service, age, and, occasionally, upon union membership requirements. The service requirements for coverage frequently range as high as from 2 to 8 years (as compared with 1- to 12-month qualifying periods prevailing among health and insurance plans). Employees entering service after specified ages, 45 and over, are sometimes excluded. Some plans do not cover employees until they reach 30 years of age.

Participation is compulsory in some plans and optional in others. Some agreements make participation compulsory for new employees but allow present employees the option to participate or not.

31. *All Employees Covered by Agreement Brought Within Plan*

All employees covered by this contract are placed under the pension plan dated January 1, 1913, as presently administered.

Full time union officials shall continue to accumulate credits for their retirement based on salary received from the [union].

32. *Contributory Plan: Eligibility Requirements: 3 Years' Service and Minimum Salary*

The advantages of this annuity contract are extended to those who have been with the [company] for not less than 3 years and whose base pay exceeds \$3,000 per year.

NOTE.—A noncontributory pension is payable on the first \$3,000 of an employee's annual base pay. One earning more may procure an additional pension by contributing 1 percent of the amount by which his base pay exceeds \$3,000.

33. *Excludes Persons Entering Service "Over Forty-five Years of Age"*

No person, however, over the age of 45, who shall hereafter be taken into the service shall be eligible to the payment of a pension.

NOTE.—This agreement covers public transportation employees.

34. *Membership Compulsory for Eligible Employees*

The employer agrees to maintain a pension plan as provided in the schedule which has been presented each employee. This pension plan requires all eligible employees to participate.

35. *Participation Compulsory for New Employees; Optional for Present Employees*

New employees, as a condition of continued employment, must join the pension trust when they become eligible therefor.

A joint union and company committee shall be formed to explain the benefits of the pension trust to present employees who are not now participants of said trust, with a view of persuading said employees to become participants. To this joint committee shall be referred questions relative to either new or old employees who desire to withdraw from said trust.

36. *Contributory Plan: Eligibility Based on 2 Years' Service: Hiring Before Age 55; Union Membership*

All employees as defined above who are members of the [union] on the effective date hereof, and who hereafter become members, shall come under this plan and continue as contributing members so long as they are in the employ of the company, providing their date of appointment was prior to age fifty-five (55) and they have completed two (2) years of continuous service * * *.

NOTE.—This is a union shop agreement.

37. *Contributory Plan: 5 Years' Service Provided Under Age 69½. Participation Optional, but Must Join Plan When First Eligible To Receive Benefits. Normal Retirement Age Varies Between 65 and 70 According to Age When First Covered; May Be Deferred With Employer's Consent*

Membership in the plan is optional but all eligible employees who desire to benefit by the minimum retirement provisions of paragraph —, section —, must become members of the plan when first eligible.

All employees will be eligible to become members of this plan on the first of December next following the completion of 5 years of service, provided they have not then attained age 69½.

38. *Optional Participation by Professional Employees; Compulsory by Non-professional Staff*

The employer agrees to participate in the — Retirement Fund, Inc., for professional employees and in the — 5 percent System of the Savings and Security Plan for nonsecretarial employees of the [employer] for nonprofessional employees. The participation of professional staff shall be voluntary. All non-professional employees beginning employment on or after October 1, 1948, must agree to participate. At the end of three (3) months' employment, they must join at the next quarterly date: January 1st, April 1st, July 1st, or October 1st. The financial obligations for participation on the part of employer and employee will be according to the regulations of the respective funds including pay-roll deductions.

COMPUTATION OF CREDITABLE SERVICE

Service credited toward an employee's retirement for any cause is usually stipulated to be continuous from the date of entering the

employer's service to the date of retirement. If interrupted only the last continuous period of service for the employer counts. In industry-wide plans continuity of service is also applicable to the entire industry. Continuity of service is not generally deemed broken by authorized leaves of absence, sickness, nonoccupational accident, required military service, temporary lay-off, or dismissal followed by reinstatement, but absences for these causes exceeding stipulated periods may be deducted from the total creditable service.

Service before or after specified ages (for instance, before 30 or after 65) may or may not be credited. The treatment of service before the effective date of the plan or in the event of merger also varies among pension plans.

39. *No Break in Continuous Service for Specified Absences and No Deduction for Time Lost. Other Absences in Excess of 3 Years Deducted From Total Service*

The expression "continuous employment" shall mean employment with the company continuously without break; however, any absence due to leave of absence, sickness, injury off of the job, or temporary lay-off on account of reduction in force, shall not break the continuity of service, but if absence on one or more of foregoing grounds exceeds three (3) consecutive years, the excess shall be deducted in computing the length of employment. When service is required to be performed in any branch of the armed forces of the United States, such time shall not be deducted. If a person is re-employed, for the purpose of this plan, he shall be considered a new employee. In case of absence due to accident while on duty, period of discharge, if followed by re-instatement within three (3) years, leaves of absence while holding office in the [union], or during which no services were rendered because of strikes or lock-outs, the period of absence shall not be considered a break in continuous employment and shall not be deducted.

40. *Leave of Absence for Union Office Credited Toward Service Necessary for Retirement Benefits*

Any employee on leave of absence from the company and holding office in the [union] on the effective date of the plan, or any employee who may thereafter hold office in the [union], shall be eligible for retirement when he becomes 65, or is 65 years of age, or older, with 20 years of continuous employment.

41. *Employee Guaranteed Benefits on Transfer to an Associated Company With or Without a Plan*²

When an employee is transferred from the company to an associated company that shall have adopted a pension plan, which, though varying from this plan in detail to conform to local laws or to meet local conditions, is fundamentally similar to this plan, this company shall pay to the other company an amount equal to the actuarially computed liability.

If any employee shall be transferred from the company to an associated company which shall not have adopted this plan, the company shall guarantee to the employee the excess, if any, of the benefits herein provided over any to which he may become entitled as a result of his employment with that company.

² From a descriptive booklet or related material.

42. *Date of Last Employment With Company or Predecessor Determines Continuous Service*

The period of continuous service shall be counted from the date of last employment with the company, or its predecessors.

43. *No Credit for Service Prior to Merger Unless Previous Employer Maintained a Similar Pension Plan*²

If you were employed by a company or in business which was later bought by this company, your credit for years of service starts from the moment that company or business was taken over by — company. That was the moment you entered the employ of — company.

In some cases credit will be given for all years of continuous service in a company or business before the acquisition of that company or business by — company. The reason for this is that in those cases there already existed a pension system or some method like it, so that this company is merely following what its predecessors had already established.

44. *Employee Credited With Service for Different Employer Prior to "Control, Acquisition by, or Consolidation" With Present Employer*²

The terms "service" and "in the service" will refer to employment upon or in connection with any of the [facilities] owned or operated by the [company], and the service of any employee shall be considered as continuous from the date from which he has been continuously employed upon such railways, whether prior or subsequent to their control, acquisition by, or consolidation into the [company].

In computing service, it shall be reckoned from the date since which the person has been continuously in the service, to the date when retired, eliminating in the final result any fractional part of a month.

Leave of absence duly granted, suspension or dismissal followed by reinstatement within 6 months shall not be considered a break in the continuity of service.

45. *Pension Funds Merged if Employer Merges With Another Company Having a Similar Plan*²

That in case of consolidation or merger with another company having similar employees' benefit plan, the pension funds of the companies consolidated or merged shall be combined.

Qualifications for Benefits

RETIREMENT

Pensions are paid to eligible employees who retire or who are retired for age, length of service, or a combination of age and service. Usually the "normal" retirement age is 65, although in the coal pension plan it is 60. A lower "normal" retirement age (60) is sometimes set for women.

Although most plans fix only a "normal" retirement age with a "normal" retirement allowance, others allow earlier retirement at the employee's option, but at a reduced pension.

² From a descriptive booklet or related material.

46. *Contributory: Pension at Age 70 Regardless of Service; at 65 With 25 Years' Service; After 25 Years' Service After Age 65*

Any employee under this plan shall become eligible to receive a retirement allowance:

(1) Upon the attainment of age 65 provided he has 25 or more years of continuous service; or

(2) Upon completion of 25 years of continuous service after age 65; or

(3) Upon attainment of age 70.

Any employee who has become eligible for retirement benefits under this plan may elect to retire or may be retired at the option of the company, and upon such retirement shall be entitled to receive the retirement benefits provided by this plan.

47. *Noncontributory: Combined Age and Service Qualifications for Retirement for Age and for Disability*

All officers and employees who have attained the age of 70 years shall be retired. Such of them as have been continuously in the service 20 years or more shall be pensioned.

Motormen, conductors, train collectors, towermen, dispatchers, boat captains and other deck officers, and marine engineers, who have attained the age of 65 years, may be retired. Such of them as have been continuously in the service 20 years or more shall be pensioned if and when retired.

Officers and employees between 60 and 70 years of age, who have been 20 years or more in the service and who have become incapacitated for the performance of the duties in which they have been engaged and who cannot be transferred to other work which they are able to perform, may be retired and pensioned.

Officers and male employees under 60 years of age, who have been 25 years or more in the service, and all female employees, who have been 20 years or more in the service, who have become permanently disabled, may be retired and pensioned.

Physical examination shall be made of employees recommended for retirement for disability who are under 70 years of age, and a report thereof, with the recommendation of some reputable surgeon to be selected by the board of directors, shall be transmitted to the board of pensions for consideration in determining such cases.

48. *Combined Age, Service, and Disability Requirements: Age 65, 25 Years' Service; Age 70, 15 Years' Service; Disability, 15 Years' Service*

All members of [union] shall be entitled to pensions, subject to the following provisions:

a. Voluntary retirement upon reaching the age of 65 years with 25 years' continuous service in the employ of the company.

b. Compulsory retirement upon reaching the age of 70 years with not less than 15 years' continuous service in the employ of the company.

c. Retirement due to physical or mental disability after 15 years' continuous service in the employ of the company.

49. *Noncontributory: Bus Drivers May Retire Earlier than Other Employees Without Reduction in Pension*

The monthly normal old-age retirement allowance for each eligible employee who retires after ten (10) or more years of continuous service (in ac-

cordance with article IX) shall be one hundred (100) dollars per month. Such retirement allowance shall be paid until his death.

ARTICLE IX.—ELIGIBILITY FOR OLD-AGE RETIREMENT ALLOWANCE

1. Any employee under this plan shall become eligible to receive an old-age retirement allowance:

(a) Bus operators upon the attainment of age sixty (60) provided the employee has ten (10) or more years of continuous service immediately preceding attaining said age;

(b) All other employees upon the attainment of age sixty-five (65) provided the employee has ten (10) or more years of continuous service immediately preceding attaining said age.

2. Any employee who has become eligible for an old-age retirement allowance as provided hereinabove shall be retired at the time he becomes eligible, and upon such retirement shall be entitled to receive an old-age retirement allowance as set forth in article VIII of this plan until his death.

50. *Noncontributory Industry-Wide Plan: Age 65; 20 Years' Continuous Employment in Industry and 1 Year's Employment Immediately Prior to Retirement With Employer Contributing to Retirement Fund; 10 Years' Union Membership; Application for Old-Age Benefits Approved by Social Security*²

An employee shall be eligible for retirement benefits if such—

1. Has attained age 65 years (last birthday), and
2. Has been continuously employed for not less than 1 year immediately prior to said employee's application by an employer or employers who during such period were obligated to contribute to the fund.

For the purpose of this requirement an employee shall be deemed to have been continuously employed—

(a) During any calendar year, if such employee was employed by an employer or employers for at least 40 weeks during such calendar year;

or

If such employee was employed during such calendar year to the extent that employment by an employer or employers was available to him; and/or

(b) If any break or breaks in employment (regardless of duration) were caused by total disability, resulting from bodily injury or disease followed by resumption of employment by employer; and/or

(c) If any break in employment occurred after the attainment of age sixty (60) years, was continued until the date of application and was caused by total disability resulting from bodily injury or disease

and

3. Has been continuously employed in the industry for 20 or more years immediately prior to said employee's application. For the purpose of this requirement an employee shall be deemed to have been continuously employed.

(a) During any calendar year, if such employee was employed in the industry in at least 40 weeks during such calendar year;

or

If such employee was employed during each calendar year to the extent that employment in the industry was available to him; and/or

² From a descriptive booklet or related material.

(b) If any break or breaks in employment (regardless of duration) were caused by total disability, resulting from bodily injury or disease, followed by resumption of employment in the industry; and/or

(c) If any break in employment occurred after January 1, 1945, and after the attainment of age sixty (60) years, was continued until the date of application and was caused by total disability resulting from bodily injury or disease; and/or

(d) If there was not more than one break in employment of not more than 24 months' duration; and/or

(e) If any break or breaks in employment were caused by service in the armed forces of the United States;

and

4. Has been continuously a member of the union for 10 or more years immediately prior to his or her application for benefits, or has been an employee of an employer who has been a party to a collective bargaining agreement with the union for less than 10 years and has been continuously a member of the union since a date not more than 60 days after the date of the execution of such collective bargaining agreement. Continuous membership shall not be deemed to have been broken, if, after expulsion from the union, an employee has been reinstated prior to the date of his or her application and the order of reinstatement provided for reinstatement to the rights and privileges of membership enjoyed by such employee at the time of expulsion;

and

5. Has made an application for a Federal social security primary old-age insurance benefit, which application has been approved by the Social Security Board.

For the purpose of this requirement the Board's approval shall be deemed to be dated as of the first day that the employee's old-age benefits accrued.

Thereupon the following resolution was unanimously adopted by the trustees.

WHEREAS the term "continuous employment" as used in the eligibility requirements for retirement benefits adopted by this meeting was adopted with the intention and for the purpose of providing retirement benefits to retail clerks associated with the industry for the required period of time notwithstanding periods of unemployment in the industry as a result of economic or other conditions while at the same time denying retirement benefits to retail clerks who voluntarily severed their association with the industry for periods in excess of those provided for in the eligibility requirements.

Resolved, That the eligibility requirements shall be administered and applied in such manner as to effectuate the foregoing purpose and intent.

51. Lump-Sum Severance Pay to Employee Retired Without Pension Under Existing Company Practice

An employee who voluntarily retires after being certified by the medical department of [company] as unable to continue work by reason of old age or illness shall, if such employee is not granted a pension or retirement income under the prevailing [company] practice, be entitled to receive in a lump sum a cash severance payment equal to 2 weeks' pay for the first full year and 1 week's pay for each subsequent 6 months of continuous and uninterrupted employment as recognized in the employment records of [company]. In the case of any such retiring employee there shall be deducted from the severance pay

the amount of any sick leave payments paid to the employee during the immediately preceding 12 calendar months.

An employee who voluntarily retires after 25 years of continuous and uninterrupted employment as recognized in the employment records of [company] and after having attained the age of 60 years shall, if such employee was over the age of 55 years on April 1, 1947, be entitled to receive in a lump sum a cash severance payment equal to 2 weeks' pay for the first full year and 1 week's pay for each subsequent 6 months of continuous and uninterrupted employment as recognized in the employment records of [company].

PERMANENT DISABILITY

Annuities are provided in some plans for employees who become permanently and totally disabled before attaining the minimum age and/or service requirements for retirement. To qualify for benefits, disabled employees must also have served for a stipulated period, usually ranging between 5 and 20 years. In view of this high service requirement, it is not surprising to find that under many plans the same annuity is paid for disability as for retirement. In other plans, annuities are reduced according to service brackets or by formula which are very much like those for voluntary retirement before the normal retirement age.

If an employee is eligible both for retirement and disability annuities, he receives the former only. Payments of workmen's compensation, unemployment compensation, and other public welfare benefits respecting the same disabilities are usually offset against retirement or disability benefits. Various provisions are found for suspension or termination of disability payments in cases of temporary or permanent recovery, either partial or total. During disability there are certain requirements for physical examinations and for the reporting of earnings. Sometimes benefit payments must be refunded for a period in which earnings exceeded a given amount.

(Life insurance is sometimes payable in monthly installments to an employee who is disabled prior to a stipulated retirement age.)

52. *Noncontributory: Sixty Dollars Per Month Disability Pension After 15 Years' Service. Pension Discontinued if Pensioner Earns, at Work or in Business, \$80 Per Month, or if He Regains Health. No Reference to Origin of Disability*

All employees who have been in the continuous service of company and its predecessors 15 years or more and, while this provision is in force, become permanently physically or mentally incapable of performing the work which they may at that time have been performing in the service of the company, shall be paid a pension of \$60 per month; provided, that, if any such pensioner shall regain his health or mental capacity, his pension shall be discontinued and he shall be restored to his former position with full seniority rights; and, provided further, if any such pensioner shall become employed at a compensation equal to or in excess of \$80 per month or shall become engaged in business from which he

receives an average net income equal to, or in excess of, \$80 per month, his pension shall be discontinued only for such period of time as his compensation or other earnings equal or exceed \$80 per month, it being understood that, if any such pensioner fails to disclose compensation or other earnings in excess of \$80 per month, he is subject to removal permanently from the pension rolls.

NOTE.—The disability benefit is the same in amount as that paid for normal retirement.

53. *Contributory Plan: Disability Benefit Increased \$1 Per Month for Each Year of Service Above Qualifying Period of 15 Years; Maximum \$50 Per Month*

Any employee under this plan who, after the effective date hereof, shall become totally and permanently disabled for regular employment for hire, by reason of an accident or sickness and before becoming eligible for benefits in accordance with section — hereof, and who shall at the time of becoming so disabled have had continuous service with the company for 15 years or more, shall be entitled to receive a disability allowance from the fund of forty (40) dollars per month for the duration of the disability, such allowance to commence on the first day of the calendar month following the certification of such disability by the committee; and further provided that the disability allowance shall be increased \$1 per month for each year of continuous service in excess of 15 years, but in no event shall said disability allowance exceed the sum of \$50 per month.

If at any time the committee finds the disability was not total and permanent as hereinabove defined, it shall order discontinuance of the payments provided for in this section.

NOTE.—The normal age retirement allowance is \$50 per month.

54. *Noncontributory; Identical Amount Payable for Disability and Age-and-Service Retirement*

1. Any employee covered by this plan, who, after October 19, 1948, shall become totally and permanently disabled from performing his duties and from following his regular employment with the — Company due to an occupational or nonoccupational accident or sickness and before becoming eligible for an old-age retirement allowance in accordance with article IX hereof, shall be entitled to a disability allowance for the duration of such disability, provided that such employee shall have been, at the time of becoming so disabled, in the continuous service of the — Company for ten (10) or more years immediately preceding such period of disability.

2. The monthly disability allowance provided for under section 1 of this article X shall be the same as the monthly normal old-age retirement allowance which is one hundred (100) dollars per month.

55. *Contributory Plan: Permanent Total Disability From Any Cause After Specified Date. 15 Years' Minimum Service Requirement. Benefit Amount Is Percentage of Retirement Annuity According to Service of 15, 20, or 30 Years*²

Any member of the plan who after January 1, 1949, shall become totally and permanently disabled from any cause for any gainful employment which would produce earnings substantially less than his normal earnings with the company at the time of such disability, shall be entitled to receive retirement disability allowance in accordance with the retirement plan and the following tabulation:

² From a descriptive booklet or related material.

Over fifteen (15) years of service----- 75 percent of retirement benefits.
 Over twenty (20) years of service----- 90 percent of retirement benefits.
 Over thirty (30) years of service----- 100 percent of retirement benefits.

If, at any time, the committee finds that the disability of the member was not total and permanent, it shall order the discontinuance of the retirement disability payments to said members.

56. *Contributory Plan: Permanent Total Disability After 20-Year Service Requirement. Fifty-Dollar Monthly Benefit Paid, Same as for Normal Retirement. Amount Reduced by Monthly State Compensation Benefits. If Employee Paid Lump-Sum Compensation Settlement, Benefit Payments Under Plan Begin Only When Lump Sum Has Been "Used" at Rate of \$50 Per Month*²

Any employee of the company participating in the plan who shall have completed twenty (20) years of continuous employment, and who shall on or after the effective date of this agreement be determined by the committee to be totally and permanently disabled for regular employment for hire, shall receive a disability allowance of fifty (50) dollars per month for life out of said fund, provided, however, that if such employee is then receiving compensation under any compensation statute of the State of Colorado, such employee shall be entitled to receive a disability allowance representing only the difference between such monthly compensation and fifty (50) dollars per month; provided further that if such employee receives a lump-sum settlement under any such compensation statute, such employee shall not be paid a disability allowance hereunder until such time as such lump-sum settlement has been used at the rate of fifty (50) dollars per month.

If at any time the committee finds the disability to no longer be total and permanent, it shall have the power to order discontinuance of the payments above provided.

57. *Noncontributory Plan: Distinction in Disability Pension Amounts and Service Requirements for Work-Connected and Nonwork-Connected Disabilities*

Any employee who has become disabled from working by reason of an accident arising out of and in the course of employment by the company, if the disability continues for more than 1 year, shall be entitled thereafter to the following benefits:

(a) A disability pension for any period of total disability equal to half pay and for any period of partial disability equal to one-half of the difference between full pay and the wages which in the judgment of the committee the employee is capable of earning.

(b) Reasonable medical, surgical or other attendance and treatment, including hospital and nurse service, medicines, and apparatus, for such period as the nature of the injury may require.

Any employee whose term of service is 10 years or more, who, through sickness or as the result of an accident not arising out of and in the course of employment by the company, is completely disabled, shall during the continuance of disability after the expiration of such sickness benefits as the company's rules from time to time adopted may provide, be entitled to a disability pension payable monthly and amounting annually to 1½ percent of his average annual pay during his term of service, multiplied by his term of service, provided that, for employees whose

² From a descriptive booklet or related material.

term of service is less than 22 years, there shall be allowed in this computation the term of service, not exceeding 22 years, which he could attain, if he continued in service to age 60 for males, or age 55 for females who entered the service before January 1, 1939, or age 50 for females who entered the service after that date.

A disability pensioner must permit the committee to make, or have made by a physician designated by it, such examinations from time to time as the committee may deem necessary, in order to ascertain the pensioner's condition, and if his condition and location do not prevent, he shall call on the committee, or its representative, at such times as it may require, and he shall take proper care of himself, following the recommendations of the committee or its representatives. A disability pensioner who fails to comply with these requirements shall forfeit his pension.

58. Contributory Plan: If Eligible for Both Disability and Retirement Benefits, Retirement Only is Payable

No member shall receive permanent disability benefits and at the same time be eligible for retirement benefits. If he is entitled to both, he shall receive the retirement benefit only.

NOTE.—Disability retirement benefits are graduated according to length of service. Full disability retirement benefits, equal to normal age retirement benefits, are paid after 30 years' service.

59. Contributory Plan: No Duplication of Retirement Benefits, but Receipt of Disability Allowance No Bar to Retirement When No Longer Eligible for Former

Any employee receiving a disability allowance shall not be eligible to receive a retirement allowance. If an employee has been receiving a disability allowance and the committee finds that such employee is no longer eligible therefor and he is eligible under this agreement for a retirement allowance, the fact that he has been receiving disability allowances shall not make him ineligible for retirement allowances.

60. Severance Pay on Separation for Permanent Disability

2. Upon termination of employment an employee shall receive cash severance pay in a lump sum, equal to 2 weeks' pay for every year of continuous service or fraction thereof, up to a total of 26 weeks' pay, such pay to be computed at the highest weekly rate of salary received by the employee during his service with the [employer].

* * * * *

6. In the event an employee is permanently incapacitated and thereby forced to resign, the [employer] shall pay full severance pay as specified in section 2 of this article VI.

DEATH BENEFITS

Lump-sum death benefits, payable in the event a participating employee dies before, or shortly after, retirement, are included in some pension plans. Under contributory plans these sums usually consist of refunds of the total contributions of an employee who died before retirement or of the unexpended balance of the contributions of a retired employee. These refunds may or may not include interest.

Death benefits in the form of survivor annuities usually are paid only if the employee had exercised his option of a reduced annuity for himself. In such event the survivor receives an annuity if the employee dies after retirement, but only a lump-sum refund if the employee dies before retirement. In a few plans a separate cash burial benefit is payable, independent of, and sometimes in addition to, the lump-sum refund or annuity.

61. *Contributory Plan: Lump-Sum Payment, to Beneficiaries or Estate, Equal to Employee's Total Contributions, Without Interest. If No Beneficiary Survives, Employee's Contributions Become a Part of the Fund*²

If an employee dies before he is entitled to a retirement or a disability allowance under this plan, there shall be paid in a lump sum from the fund to such beneficiary or beneficiaries as he shall have designated or if no beneficiary shall have been designated by him, then to his estate, a sum equal to his total contributions to the fund, without interest.

If none of the above described persons survive such decedent, no person whatsoever shall have any right to any refund on account of the death of such decedent, and the amount that would otherwise be refunded shall be and constitute a part of the fund hereunder. Payment to any of the persons above described shall be made as the committee may determine upon evidence satisfactory to it and without the necessity of proof of probate.

62. *Contributory Plan: Beneficiary Paid Amount of Employee's Contribution, Without Interest, Less Any Disability Retirement Benefits Paid*

In the event of the death of any employee participating in the plan prior to reaching retirement age and prior to receiving his first monthly allowance, the trustees shall pay to the surviving spouse of such employee, if one survives, otherwise to the executor or administrator of such employee's estate, the amount of his contributions, without interest, less any amount which may have been paid to him by reason of disability allowances.

NOTE.—This clause is from the same agreement as clause No. 67.

63. *Contributory Plan: No Death Benefits for Death After Retirement if Employee Has Received at Least One Monthly Pension Payment*

In the event of the death of any employee participating in the plan after reaching retirement age and after having received at least one monthly retirement allowance, no payment of any amount shall be made to any person whomsoever on account of contributions made to the fund of such employee.

NOTE: This clause is from the same agreement as the preceding clause.

64. *Contributory Plan: Lump Sum Equal to Joint Contributions, Plus Interest, or Survivor Annuity if Lump Sum is Sufficient To Provide Annuity of \$120 Per Year*²

Should death occur at any time prior to retirement, a cash settlement will be made equal to the total amount paid into the fund by the employee and by the corporation plus compound interest at the rate of 2 percent. However, if the cash settlement exceeds \$2,000, and is adequate to provide an annuity of at least \$120 per year, it will be used for the purchase of an annuity for a named bene-

² From a descriptive booklet or related material.

fiary in lieu of a cash grant, unless otherwise directed by the employee during his lifetime.

NOTE.—This provision applies only to the pension plan covering employees whose base pay is more than \$3,000 per year; no such provision appears in the noncontributory plan covering employees of this company whose base pay is \$3,000 per year or less (and the first \$3,000 of base pay of those whose earnings exceed \$3,000).

65. *Noncontributory Plan: Lump Sum and Limited Survivor Monthly Annuity Payments for Either Work-Connected or Nonwork-Connected Death. Death Benefits Paid for Death Before or After Retirement. No Service Requirements for Work-Connected Death. If no Dependents and Estate is Insufficient, Burial Cost Paid for Employee With at Least 2 Years' Service*²

In the event of the death of an employee or a disability pensioner resulting from an accident arising out of and in the course of employment by the company, there shall be payable to his dependents, if any:

(a) A death benefit of 6 months' pay but not exceeding \$1,000 and in addition

(b) A pension payable monthly during dependency, but not exceeding 15 years, amounting to 1 percent of the employee's average annual pay during his term of service, multiplied by 22 if his term of service is less than 22 years and by his term of service if it exceeds 22 years.

In the event of the death of an employee or a disability pensioner resulting from a cause other than an accident arising out of and in the course of employment by the company, if his term of service shall be as specified below, there shall be payable to his dependents, if any:

(a) If the term of service was 2 years or more, a death benefit of 3 months' pay but not exceeding \$500 and in addition

(b) If the term of service was 10 years or more, a pension payable monthly during dependency, but for a period not exceeding one-third of the employee's term of service, which pension shall be two-thirds of the disability pension provided for in section — of this plan.

In the event of the death of a retirement pensioner, there shall be payable to his dependents, if any:

(a) A death benefit of 3 months' pay but not exceeding \$500, and in addition

(b) A pension payable monthly during dependency, but for a period not exceeding one-third of the employee's term of service, which pension shall be two-thirds of the amount the pensioner was receiving as provided in section — or section — of this plan, as the case may be.

If there shall be no dependents on the death of an employee or pensioner with term of service of 2 years or more, and if the decedent's estate is insufficient to provide for his burial, there may be payable in the discretion of the committee, the necessary expenses incidental to his death and burial, but not exceeding \$500 nor 3 months' pay.

The committee shall have complete and final power and discretion to determine the existence of dependency to designate which dependent or dependents, if more than one, shall be paid, and to expend and deduct from death benefits necessary expenses connected with an employee's death.

All claims for death benefits and pensions to dependents must be made in writing within 6 months after the date of the death upon which the claim is based, otherwise they shall not be considered.

² From a descriptive booklet or related material.

Retirement Age

Compulsory retirement ages are prescribed by some contracts and forbidden by others. The age specified often varies by sex. In some plans an employee who reaches compulsory retirement age without having served a stipulated period may be separated with a pension; other plans permit such an employee to work beyond that age in order to accumulate additional service credit. Some plans, however, under which the employee may continue in service beyond a compulsory retirement age with the employer's permission, do not permit accrual of service credit during extension. In establishing a plan, provision is often made for immediate or gradual retirement of employees then in service who have already attained retirement age, and for subsequent retirement of others as they qualify by age and service.

66. *Employer Reserves Right To Retire or Retain in Employment Employees Reaching Pensionable Age*

Employees pensioned under the pension plan of the company shall not be considered discharged within the meaning of this article, and the right to terminate or to retain in its service employees who have reached a pensionable age rests solely with the company.

67. *Employer Right To Retire Employees at Age 65*

As provided for in the employer's retirement policy and the retirement income plan for the employees of the employer, any employee may be retired by the employer any time after the first of the month nearest his sixty-fifth birthday.

68. *Noncontributory: Employer Option To Retire Employees Before Age 65, at Reduced Benefits*²

The plan however permits the company to retire employees before 65 if in the opinion of the company it is in the company's interest to do so. The company is the sole judge. Such cases, if any, will be very few and we contemplate that such cases will be almost all cases of total and permanent disability. An employee so retired if under 55 years of age must have had at least 20 years of continuous service and if between 55 and 65 years of age must have had at least 15 years of continuous service. Also in figuring the base percentage such an employee shall be credited with actual continuous years of service at 1 percent per year if he is between 60 and 65 years of age. If he is under 60 there will be deducted from the base percentage as so figured one half of 1 percent for each year that the employee, upon his retirement date, is less than 60 years of age.

69. *"No-Discrimination" Clause No Bar to Company's Right To Retire Employees at Age 65*

There shall be no discrimination by company against any employee because of union activity, race, color, creed, sex, age, or nationality. Except that this provision does not restrict the right of the company to retire employees at the age of sixty-five (65) under the retirement plan existing as of the date of this agreement.

² From a descriptive booklet or related material.

70. *Contract No Bar to Retirement of Employees Aged 65*

Nothing in this contract shall be construed to interfere with the normal operation of the company pension plan, nor the retirement of employees who on or after January 1, 1949, have reached their sixty-fifth birthday.

71. *Compulsory Retirement at Age 70: Optional Retirement at Age 65 After 15 Years' Service*

All employees in service who reach 70 years of age while this provision is in force shall be retired from service and shall be paid a pension of \$60 per month.

Any employee who reaches 65 years of age while this provision is in force and has been in the continuous service of the company and its predecessors 15 years or more may, at his election, be retired from service and shall be paid a pension of \$60 per month.

72. *Retirement Age 65 for Males, 60 for Females*

Management may retire employees in accordance with its established practice in effect at the time under its retirement income plan. At the present time, it is management's practice under that plan to retire male employees at the age of 65 and female employees at the age of 60.

73. *Employer Right To Retire at Age 65, Irrespective of Participation in Pension Plan*

The union hereby agrees that the company shall have the exclusive right to retire without pension benefits any and all employees reaching their sixty-fifth (65th) birthday who are not members of the pension plan.

The union hereby agrees that the company shall have the exclusive right to retire with pension benefits any and all employees reaching their sixty-fifth (65th) birthday who are members of the pension plan.

NOTE.—The agreement contains no other reference to the pension plan.

74. *One Year's Separation Notice for Employees of Retirement Age Ineligible for Pension*

It is hereby mutually agreed that male employees reaching the age of 65 and female employees reaching the age of 60 who are ineligible for benefits under the provisions of the ----- Retirement Trust, shall be given at least one (1) year's notice prior to being separated from the pay roll. It is further agreed that such employees will receive a suitable service award at the time of separation from the active pay roll.

75. *Compulsory Retirement at Age 65 Voided if Retirement Plan Changed and Benefits Reduced*

An employee in the bargaining unit, when he reaches the age of 65, shall be retired from employment by the ----- Company. If at any time after the effective date of this agreement, the present retirement plan is changed and benefits are reduced then this clause becomes null and void.

76. *Involuntary Retirement at Age 65 Subject to Grievance Procedure*

The company pension plan, now in effect, shall be continued for the duration of this contract and shall be attached hereto and made a part hereof. It is agreed that employees may retire after becoming sixty-five (65) and that the company may retire employees after becoming sixty-five (65), subject to the grievance procedure contained herein.

77. *Company Option To Retain Employee Past Retirement Age, Subject to Annual Review. Such Employees Receive Pension and Other Benefits, in Addition to Earnings.*

Those individuals who have retired as of January 1, 1949, and those who hereafter attain the age of 65 whose individual circumstances indicate the need therefor and who are physically and mentally able to continue working may be requested to do so for the ensuing year by the board of directors acting on the recommendation of the plant management.

Those individuals who are requested to remain at work and who elect to do so will receive their pensions, in addition to their earnings, and as in the case of all retiring employees, a paid up life insurance policy for \$1,000. Other insurance benefits, if any, will be continued.

Each individual case will be reviewed shortly before the end of the year next following the date of retirement and if the circumstances still warrant it the recommendation and request may be renewed.

78. *Continued Employment After Retirement Age Limited to 1 Year*

The normal retirement date for each employee hired after the execution date of this agreement shall be the first day of the month following his sixty-fifth (65th) birthday. In the event that the company agrees to an extension of time beyond the retirement age, such extension will be made for a specified period of time and for a period not to exceed 1 year.

NOTE.—There is no specific reference in the agreement to a retirement or pension plan.

79. *Compulsory Retirement (With Approval of Committee) After 30 Years' Service Regardless of Age, or After 25 Years' Service and Attainment of Age 55 for Men or 50 for Women. Voluntary Retirement After 20 Years' Service and Attainment of Age 60 for Men or 55 for Women*²

All male employees who have reached the age of 60 years and whose term of employment has been 20 or more years and all female employees who have reached the age of 55 years and whose term of employment has been 20 or more years shall if they so request, or may at the discretion of the committee, be retired from active service and, upon such retirement, shall be granted service pensions.

Any employee whose term of employment has been 30 years or more, or any male employee who has reached the age of 55 and whose term of employment has been 25 or more years, or any female employee who has reached the age of 50 years and whose term of employment has been 25 or more years may, if the case is approved by the committee as appropriate for such treatment, be retired from active service and, upon such retirement, shall be granted a service pension.

80. *Employee May Continue at Work After Age 65 if Able To Perform His Duties*

During the term of the agreement of March 15, 1949, the employer will consent to a participant represented by the union remaining in active service after his normal retirement date unless he is not qualified, physically or mentally able, or willing to do the work to which he is assigned. Any retirement during said term without the consent of the participant will be subject to the grievance procedure outlined in article XVI.

² From a descriptive booklet or related material.

81. *Retirement Schedule Under New Plan: Employees Aged 65 or Over on Date of Establishment To Be Retired Gradually. Retirement Compulsory on Attaining Age 65 After Fixed Date*²

The — Pension Plan applies to you if you are retired by the company on or after May 1, 1946.

* * * * *
 You will be retired when you become 65 if you are then in the active employ of the company.

Many employees were 65 or over on May 1, 1946.

We want to give reasonable notice to all employees of their retirement. Therefore employees who were the following ages on May 1, 1946, will be retired on the following dates:

70 years or over.....	Oct. 1, 1946
69 years.....	Jan. 1, 1947
68 years.....	Apr. 1, 1947
67 years.....	July 1, 1947
66 years.....	Oct. 1, 1947
65 years.....	Jan. 1, 1948

Employees becoming 65 between May 2, 1946, and March 31, 1948, will be retired under the plan April 1, 1948.

Of course, where retirement is deemed necessary by the company because of health or other reasons, an employee 65 or over will be pensioned when in the opinion of the company it is necessary and the above schedule will not be followed.

Any employee who was 65 on May 1, 1946, or who becomes 65 thereafter, will be retired immediately if he so requests.

After April 1, 1948, employees will be retired on the first day of the month following their 65th birthday.

Employees' Benefit Rights on Separation From Service

An employee who, voluntarily or involuntarily, leaves the employer's service before he is eligible for retirement, or who drops out of the plan, often forfeits his pension rights. In some plans, however, employees are given "vested" rights and their equities are preserved. Some plans permit employees, on separation from service, to leave their contributions in the fund for a deferred annuity payable at normal retirement age. This deferred annuity is based, in some instances, on combined employer and employee contributions and, in others, on the employee's contributions solely. Other plans provide for payment of a lump sum to the employee at the time of separation. In general, these lump sums represent only the employee's contributions, with or without interest. Under some plans the employee may choose between a lump-sum refund and a deferred annuity. If any disability payments have been made, they may or may not be deducted from the refund or the annuity.

² From a descriptive booklet or related material.

Some plans permit an employee to terminate his membership and participation in the plan and to withdraw his contributions while continuing in the company's employ. In other plans this is prohibited.

82. *Contributory Plan: Lump-Sum Amount Based on Specified Percentages of Employee's and Employer's Contributions, Plus Interest, Paid on Separation*²

An employee whose active service is terminated at any time otherwise than by death may elect to take, in lieu of pension consideration, a cash settlement which shall be 96 percent of the total amount paid into the fund by the employee, plus 91.2 percent of the total amount paid by the corporation. Compound interest at the rate of 2 percent will be added to these amounts.

NOTE.—This provision applies only to the pension plan covering employees whose base pay is more than \$3,000 per year; no such provision appears in the non-contributory plan covering employees of this company whose base pay is \$3,000 per year, or less (and the first \$3,000 of base pay of those whose earnings exceed \$3,000).

83. *Contributory: On Termination, Employee Receives His Contributions Plus Sum Equal to His Contributions Since Specified Date, up to 4 Weeks' Pay*

Upon termination of service, an employee shall receive from the company as a severance payment, a sum equal to the aggregate amount he has contributed to the company's group retirement plan subsequent to November 1, 1944. This payment shall be in addition to the employee's own contribution which may be refunded to him under the group retirement plan. In no event shall the retirement payment exceed a sum equal to four (4) weeks basic workweek's pay, based on the straight time wage rate at the time of the termination of service. Actual retirement under the company's group retirement plan shall be deemed a termination of service.

84. *Contributory: Disability Annuities Paid Are Deducted From Lump Sum on Leaving Employer's Service; no Interest Paid*

Any employee participating in the plan leaving the company's service for any cause other than death or permanent disability prior to reaching retirement age shall have refunded to him out of the fund the amount of his contributions, without interest, less any payment which may have been made to him on account of disability allowances.

85. *Contributory: Option of Refund or Deferred Annuity Based on Service; no Reference to Age*

A participant leaving the company prior to retirement may withdraw in cash the total of his own contributions, plus interest, or leave such contributions with the insurance company to purchase a paid-up annuity. If a participant leaves the company after attaining 15 years or more of seniority, and does not withdraw his own contributions, he will be entitled to receive a paid-up annuity based on both his and the company's contributions.

86. *Noncontributory Plan: No Benefit on Leaving Employer's Service Before Normal Retirement Age*²

Persons who leave the service thereby relinquish all claims to the benefits of pension allowances.

² From a descriptive booklet or related material.

87. *Union-Sponsored, Noncontributory Plan: No Benefit for Members Leaving the Industry or Suspended by Union*²

Except for the life insurance, no benefit is paid * * * to members who have left the industry or have been suspended by the union.

88. *Contributory: Employee May Withdraw Contributions While He Remains in Company's Employ*

At any time the employee is discharged, quits, or withdraws from the plan he will receive all moneys of his contribution returned to him with 2 percent interest.

89. *Contributory Plan: Employee May Not Withdraw Contributions While Still Eligible To Participate in Plan. With Company's Consent, Employee Transferred to Unit Covered by Different Plan May Transfer Service Credits and Contributions*

An employee shall not be entitled to borrow against his contributions to the plan or to withdraw any part of his contributions to the plan so long as he remains eligible to participate in the plan; provided that any employee who has become eligible to the plan and who is transferred to other duties with the company which do not require him to be a member of the [union] may, with the consent of the company, withdraw from this plan for the purpose of participating in such other plan as may be provided for employees not members of the [union], and in the event of such withdrawal there shall be transferred to such other plan on behalf of such employee an amount equal to this total contributions to the plan, without interest, less any amount which shall have been paid to such employee under the provisions of the plan.

Amount of Pension

Benefit amounts are stated as (1) flat amounts, (2) as a fixed amount of percentage of income multiplied by years of service, (3) as the amount purchasable through an insurance policy with contributions on hand, or (4) the sum of percentages of various portions of the employee's average income. Where the amount of the pension is determined by a formula, a minimum and maximum may be stipulated. Sometimes the total annuity is shown as the sum of an allowance based on service since the date of establishment of the plan and a "prior service" allowance based on service before that date. For convenience, some plans include tables showing the monthly amount of annuity for each year of service according to the employee's sex and salary class, and the amount of his contributions.

Annuities are sometimes subject to deduction of all or part of old-age benefits, workmen's compensation, unemployment compensation, and similar State and Federal benefits due the recipient. Some plans make special payment provisions to cover employees who have retired before they are eligible to receive social-security old-age benefits, i. e., at age 65. In such cases the monthly payments due under the plan before age 65 and under the combined plan and social-security benefits

² From a descriptive booklet or related material.

after 65 are leveled out so that the retiring employee will receive a uniform amount throughout his retirement.

UNIFORM AMOUNTS

90. *Noncontributory Plan: Uniform Benefit, Compulsory Amount of \$60 Per Month*

All employees in service on or prior to September 30, 1938, who reach 70 years of age while this provision is in force shall be retired from service and shall be paid a pension of \$40 per month;

Any employee who reaches 65 years of age while this provision is in force and has been in the continuous service of the company and its predecessors 15 years or more may, at his election, be retired from service and shall be paid a pension of \$40 per month; and

* * * * *

The following amendments to the foregoing shall become effective as of August 28, 1947:

1. That the provision for pensions in the sum of forty (40) dollars per month shall be increased to sixty (60) dollars per month.
2. That said section shall include any employee otherwise eligible for pension, who is on leave of absence while holding office in the [union] or its international office.

91. *Contributory Plan: Pension Amount Equals \$50 Per Month*

Each employee of the company participating in the plan retiring on or after the effective date in accordance with this agreement shall receive fifty (50) dollars per month for life.

Retirement allowance shall be paid on the last day of each month from the time of actual retirement by the trustees to the persons certified by the committee, and shall cease with the payment due on the last day of the month in which his or her death occurs.

NOTE.—Employees may retire or may be retired at age 65 after 20 years' service.

92. *Eighty Dollars Per Month, Less One-Half Social Security Benefits*

The company agrees that every employee covered by this agreement shall have the right to retire at any time after he shall have completed 25 years of service with the company and attained the age of 65 years on a pension to be paid by the company in the amounts and at the time hereinafter provided.

The company further agrees, notwithstanding the provisions contained in the paragraph next preceding, that every employee covered by this agreement who shall have completed 15 years of service with the company and shall have become permanently disabled from further performing the duties of his job shall have the right to retire on a pension to be paid by the company in the amounts and at the times hereinafter provided.

The company agrees that it will promptly grant the application for retirement of each employee who now is or hereafter becomes eligible for retirement under the preceding paragraphs of this section 22 of the agreement.

The company agrees that effective as of the first day of January 1949 it will, from the date of his retirement and for the balance of his natural life, pay to each employee heretofore or hereafter retired, the sum of eighty (80) dollars per month, less one-half of the primary benefits, if any, received by said employee pursuant to the provisions of the Social Security Act.

From the pension paid to any employee by reason of disability there shall be deducted any payments under the group insurance plan and any payments made under the workmen's compensation law.

93. *Noncontributory Plan: One Hundred Dollars Per Month. No Deduction for Other Income, Including Social Security and Workmen's Compensation*

The monthly normal old-age retirement allowance for each eligible employee who retires after ten (10) or more years of continuous service (in accordance with article IX) shall be one hundred (100) dollars per month. Such retirement allowance shall be paid until his death.

* * * * *

1. Old-age retirement and disability allowances hereinabove provided for are in addition to any other income which an employee may have and specifically in addition to any benefits provided for under the Social Security Act and any benefits received under workmen's compensation (subject to the limitations provided for in article X, paragraph 5, of this plan).

2. No old-age retirement allowance shall be granted or paid to employees having any position or employment with the ——— Company for which they are remunerated by salary or wages. However, a retired employee receiving an old-age retirement or disability allowance shall not be barred from engaging in other lawful employment or business which in the judgment of the committee is not antagonistic or prejudicial to the interest of the ——— Company or the [union] or its international office, or to the welfare of the employees of the ——— Company or their families.

NOTE.—Employees may retire after 10 years' service, at age 60 or 65 according to occupation.

94. *Amount Approximately Equal to Social Security Benefits*

The company will establish a pension plan effective with date of this agreement, which plan will contain the following eligibility and benefit provisions:

1. This pension plan will apply to:

(a) Employees who, having completed 25 or more years in the employ of the company, attain in such employment with the company an age of 65 to 68 years.

(b) Employees who, regardless of age, having completed 25 or more years in the employ of the company and who thereafter are unable to continue work due to complete disability.

2. This pension plan, will, after retirement at attained age or through disability, provide to eligible employees only, benefits approximately equal to amounts now payable under the Federal old age benefit plan.

3. The establishment and administration of this plan shall be the responsibility of the company.

95. *Contributory Plan: Normal Monthly Allowance of \$50 Is Reduced by \$2 for Each Year of Service Less Than 25. No Deduction for Other Income, Including Social Security and Workmen's Compensation Benefits*

The retirement allowance under this plan payable to any employee who retires after 25 or more years of continuous service (in accordance with section 9 [age and service eligibility conditions for benefits]) shall be fifty (50) dollars per month for life.

The retirement allowance under this plan payable to any eligible employee retired with less than 25 years of service shall be reduced by two (2) dollars per month for each year of credited service less than 25 years at retirement.

* * * * *

Retirement allowances are in addition to any other income which an employee may have, especially in addition to any benefits provided for under the Social Security Act, and any benefits received under workmen's compensation.

NOTE.—Employees are eligible for benefits at age 65 (with 25 years' service); on completion of 25 years' service after age 65; or at age 70.

GRADUATED BENEFITS

96. Noncontributory Plan: Normal Retirement Annual Pension Equals 1½ Percent of Average Annual Pay Times Length of Service. Employees Retired Earlier by Company Receive Specified Percent of Normal Pension Based on Age at Separation²

An employee shall be entitled to a normal retirement pension, if his employment is terminated:

- (a) By the company at any time after he has attained age 60 if male, or age 50, if female.
- (b) At the employee's own request at any time after he has attained age 65 if male, or age 55 if female.

The normal retirement pension shall be payable monthly during the life of the retired employee, and shall amount annually to 1½ percent of his average annual pay during his term of service, multiplied by his term of service.

An employee shall be entitled to an early retirement pension if without fault of the employee the company terminates his employment:

- (a) when his term of service is 20 years or more, and his age is 50 or more if male, or 40 or more if female.
- (b) when his term of service is 15 years or more, and his age is 55 or more if male, or 45 or more if female.

The early retirement pension shall be payable monthly during the life of the retired employee, and its annual amount shall be found by first computing a normal retirement pension under the terms of subsection 2 of this section, and then multiplying that by the appropriate percentage taken from the following table:

<i>Males</i>		<i>Females</i>	
<i>Age at retirement</i>	<i>Percentages</i>	<i>Age at retirement</i>	<i>Percentages</i>
60 -----	100	50 -----	100
59 -----	91	49 -----	93
58 -----	83	48 -----	87
57 -----	75	47 -----	81
56 -----	69	46 -----	75
55 -----	63	45 -----	70
54 -----	58	44 -----	66
53 -----	54	43 -----	62
52 -----	50	42 -----	58
51 -----	46	41 -----	55
50 -----	43	40 -----	51

² From a descriptive booklet or related material.

97. *Contributory Plan: Specified Monthly Pension Amount for Each Full Year of Participation, Based on Salary Class and Monthly Contribution*²

	(a)	(b)	(c)	(d)	(e)
<i>Salary class</i>	<i>Monthly salary</i>	<i>Monthly salary for purposes of plan</i>	<i>Members' monthly contribution</i>	<i>Monthly life income at normal retirement date for each full year of membership</i>	
1-----	\$110 and under---	\$100	\$3.00	\$1.00	
2-----	111 to \$130----	120	3.60	1.20	
3-----	131 to 150----	140	4.20	1.40	
4-----	151 to 170----	160	4.80	1.60	
5-----	171 to 190----	180	5.40	1.80	
6-----	191 to 210----	200	6.00	2.00	
7-----	211 to 230----	220	6.60	2.20	
8-----	231 to 250----	240	7.20	2.40	
9-----	251 to 270----	260	7.80	2.60	
10-----	271 to 290----	280	8.40	2.80	
11-----	291 to 310----	300	9.00	3.00	
12-----	311 to 330----	320	9.60	3.20	
13-----	331 to 350----	340	10.20	3.40	
14-----	351 to 370----	360	10.80	3.60	
15-----	371 to 390----	380	11.40	3.80	

For additional salary classes, columns (b) and (c) will increase by multiples of \$20; column (d) will increase by multiples of \$0.60, and column (e) by multiples of \$0.20.

NOTE.—Salary classes for hourly rate employees will be determined on the basis of a normal workweek and base rates of pay, exclusive of overtime. Salary classes for salaried employees will be determined on the basis of normal monthly salary only.

98. *Noncontributory: Benefit Formula Based on Service, Average Earnings, Social Security Benefits. Pension Amount Equals 25 Percent of Average Monthly Earnings up to \$250 Plus 1 Percent of Total Average Monthly Earnings Times Years of Service, Less Social Security Benefits*²

Pensions will normally begin at age 65. When you reach that age, you will be retired unless the company specifically requests you to continue working.

The plan provides for a regular monthly pension, normally payable for life, to eligible employees based on:

- (a) Number of years of service.
- (b) Average monthly earnings since January 1, 1937.
- (c) Primary social security benefits.

The amount of pension you will normally receive under the company's plan after reaching age 65 will be 25 percent of your average monthly earnings with this company up to \$250, plus 1 percent of your total average monthly earnings multiplied by the number of years of service with this company, less the amount of your primary social security benefits as determined in accordance with the plan * * *.

* * * * *

"Average earnings" for salaried employees means the average of your regular salary including overtime and year-end adjustment paid you by the company since January 1, 1937. "Average earnings" for hourly employees means the

² From a descriptive booklet or related material.

average of your regular wages including overtime paid you by the company since January 1, 1937.

NOTE.—Normal pension paid at age 65 after 10 years' service. Reduced amount payable on termination by employer at age 55 after 15 years' service.

99. *Noncontributory Benefit Formula: 1½ Percent of First \$50 of Highest Average Monthly Pay During Any 10 Consecutive Years Plus 1 Percent of Additional Earnings; Minimum Monthly Amount \$20; Maximum, \$75, Subject to Increased Pension at Discretion of Board of Directors*²

The pension allowance authorized are upon the following basis:

For each year of service, an allowance of 1½ percent of the first fifty (50) dollars of the highest average monthly pay of the officer or employee during any consecutive 10 years of service, and in addition, 1 percent of any excess of such highest average monthly pay over fifty (50) dollars; provided, however, that in no case shall the allowance made be less than twenty (20) dollars, or more than seventy-five (75) dollars per month, subject to provisions of rule 8 hereof; thus by way of illustration: If an employee has been in the service for 30 years and his highest average salary or wages for any 10 consecutive years was \$80 per month, his pension allowance would be: 1½ percent × \$50 × 30 = \$22.50, and in addition 1 percent × \$30 × 30 = \$9 or a total of \$31.50 per month.

For exceptionally long and unbroken service, with first-class record, or for other good and sufficient reasons apparent to the board of directors, upon recommendation of the board of pensions, the board of directors may, at its discretion, place any officer or employee on the pension list and fix a pension or pensions at such an amount as may in the judgment of the board of directors be equitable and appropriate, notwithstanding the maximum provisions of rule 7.

100. *Contributory Plan: Annuity Computed as Sum of Different Percentages of Earnings Under and Over \$3,000 Per Year. Prior Service Benefit (Separately Computed) Payable to Participants as of Date Plan Was Established. Quarterly Payments if Monthly Pension Is Less Than \$10; Single Cash Settlement if Monthly Pension Less than \$3.34*²

The annual amount of a participant's normal retirement income, commencing on his normal retirement date, will be the sum of the following:

(a) *Future Service Retirement Income.*—The annual amount of a participant's future service benefit will be equal to six-tenths of the first \$3,000 of his earnings during each calendar year while participating under the plan, plus 1.2 percent of the excess over \$3,000 of such earnings.

(b) *Past Service Retirement Income.*—For each participant who joined the plan as of July 1, 1947 [date plan was established], the annual amount of his past service benefit will be equal to one-half of 1 percent of the first \$3,000, plus 1 percent of the excess over \$3,000 of the annual basic rate of earnings in effect on June 1, 1947, increased by 10 percent for those employees who were participants in one of the three incentive bonus plans, multiplied by the number of years of seniority as of July 1, 1947, exclusive of the first 5 years. Past service benefits are available only to those employees who participated in the plan as of July 1, 1947.

Each monthly payment of retirement income will be one-twelfth of the annual amount purchased for the participant. The first monthly payment will be payable to the participant on his normal (or early) retirement date, if he is then

² From a descriptive booklet or related material.

living. Subsequent monthly payments will be payable on the first day of each month thereafter, throughout his remaining lifetime, terminating with the last monthly payment prior to his death.

If retirement income payments amount to less than \$10 per month, payment may be made quarterly; a single cash settlement may be made if retirement income payments will be less than \$3.34 per month.

NOTE.—Optional retirement prior to age 65, at a reduced pension, is permitted under the plan.

101. *Noncontributory Plan: Annual Pension Equals 1 Percent of Average Annual Pay for 10 Years, Times Number of Years of Service. Minimum \$50 Per Month, Except in Disability Pension Cases Based on Less Than 20 Years' Service and in Cases of Pensions Granted to "Part Time" Employees*²

The annual pension's allowance for each employee retired with a pension on account of age, length of service, or disability shall be as follows:

For each year of his term of employment, 1 per centum (1%) of the average annual pay during the 10 years next preceding retirement, provided, however, that the committee may, at its discretion, base such pension upon the average annual pay of the 10 consecutive years of service during which the retired employee was paid the highest rate of wages. The minimum pension shall be fifty (50) dollars per month, provided, however, that at the discretion of the committee the pension allowance may be less than fifty (50) dollars per month, but not less than the allowance computed as aforesaid, in the case of pensions granted under paragraph 1 (c) of this section [retirement for total disability] to employees of less than 20 years' service, and in cases in which, in the opinion of the committee, the days or hours constituting the employee's normal service have not been adequate to constitute full time service, during the number of years required to establish eligibility to pension in the class under which the employee is retired.

102. *Minimum Monthly Pension, \$15; Maximum, \$25, Based on Service*

Each former employee of the company who retires or who has retired since January 1, 1939, at the age of sixty-five (65) years or over, who has been an employee of the company or of the — Company at [city], for fifteen (15) employment years or longer and whose employment has been continuous for the 5 years immediately preceding retirement, is eligible for and shall receive a pension payable by the company as follows:

The sum of \$15 per month payable on the first day of each month following such retirement, plus \$1 per month for each employment year to his credit in excess of 15 employment years up to a total of 25 employment years. The minimum pension rate shall be \$15 per month and the maximum pension rate shall be \$25 per month. For the purposes of this pension plan:

"Employment Year" means employment by the company during 12 calendar months, therefore employment occurring in any calendar month is one-twelfth of an employment year of the person so employed.

"Continuous employment" means employment by the company without interruption by other employment except self-employment in agriculture.

103. *Trusted Contributory Plan To Replace Insured Plan. Accrued Benefits Under Old Plan Coordinated With New Plan*

The parties shall study and the company shall establish at the earliest possible date and if possible by April 1, 1949, an improved pension plan which will

² From a descriptive booklet or related material.

be actuarially sound and trustee, to provide annual benefits of 1 percent of the average gross annual earnings of each employee for the 5-year period 1943 through 1947, multiplied by the number of years or fractions of years of service prior to October 1, 1948, and of 1½ percent of the gross earnings of each employee for the years of continuous service thereafter, provided that a minimum pension of sixty (60) dollars per month shall be paid to each employee who at the time of retirement shall have attained sixty-five (65) years of age and accumulated twenty (20) years or more of continuous service with the company. Each employee shall contribute three and one-half (3½) percent of his gross earnings effective October 1, 1948, and the company shall contribute the remaining cost thereof. The benefits of such plan shall be applied retroactively to all employees retiring on and after October 1, 1948. When the pension plan is established, the existing annuity contract with the [insurance company] will be canceled and the accrued benefits under that plan will be coordinated with the benefits and assets of the new trustee plan.

DEDUCTIONS OF STATE OR FEDERAL BENEFITS FROM PENSION

104. *Noncontributory: Unemployment Insurance or Workmen's Compensation Deducted*

The pensions above provided for shall be reduced by the amount, if any, paid to any such pensioner for unemployment insurance or workmen's compensation subsequently to his being placed on the pension roll.

105. *Noncontributory: Specified Federal or State Benefits—Old Age, Relief Disability, Sickness—Deducted in Proportion to Employer Contributions Thereto*²

The exact language of the plan about deductions from the company pensions runs as follows:

"From any pension granted there shall be deducted the amount of any old-age income primary benefit or any other old-age, relief, disability, sickness or other payments that are payable by any Federal, State or any other American or foreign governmental agency, or would be payable if such pensioner were unemployed, in the proportion to which this company or any other employer or employers of such pensioner shall have made contributions thereto.

"The company, if it elects, and upon the approval of the board of directors, may deduct all old-age, relief, disability, sickness or other payments payable by any or all of the above named agencies, or that would be payable if such pensioner were unemployed, irrespective of whether it or any other employer shall have made any contributions thereto, except that pensions for service in, or for disabilities incurred in the armed service of the United States or a foreign government shall not be deducted.

"If such deductions equal or exceed the amount of the company pension as computed under the plan, no company pension will be payable."

106. *Noncontributory: Company Pension Exclusive of Social Security Benefits*²

The benefits under the social security plan are in addition to the pension provided by [the employer].

107. *One-Half Federal Old-Age Benefits Deducted*

Notwithstanding the foregoing provisions in this paragraph, on and after July 1, 1947, the deduction from any pension payable to a [name of employer] pen-

² From a descriptive booklet or related material.

sioner under the terms of this plan shall be one-half instead of the full "primary insurance benefit" payable under the Social Security Act and the deduction from any death benefit payable under the terms of this plan incident to the death of any employee occurring on or after July 1, 1947, shall be one-half instead of the full "lump sum death payment" made under the Social Security Act; notwithstanding anything contained in paragraph 27, survivors' insurance benefits under the Social Security Act, payable in monthly installments, shall not be deducted from [employer] death benefits.

108. *Noncontributory: One-Half of Federal Old-Age Benefits Deducted; if Pensioned for Disability, Group Insurance and Workmen's Compensation Payments Deducted*

The company agrees that effective as of the first day of January 1949 it will, from the date of his retirement and for the balance of his natural life, pay to each employee heretofore or hereafter retired, the sum of eighty (80) dollars per month, less one-half of the primary benefits, if any, received by said employee pursuant to the provisions of the Social Security Act.

From the pension paid to any employee by reason of disability there shall be deducted any payments made under the group insurance plan and any payments made under the workmen's compensation law.

109. *Contributory Plan: No Deduction for Social Security Benefits*

All benefits and contributions under the plan are independent of, and in addition to, benefits and taxes under the Federal social security program.

CONDITIONS GOVERNING PAYMENT, CONTINUATION, OR SUSPENSION OF PENSION PAYMENTS

110. *Pension Is Payable for Life*²

Service pensions granted to employees shall continue from date of retirement to death of pensioner.

111. *Payments Suspended During Regular Employment With Company Subsequent to Retirement*²

Regular employment under a salary with this company or with any company with which arrangements for interchange of benefit obligations, as described in section — of these regulations, have been made directly or indirectly, shall suspend the right of a retired employee to pension payments during the period he continues in such employment.

112. *Noncontributory: Payments Suspended During Permanent Employment Elsewhere After Retirement. Payments Are Terminated by Reemployment in the Coal Industry, and on Subsequent Retirement Employee Must Again Apply and Qualify for Benefits*²

An employee must actually retire. Retirement shall be on a voluntary basis, but an individual shall not be eligible to participate unless he actually retires; in the event such member-employee shall take up permanent employment elsewhere than in the coal industry after he has actually retired, pension payments shall be suspended while such member-employee is so actually permanently employed elsewhere, but may be reinstated upon such member-employee's ceasing to become so permanently employed. However, such member-employee shall not be entitled to reinstatement in the event he shall be reemployed in the coal

² From a descriptive booklet or related material.

industry after such date of actual retirement, but may thereafter be eligible for a retirement-pension upon submitting a new application and meeting all of the eligibility requirements of any plan of benefits then in full force and effect, upon his again actually retiring.

113. *Noncontributory: Employment Elsewhere After Retirement No Bar to Receipt of Pension*²

The acceptance of a pension allowance does not debar a retired employee from engaging in any other business which is not prejudicial to the interests of this company, but he cannot reenter the service of the company.

114. *Contributory: Annuity Not Payable Until Actual Separation From Service; Payments Are Suspended During Return to Active Service of Employer*

If an employee who is otherwise entitled to receive a retirement allowance remains in the active employ of the company, or if such employee following his retirement returns to the active employ of the company, then and in either of such events he shall not be paid the retirement allowance to which he is otherwise entitled during the period he is thus actively employed by the company.

Financing the Plan

Methods of financing retirement, permanent disability, and survivors' benefits resemble those for health and insurance in that (1) they may be financed by the employer alone or jointly by employer and employees; (2) they may be operated through a fund, a trustee fund, or an insurance policy, or financed on a pay-as-you-go basis; and (3) contributions may be stated as a flat amount, percentages of wages or pay rolls, or an amount per unit of production. In establishing a plan the employer sometimes makes a substantial lump-sum contribution, which is followed by other periodic contributions.

In retirement plans the base for periodic contributions is frequently stated as an annual amount, even though collection may be according to pay-roll periods. Contributions by both employer and employee are frequently related to the individual employee's sex and age on the date of coverage.

In contributory pension plans it is quite common for the employer to match the employee's contributions; sometimes the employer not only matches the employee's contributions but in addition provides a pension covering the employee's service before the date of establishment of the system, and therefore before the employee's contributions began.

NONCONTRIBUTORY PLANS

115. *Employer To Pay Entire Cost*

All contributions will be made by the company * * * none by the employees.

² From a descriptive booklet or related material.

116. Fixed Percentage of Covered Pay Roll

The firm shall pay weekly directly to local No. — an amount equal to one (1) percent of the total wages paid to the workers covered by this agreement, the said fund to be used by local No. — as an old-age pension and retirement fund.

CONTRIBUTORY PLANS**117. Employee Contributes 2 Percent of Monthly Earnings up to \$250 and 4 Percent of Any Amount Exceeding \$250; Employer Pays Remainder of Cost**

It has been agreed to between both parties that a retirement plan will be put into effect whereby all costs will be defrayed by the company with the exception of two (2) percent of the employee's monthly earnings. Any employee earning over \$250, the employee will contribute two (2) percent of the \$250 and four (4) percent of any amount over \$250 toward the plan.

118. Employer-Employee Matching Contributions Towards Pension Fund

The employer and the union will jointly agree upon a sum of money to be set aside by each employee each week for the purpose of setting up a fund which will eventually be used to establish a pension fund. The employer agrees to deposit in this fund a sum equal to that set aside by the employees as above stated. The sums so accumulated shall be deposited in an account in the — Bank under the control of both parties. Both parties shall agree in the future on all features of the pension plan, or any disposition, investment, transfer or use of these funds.

119. Employee Pays \$5 Per Month; Employer Makes Lump-Sum Contribution of \$10,000, and Matches Employee Contribution. Employee Who Elects Coverage After Establishment of Plan, Though Eligible Earlier, May Participate by Paying Back Contributions

The company on the effective date of this plan shall make an initial contribution to the trustees hereunder of the sum of ten thousand (10,000) dollars and monthly thereafter at the end of each month; the company shall pay to the trustees a sum equal to the total amount contributed during such month by all employees participating in the plan.

All employees in the classifications hereinbefore specified and all supervisors who elect to participate in the plan shall contribute to such fund the sum of five (5) dollars per month each, beginning April 1945, as to present employees and present supervisors who elect to participate therein, and beginning with the month in which employed as to new employees and beginning with the month during which they elect to participate as to new supervisors, and continuing throughout their employment by the company, which contributions shall be deducted from the earnings of the employees by the company and paid to the trustees hereunder.

Any eligible employee who did not elect to participate in the plan when it was instituted may later come under the plan by contributing thereto an amount equal to the aggregate monthly contributions he would have made if he had been participating in the plan from its inception, and by agreeing to thereafter pay into the fund \$5 per month so long as he is employed by the company. In that event, the company shall pay into the fund an amount equal to the contribution made by such employee.

120. Noncontributory and Contributory Features; Annuity Based on First \$3,000 of Base Salary Paid Without Cost to Employee; Additional Limited Annuity, Based on Excess Over \$3,000 Salary, Is Paid if Employee Contributes 1 Percent of Salary Over \$3,000²

All regular employees who have been continuously with the [employer] for not less than 8 years and who, while in the service of the [employer] attain age 65 or over, or who become totally and permanently unable to work before that age, shall be entitled to receive an annual pension payable monthly, based on the following plan:

ANNUAL PENSION

(1) One percent of the amount, by which annual base pay immediately prior to retirement exceeds \$600 but not over \$3,000, multiplied by the number of years of such employees' continuous service, or

(2) One percent of the amount by which average annual earnings (including basic salary commissions or piecework payments; bonuses; and overtime pay) for the 5 years immediately preceding retirement exceed \$600 but not over \$3,000, multiplied by the number of years of such employees' continuous service.

* * * * *

All regular employees whose base pay exceeds \$3,000 per year, and who are eligible for retirement, shall be entitled to receive a pension on the first \$3,000 of base pay as stated heretofore. In addition thereto a further pension will be granted on the average excess of their annual base pay over \$3,000 for the years (not exceeding 10) immediately prior to retirement during which their base pay exceeded \$3,000.

This additional pension will be in an amount equal to (1) one percent of such average annual excess base pay multiplied by the number of years of such employees' service, but limited to a maximum annual retirement income of \$6,000 or (2) the benefits provided for such employees under the [insurance company] general group annuity contract, whichever amount may be the greater.

* * * * *

EMPLOYEE CONTRIBUTION

To secure the benefits of this [additional] annuity contract, employees are required to make a yearly contribution of 1 percent of the excess of their base pay over \$3,000.

Administration

The administration of retirement, disability, and survivors' plans is generally similar to that of health and insurance plans with regard to the administrative agent, enforcement of contract, application for and payment of claims, access to rules and regulations, and continuation of the plan for the duration of the contract and its renegotiation. There appears to be a stronger tendency to assign a name to the plan and to publish regulations in great detail and in formal language. These regulations frequently include a set of definitions to assist in interpreting the rules.

² From a descriptive booklet or related material.

121. *Contributory Plan: Joint Committee Makes Rules and Regulations, Invests Funds and Approves Expenditures; Trustees Administer the Funds; Employer Keeps Records, Compiles Data, Accepts Applications for Retirement and Transmits Them to Committee*

This plan shall be administered by a committee consisting of two (2) persons appointed by the [union] and two (2) persons appointed by the company. The committee shall select from its members a chairman and secretary, and all members of the committee shall serve without compensation. In the event of a tie vote of the committee, the question or questions in issue shall be submitted for determination to a fifth person agreed upon by the members of said committee. In the event that the committee shall be unable to agree upon such fifth person, then the county judge of — County [State] shall be requested to appoint the fifth member of the committee, and both parties hereby agree to such appointment and further agree that his ruling shall be final and binding.

Either party hereto may name alternates to its representatives on the committee, which alternates may serve in the absence of a regular member of the committee in order that both parties may at all times have two representatives present at committee meetings.

The committee shall have power to make and enforce such rules and regulations not inconsistent with the provisions of this agreement as in its opinion may be necessary or desirable for the carrying out of its duties and for the efficient administration of the plan, and to determine according to the provisions herein set forth the eligibility of an employee for retirement under this plan or for disability allowances.

The committee shall hold not less than one meeting a month, and a majority of members when present shall constitute a quorum.

The committee shall make an annual report to the company and to the [union], and shall make such other reports as to the operations of the plan as it deems advisable. The committee shall have an audit made annually of the funds received and disbursed by the trustees. The auditor's report shall be published and distributed by the committee among the employees of the company participating in the plan.

All necessary expenses incurred by the committee shall be certified by the committee to and paid by the trustees out of funds held by them.

The committee shall have power to invest such funds as it may determine are not required currently in securities of the United States, and all interest on such investments shall be the property of the fund hereby created.

The committee shall select two (2) of its members, one representing the company and one (who shall be a member of the [union]) representing the employees participating in the plan, as trustees for the purpose of administering the funds contributed by the company and the employees participating in this plan, whose duties and authority shall be such as are hereinafter set forth. In the event of the death or resignation of either of said trustees, the surviving or remaining trustee shall have no authority to act, but the committee shall select a successor, such successor to represent the same party to this agreement as the deceased or resigned trustee represented.

The trustees shall have no liability as to the correctness of the amounts to be paid as retirement allowances or disability allowances, or on account of expenses of administration when such amounts are determined and certified to the trustees by the committee, nor shall the trustees have any liability as to the correctness of the amounts to be received from the company and from the

employees for the purpose of depositing same with the trustees when such amounts are determined and certified to the trustees by the committee.

If at any time the money and other assets in the hands of the trustees are insufficient to meet the current [disability and retirement] allowance liabilities, the trustees shall prorate and distribute such money and assets among the persons then certified as eligible to receive allowances.

The company shall keep all records, compile all data, accept all applications for retirement and submit such applications to the committee for certification and forwarding to the trustees. The committee shall have the right at all times to call for additional information concerning any or all applications forwarded to the committee and to examine all records or data pertaining to the plan.

122. *Noncontributory Plan: Joint Representation Including Representative of Employees Who Are Not Members of the Contracting Union as Well as Union Employees and Employer*

1. The administration and management of this plan shall be vested in a "Retirement Allowance Committee" composed of six (6) members. Three (3) members shall be appointed by the — Company and the — Company shall have the right at any time and for any period to replace any member appointed by it. Two (2) members shall be appointed by the [union] and the [union] shall have the right at any time and for any period to replace any member appointed by it. One (1) member shall represent the employees who are not members of the [union] and shall be appointed by them or their representatives, and such employees or their representatives shall have the right at any time and for any period to replace the member appointed by them.

123. *Noncontributory Plan: Trust Fund Administered by Bank*²

Pensions are to be paid from a trust fund to be administered by the — Bank of [city].

124. *Insured Contributory Retirement Plan Administered by Company According to Policies Agreed to by Parties*

Employees of the company who reach the retirement age of sixty-five (65) shall retire under the provisions of the employee retirement plan agreed to by the company and the union. The plan provides for funded retirement benefits insured by the — Company of America and administered by the company according to policies on which the parties are in agreement.

125. *Noncontributory Plan: Union Pays Benefits from Employer-Financed Fund*

[The union] shall have the sole right to make payments to the members of the union of the health benefits and retirement benefits and contributions toward the vacation benefits and to pay the operating and administrative expenses of each type of benefit of the health and welfare fund.

126. *Joint Committee To Pass Upon Future Applications and Make Recommendations to Company Board of Directors*

The company agrees to continue in effect the pensions now being paid to employees who have retired from the company's service.

A committee on pensions, consisting of an equal number of representatives of the company and the union, shall pass upon future applications for pensions, within the framework of existing practices, and make recommendations to the board of directors of the company concerning such applications.

² From a descriptive booklet or related material.

127. Union May Represent Members Before Pension and Benefit Committee

The union shall have the right to represent before the pension and benefit committee any of its members.

128. Question of Employer's Discrimination or Bad Faith in Administering Pension, Disability or Death Benefits May Be Subject to Grievance or Arbitration Procedure Prescribed for Enforcing Remainder of Contract

Any claim that such benefits or privileges have been diminished or reduced may be processed as provided in article —, section —, of this agreement, and if not resolved thereunder by the parties may be submitted to arbitration as provided in article —, but in any such case any decision or action of the company shall be controlling unless shown to have been discriminatory or in bad faith and only the question of bad faith or discrimination shall be subject to the grievance procedure or arbitration.

129. Employer To Furnish Union With Required Data on Benefit Payments

The company agrees, subject to the approval of the Gas Commission of the City of Philadelphia, to maintain the present schedule of payments for pensions and separation allowances. The company also agrees to furnish pertinent data requested by the union in connection with such payments.

130. Descriptive Booklet To Be Issued by Employer

The company and the union have approved the "Employees Retirement Plan for [company] and Its Subsidiaries" and which shall become effective on December 1, 1945.

Details of the plan and trust agreement shall be given to all employees who become participants.

131. Certificate and Booklet To Be Issued by Insurance Company²

The [insurance company] will issue for each member a descriptive certificate outlining the provisions of the plan.

At the time of retirement, the annuitant will receive from the [insurance company] a supplemental certificate, outlining the amount of the retirement income and other benefits and the terms of payment.

DISPOSITION OF FUNDS ON TERMINATION OF PLAN

Should the plan be terminated the funds set aside for pensions may be disbursed in several ways. Particularly in contributory plans, the intent is to try to continue the payment of annuities to persons already retired and, if possible, to pay a lump sum or pensions to those subsequently reaching retirement age, and to distribute among other members any excess in the fund over reserves set aside for these purposes. Noncontributory plans, generally, do not specify how funds are to be disposed of in the event the plan is discontinued.

132. Contributory, Self-Insured Plan: If Assets Insufficient, Available Funds To Be Prorated Among Eligible Pensioners. No Refund If Plan Terminated; Pension Payments Continued for Pensioners Already Retired

If at any time the money and other assets in the hands of the trustees are insufficient to meet the current allowance liabilities, the trustees shall prorate and

² From a descriptive booklet or related material.

distribute such money and assets among the persons then certified as eligible to receive allowances.

* * * * *

In the event of termination of this plan, all funds remaining at that time in the hands of the trustees shall be used for the following purposes only :

- (a) To pay monthly retirement or disability benefits to those persons who may then be drawing such benefits.
- (b) To pay expenses provided for in the plan.
- (c) To help finance any new retirement or disability plan or fund under which the employees participating in this plan receive retirement or disability allowances.

133. *Contributory Insured Plan: If Plan Discontinued, Employee Receives Pension at Retirement Age if Pension Amount Exceeds Specified Sum; Receives Lump Sum Including Employer's Contribution, if Pension Would Be Less Than Specified Amount*²

If the plan is discontinued and the retirement income is less than \$3.34 a month, the employee may be granted by the [insurance company] a refund of his own contributions and also a cash value arising from the company's contributions made in his behalf. If the total retirement income jointly purchased by his own contributions and the company's is \$3.34 or more a month, the employee will receive a certificate outlining the amount of such retirement income.

134. *Contributory Self-Insured Plan: If Plan Discontinued, Funds Used First To Pay Benefits to Those Retired and Those Eligible at Time of Abandonment. If Funds Insufficient, Amount of Pension May Be Reduced. If Excess Funds Available, Prorated to Employees Not Drawing or Not Eligible for Pension, in Proportion to Their Contributions*

(a) While it is the intent of both parties to maintain a retirement and disability plan permanently, yet, in the event the plan is abandoned in the future, the funds in the trust shall be used first to provide retirement and disability benefits in the amounts and under the conditions provided for in this agreement for both those already retired, as well as those who are eligible for retirement or disability allowances at the time of such abandonment.

(b) In the event the funds in the trust are insufficient to provide the benefits above referred to, the monthly benefits for each of such members shall be reduced equally by such an amount as is made necessary by such insufficiency of the funds of the trust.

(c) In the event there are funds in the trust in excess of the requirements for a full annuity for life for each of the members referred to and provided for in (a) above, then such excess shall be distributed among the other members of the plan (i. e., employees other than those in (a) above), in proportion to each such member's contribution to the fund.

135. *Contributory Self-Insured Plan: Employer Is Not Entitled to Refund on Termination of Plan. Four-Step Termination Procedure*

If, for any reason, the plan is terminated, the company shall not be refunded any contribution it may have made to the trustee for the plan, and all funds and assets of the plan remaining in the hands of the trustee shall be liquidated as follows :

² From a descriptive booklet or related material.

1. Each member of the plan who has contributed to the plan and who is in the employment of the company at the time of termination and has not received benefits from the plan, shall be paid out of the fund an amount equal to the total amount of his contributions, without interest, if the fund is sufficient to make such payments.

2. If any member of the plan, including persons then pensioned and those drawing disability benefits, has drawn benefits from the plan, the total amount of which is less than the total amount of his contributions, he shall be paid the difference between the total amount of his benefits received and the total amount of his contributions, if the fund is sufficient to make such payments.

3. If the fund is not sufficient to make such payments, as set out in (1) and (2) above, then each member of the plan will be paid prorata the highest percent of his contribution the fund can pay, less any benefits he may have received.

4. If there is a balance remaining in the hands of the trustee after carrying out the above plan, it shall be used to continue the plan in operation until the fund is exhausted and the plan thereby completely liquidated.

5. The company and the [union] shall continue in existence, by making necessary appointments and taking any other required steps, a full committee to carry on all functions herein provided to be performed by the committee until all funds received by the trustee hereunder have been fully disbursed and all obligations of the trustee hereunder have been performed.

136. Noncontributory Industry Plan, Self-Insured: Union May Set Aside Reserves To Pay Benefits Beyond Expiration Date of Contract

It [the joint board of the union] shall also have the right to set aside sufficient reserves for ensuing years, including payment of health, vacation, and retirement benefits to the members of the union beyond the expiration date of this agreement.

EFFECTIVE DATE OF PLAN

The effective date of a pension plan is extremely significant in determining both an employee's contributions and the service on which his pension will ultimately be based. It is the dividing line between "membership service," which is the only service credited under some plans, and "prior service," for which the employee may receive credit without contributing to the fund. It is also the date by which some plans distinguish between "present employees" and "future entrants" in providing immediate or early retirement for aged employees already in service. In order to build up sufficient financial reserves, some plans fix one date for the beginning of contributions and membership and a later date on which benefit payments may commence. As an alternative to postponement of benefit payments, reduced annuities may be paid at the beginning of the program for a limited period, after which full pensions are paid.

137. Contributory Plan: Effective Date of Plan Same for Commencement of Contributions and Payment of Benefits to Eligible Employees

Effective the 1st day of April A. D. 1945, there shall be instituted a disability and retirement allowance plan covering all employees of the company

in the transportation department on April 1, 1945, in the following classifications, viz: operators, foremen, upholsterers, car repairmen, oilers, car cleaners, bus mechanics, bus mechanic and servicemen, and all employees who thereafter become employed in said classifications, and such other employees of the transportation department of the company as are now or may hereafter become employed in a supervisory capacity who elect in writing to contribute to and participate therein within thirty (30) days of the effective date of this plan in the case of present supervisors, or within thirty (30) days of being appointed as a supervisor in the case of new supervisors.

* * * * *

All employees in the classifications hereinbefore specified and all supervisors who elect to participate in the plan, shall contribute to such fund, the sum of five (5) dollars per month each, beginning April 1945, as to present employees and present supervisors who elect to participate therein, and beginning with the month in which employed as to new employees and beginning with the month which they elect to participate as to new supervisors, and continuing throughout their employment by the company, which contributions shall be deducted from the earnings of the employees by the company and paid to the trustees hereunder.

* * * * *

Each employee of the company participating in the plan retiring on or after the effective date in accordance with this agreement shall receive fifty (50) dollars per month for life.

138. Noncontributory Industry Plan: Employer Contributions To Begin on Specified Date; Union To Fix Date for Commencement of Benefit Payments

Beginning with March 31, 1947, the amount of the aforesaid payments shall be increased to 4½ percent, the additional 1 percent to be allocated towards the payment of retirement benefits, and each member of the [employers' association] shall be obligated to pay the same to the Joint Board of Dress and Waistmakers' Union of Greater New York for the Health and Welfare Fund.

Beginning with March 31, 1947, each member of the [employers' association] shall also pay to the Joint Board of Dress and Waistmakers' Union of Greater New York for the Health and Welfare Fund for retirement benefits 1 percent on the weekly wages (before deductions for taxes) of the cutters employed in his inside shop, if he maintains one, and in the shops of his contractors.

* * * * *

The parties further agree that the joint board shall also have the right to adopt rules and regulations in connection with health and retirement benefits, including eligibility of members of the union therefor, and to determine the date when payment of health and vacation and retirement benefits shall commence.

139. Contributory Plan: Pension Amounts Stepped Up After First 2 Years in Newly Established Plan²

Effective as of January 1, 1948, there shall be established a disability and retirement allowance plan, covering employees of — Company.

* * * * *

On or after January 1, 1949, any member of the plan who has had twenty (20) years or more of continuous service with the company and has reached the age of 65 years, shall have the right to retire and receive the retirement benefits of the plan in effect at the time of retirement.

² From a descriptive booklet or related material.

The period of continuous service shall be counted from the date of last employment with the company, or its predecessors.

There shall be no retirement or disability benefit allowances during the period from January 1, 1948, to January 1, 1949.

A member of the plan who has had twenty (20) years or more of continuous service and has reached the age of 65 years may continue in the service of the company by mutual agreement with the company, however, the company shall have the right, at its option, to require the retirement of any member at any time after he reaches 65 years of age and completes twenty (20) years of service.

1. Any member of the plan 65 years of age or over, with twenty (20) years or more of continuous service with the company, or its predecessors, may retire during the period from January 1, 1949, to January 1, 1950, at a monthly retirement benefit of twenty (20) dollars per month during the year 1949, thirty (30) dollars per month during the year 1950 and fifty (50) dollars per month thereafter, exclusive of Federal social security benefits.

2. Any member of the plan sixty-five (65) years of age, or over, with 20 years of continuous service with the company, or its predecessors, may retire during the period from January 1, 1950, to January 1, 1951, at a monthly retirement benefit of thirty (30) dollars per month during the year 1950 and fifty (50) dollars per month thereafter, exclusive of Federal social security benefits.

3. Any member of the plan sixty-five (65) years of age or over with twenty (20) years of continuous service with the company, or its predecessors, may retire after January 1, 1951, at a monthly retirement benefit of fifty (50) dollars per month for life, exclusive of Federal social security benefits. However, if any actuarial survey shows that the fund at that time can pay more than fifty (50) dollars per month, then such larger amount will be paid as the study indicates can be made, provided that such payment will be in even dollars.

If as a result of any actuarial study it be determined that the fund cannot make the full payments contemplated above, then it is agreed that such payments shall be reduced and payments shall be made in such proportion to the above as the study indicates to be sound.

140. Plan Effective Upon Approval by U. S. Treasury Department. Prepayments to Employees To Be Repaid to Company From Pension Trust Fund

A pension fund to be mutually agreed upon by the company and employees will be put into effect upon the approval of the United States Treasury Department. Any prepaid payments made to present employees now eligible under proposed pension plan will be repaid to the company upon completion of the pension trust from the pension trust fund.

APPENDIX

TEXTS OF SELECTED HEALTH, WELFARE, AND PENSION PLANS

BITUMINOUS COAL OPERATORS AND UNITED MINE WORKERS OF AMERICA (UNAFFIL.).
WELFARE AND RETIREMENT FUND. AGREEMENT EFFECTIVE JULY 1, 1947, AS AMENDED
BY NATIONAL BITUMINOUS COAL WAGE AGREEMENT OF 1948 (DATED JUNE 25, 1948),
EFFECTIVE JULY 1, 1948

A. It is hereby stipulated and agreed by the contracting parties hereto that there is hereby created a Fund to be designated and known as the "United Mine Workers of America Welfare and Retirement Fund." During the life of this Agreement, there shall be paid into such Fund by each Operator signatory hereto the sum of twenty cents (20¢) per ton of two thousand (2,000) pounds on each ton of coal produced for use or for sale. Such Fund shall have its place of business in Washington, District of Columbia, and it shall be operated by a Board of Trustees, one of whom shall be appointed as a representative of the United Mine Workers of America, and one of whom shall be a neutral party selected by the other two. In the event of resignation, death, inability or unwillingness to serve of the Trustee appointed by the Operators or the Trustee appointed by the United Mine Workers of America, the Operators shall appoint the successor of the Trustee originally appointed by them and the United Mine Workers of America shall appoint the successor of the Trustee originally appointed by it.

The Operators signatory hereto do hereby appoint Ezra Van Horn of Cleveland, Ohio, as their representative on said Board of Trustees. The United Mine Workers of America do hereby appoint John L. Lewis of Washington, D. C., as its representative on said Board of Trustees. It is further stipulated and agreed by the joint contracting parties that the aforesaid two Trustees shall with all dispatch designate and name a third and neutral Trustee. Said three Trustees so named and designated shall constitute the Board of Trustees to administer the Fund herein created.

In the event of a deadlock on the designation or agreement as to the neutral Trustee, or any future neutral Trustee, an impartial umpire shall be selected either by agreement of the two Trustees, representatives of the contracting parties hereto, or by petition by either of the contracting parties hereto to the United States District Court for the District of Columbia for the appointment of such an impartial umpire, all as made and provided in Section 302 (c) of the "Labor-Management Relations Act, 1947."

It is agreed by the contracting parties hereto that the Trustees herein provided for shall serve for the duration of this contract and as long thereafter as the proper continuation and administration of said trust shall require.

It is agreed that this Fund is an irrevocable trust created pursuant to Section 302 (c) of the "Labor-Management Relations Act, 1947," and shall endure as long as the purposes for its creation shall exist. Said purposes shall be to make payments from principal or income or both, of (1) benefits to employees of said Operators, their families and dependents for medical or hospital care, pensions

on retirement or death of employes, compensation for injuries or illness resulting from occupational activity or insurance to provide any of the foregoing, or life insurance, disability and sickness insurance or accident insurance; (2) benefits with respect to wage loss not otherwise compensated for at all or adequately by tax supported agencies created by federal or state law; (3) benefits on account of sickness, temporary disability, death or retirement; (4) benefits for any and all other purposes which may be specified, provided for or permitted in Section 302 (c) of the "Labor-Management Relations Act, 1947," as agreed upon from time to time by the Trustees, including the making of any or all of the foregoing benefits applicable to the individual members of the United Mine Workers of America and their dependents; and (5) benefits for all other related welfare purposes as may be determined by the Trustees within the scope of the provisions of the aforesaid "Labor-Management Relations Act, 1947." Subject to the stated purposes of this Fund, the Trustees shall have full authority within the terms and provisions of the "Labor-Management Relations Act, 1947," and other applicable law, with respect to questions of coverage and eligibility, priorities among classes of benefits, amounts of benefits, methods of providing or arranging for provisions for benefits, investment of trust funds, and all other related matters.

The aforesaid Trustees shall designate a portion (which may be changed from time to time) of the payments herein provided based upon proper actuarial computations, as a separate fund to be administered by said Trustees herein described and to be used for providing for pensions or annuities for the members of the United Mine Workers of America or their families or dependents and such other persons as may be properly included as beneficiaries thereunder.

It is further agreed that the detailed basis upon which payments from the Fund will be made shall be resolved in writing by the aforesaid Trustees at their initial meeting, or at the earliest practicable date that may by them thereafter be agreed upon.

Title to all the moneys paid into said Fund shall be vested in and remain exclusively in the Trustees of the Fund, and it is the intention of the parties hereto that said Fund shall constitute an irrevocable trust and that no benefits or money payable from this Fund shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber, or charge the same shall be void. The moneys to be paid into said Fund shall not constitute or be deemed wages due to the individual mine worker, nor shall said moneys in any manner be liable for or subject to the debts, contracts, liabilities or torts of the parties entitled to such money, i. e., the beneficiaries of said Trust under the terms of this Agreement.

The obligation to make payments to the "United Mine Workers of America Welfare and Retirement Fund" under this contract shall become effective on July 1, 1948, and the first actual payments are to be made on August 20, 1948, and thereafter continuously on the 20th day of each succeeding calendar month covering the production of all coal for use or sale during the preceding month.

It is stipulated and agreed by the contracting parties hereto that the Trustee designated by the United Mine Workers of America shall be the Chairman of the Trustees of the Fund provided for in this Agreement.

It shall be the duty of the Operators signatory hereto, and each of them, to keep said payments due said Fund, as hereinabove described and provided for, current and to furnish to the United Mine Workers of America and to the Trustees hereinabove designated a monthly statement showing the full amount due here-

under for all coal produced for use or for sale from each of the several individual mines owned or operated by the said Operators signatory hereto. Payments to said Fund shall be made by check payable to "United Mine Workers of America Welfare and Retirement Fund" and shall be delivered or mailed to the office of said Fund located at 907 Fifteenth Street NW., Washington, D. C., or as otherwise designated by the Trustees.

It is stipulated and agreed by the contracting parties hereto that an annual audit of the Fund hereinabove described shall be made by competent authorities to be designated by the Trustees of said Fund. A statement of the results of such audit shall be made available for inspection of interested persons at the principal office of the Trust Fund and at such other places as may be designated by the Trustees.

Failure of any Operator signatory hereto to make full and prompt payments to the "United Mine Workers of America Welfare and Retirement Fund" in the manner and on the dates herein provided shall, at the option of the United Mine Workers of America, be deemed a violation of this Agreement. This obligation of each operator signatory hereto, which is several and not joint, to so pay such sums shall be a direct and continuing obligation of said Operator during the life of this Agreement and it shall be deemed a violation of this Agreement if any mine to which this Agreement is applicable shall be sold, leased, subleased, assigned, or otherwise disposed of for the purpose of avoiding the obligation hereunder.

Action which may be required hereunder by the Operators for the appointment of a successor Trustee representing them, or which may be required in connection with any other matter hereunder, may be taken by those Operators who at the time are parties hereto, and authorization, approval, or ratification of Operators representing fifty-one percent (51%) or more of the coal produced for use or sale during the calendar year previous to that in which the action is taken shall be sufficient and shall bind all Operators.

B. It is hereby stipulated and agreed by the contracting parties with respect to the Fund created by Section 4 (a) of the National Bituminous Coal Wage Agreement dated May 29, 1946 (commonly known as the Krug-Lewis Agreement), as follows:

(1) The Operators signatory hereto agree to make payments into said Fund on or before July 15, 1947, on account of all coal produced for use or sale up to and including June 30, 1947, with respect to which payment has not heretofore been made, such payments to be on the basis heretofore made by said Operators under the provisions of the Krug-Lewis Agreement.

(2) The Operators signatory hereto hereby renounce and forever release any and all claim to or interest in payments made into said Fund.

(3) The Trustees appointed pursuant to this Agreement are hereby authorized and directed to accept into the new trust fund hereby created and to devote for the purposes hereinabove specified and enumerated, any and all trust funds remaining unexpended or unobligated in said trust fund so created by Section 4 (a) of the Krug-Lewis Agreement.

(4) The parties hereto agree that the best interest of the beneficiaries of said trust fund would be served by having all unexpended or unobligated funds therein transferred as above provided, and agree that the Trustees thereof should transfer such funds to the new trust fund created by this Agreement.

C. It is stipulated and agreed by and between the contracting parties that the moneys collected under Section 10 of the Krug-Lewis Agreement for the benefit of the Fund designated as "Medical and Hospital Fund" as provided for

in Section 4 (b) of said Krug-Lewis Agreement shall be transferred to the Trustees of the "United Mine Workers of America Welfare and Retirement Fund" as established by this Agreement and said moneys shall be coordinated into the aforesaid Fund and be made subject to the stated purposes hereinabove set out.

It is stipulated, understood and agreed by the contracting parties hereto that present practices with respect to wage deductions and their use for provision of medical, hospital and related services shall continue during the term of this contract or until such earlier date or dates as may be agreed upon by the United Mine Workers of America and any Operator signatory hereto.

D. It is the intent and purpose of the contracting parties hereto that full cooperation shall by each of them be given to each other, the Trustees named under this Section and to all affected Mine Workers to the eventual coordination and development of policies and working agreements necessary or advisable for the effective operation of this Fund.

* * * * *

*Resolution No. 8, April 12, 1948*²

Whereas, under the "Labor-Management Relations Act of 1947," Title III, Section 302 (c) (5) (C); and under the terms of the "National Bituminous Coal Wage Agreement of 1947," the Trustees of the "United Mine Workers of America Welfare and Retirement Fund of 1947" shall designate a portion (which may be changed from time to time) of the payments herein provided as a separate fund to be administered by the said Trustees herein described and to be used for providing for pensions or annuities for the members of the United Mine Workers of America or their families or dependents and such other persons as may be properly included as beneficiaries thereunder:

Now, therefore be it resolved, that there be and is hereby designated a separate fund to be used for providing pensions or annuities for the members of the United Mine Workers of America, or their families or dependents and such other persons as may be properly included as beneficiaries thereunder; that there be and there is hereby transferred, set aside and deposited in said Fund, pursuant to said Act and said contract, the sum of Five Million Dollars (\$5,000,000) out of payments heretofore made to the "United Mine Workers of America Welfare and Retirement Fund of 1947"; that said Five Million Dollars (\$5,000,000) so hereby transferred, set aside and deposited in said Fund shall be incremented from payments already made or hereafter to be made to the "United Mine Workers of America Welfare and Retirement Fund of 1947," from time to time as upon review by the Trustees experience obtained may require; that said Fund shall not be subject to or be charged with, or have any obligations created against it, or be subject to any expenditures or withdrawals of any kind or character by the Trustees other than withdrawals for the payment of pensions or annuities and such withdrawals as may be authorized by said Trustees for the purposes of investment or re-investment necessary or advisable for the conservation and protection of said Fund, or for the purposes of the payment of reasonable administrative expenses, including tax, actuarial and legal studies if, as and when required, and which may hereafter by the Trustees be duly authorized.

Be it further resolved, that a pension of \$100 per month shall be paid subject to amendment or modification at any time as experience in the operation of the

² From a descriptive booklet or related material.

fund may dictate or require, to each eligible and qualified member of the United Mine Workers of America who on May 29, 1946, attained or thereafter attained the age of 62 years and who has served 20 years in the coal industry in the United States and who has retired from service in the bituminous coal industry in the United States on a date subsequent to May 28, 1946; that the effective date for the payment of pensions shall be as of the date that the member of the United Mine Workers of America has retired from the bituminous coal industry in the United States after attaining the age of 62 years and has served 20 years in the industry; but no member of the United Mine Workers of America shall be eligible or qualified for a pension in accordance with the foregoing who retired from the bituminous coal industry in the United States prior to May 29, 1946.

Be it further resolved, that at the earliest practicable date following the adoption of this resolution there shall be formulated detailed rules and regulations subject to approval by the Trustees, to effectuate the payment of said pensions upon the terms and conditions hereinabove specified and in conformity with reasonable and proper administration of said funds.

Be it further resolved, that the Trustees reserve the right to modify, include or amend the above terms and conditions at any time both as to the amount of pension payments and the qualifications for eligibility, together with the right to modify or amend the rules and regulations hereinabove provided for, as upon review by the Trustees, experience obtained in the operation of the Fund may require.

Be it further resolved, that titles to all moneys, paid into or transferred to the fund herein set forth shall be vested in and remain exclusively in the Trustees; that said money shall in no manner be liable for or subject to debts, contracts, liabilities or torts of the beneficiaries of such Funds; and that no benefits or moneys payable from such Fund shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void.

* * * * *

*Resolution 20 of Trustees of United Mine Workers of America Welfare and Retirement Fund*²

(August 3, 1948)

WHEREAS: The Trustees of the United Mine Workers of America Welfare and Retirement Fund of 1947 on April 12, 1948, adopted Resolution No. 8, said resolution providing for the payment of pensions to members of the United Mine Workers of America, and

WHEREAS: The aforesaid resolution provided for the formulation of detailed rules and regulations to be approved by the Trustees in order to effectuate the payment of pensions in accordance with the terms and conditions of the aforesaid resolution,

NOW THEREFORE BE IT RESOLVED the following regulations shall govern the payment of pensions to members of the United Mine Workers of America, and shall be subject to amendment, revocation and revision at the discretion of the Trustees.

² From a descriptive booklet or related material.

I. ELIGIBILITY

A. Any member of the United Mine Workers of America, who is otherwise qualified, and who retires from the Bituminous Coal Industry on or after May 29, 1946, shall be eligible for a pension.

B. Proof of Membership

1. The Local Union where applicant is last a member shall certify as to membership of applicant.
2. Districts of the United Mine Workers of America shall also certify as to membership of an applicant.
3. The International Office of the United Mine Workers of America shall have final authority to certify as to membership of applicant.

II. AGE

A. Any member of the United Mine Workers of America who on May 29, 1946, was 62 years of age or over, or who thereafter attained or attains the age of 62 years, and is otherwise qualified, shall be eligible for a pension.

B. Proof of Age

1. Information shall be obtained from the Social Security Administration records as to the age of applicant.
2. Applicant shall be required to submit documentary evidence of probative value to establish his age in cases where the Social Security Administration records are incomplete or are contrary to the age stated by applicant on the application for a pension.

III. SERVICE

A. Any member of the United Mine Workers of America who on or after May 29, 1946, has completed 20 years' service in the Coal Industry, and is otherwise qualified, shall be eligible for a pension.

B. Proof of Service**1. Definitions**

- (a) A year is twelve (12) calendar months.
- (b) A quarter shall be a period of three calendar months ending on March 31, June 30, September 30, or December 31.
- (c) A year of service is one in which applicant:
 - (1) Worked in a job classified in any National Coal Wage Agreement for two (2) quarters for an employer in the Coal Industry and earned a minimum of fifty dollars (\$50) in wages in each quarter.
 - (2) Rendered service for two (2) quarters as an employee of the United Mine Workers of America and is not eligible for a pension under the United Mine Workers of America pension plan.
 - (3) Is credited with two (2) quarters military service.
 - (4) Was in an employment relation with an employer in the Coal Industry but did not perform active service for two (2) quarters due to personal accident, illness, furlough or leave of absence.
- (d) The two quarters mentioned in paragraph (c) above may be considered a year of service whether or not they are in the same calendar year, but in no case shall a quarter be considered toward a year of service if it is in any calendar year in which a year of service has been counted.

2. Evidence

(a) Proof of service may be accomplished in any of the following ways:

- (1) Certifications by a Local Union, or by Local Unions, or by Districts of the United Mine Workers of America that an applicant served in the Coal Industry shall be deemed to be satisfactory proof of service for the period or periods covered by such certifications.
- (2) Statements by persons who have personal knowledge of applicant's service in the Coal Industry shall be deemed to be satisfactory proof of service for the period or periods covered in such statements.
- (3) Certified copy or photostatic copy of discharge from a branch of the Defense Department of the United States or statement from the appropriate branch of the Defense Department shall be deemed to be satisfactory proof of service for the period or periods covered in such discharge or statement during which the United States was engaged in National Emergency or War.
- (4) The Director of the United Mine Workers of America Welfare and Retirement Fund shall obtain or cause to be obtained evidence from Social Security Administration records as to service of applicant in the Coal Industry, wherever such evidences may be necessary.

IV. RETIREMENT

A. Retirement from service shall be when the member of the United Mine Workers of America permanently ceases work in the Bituminous Coal Industry.

V. PAYMENTS

A. The first payment of a pension to a retired member of the United Mine Workers of America shall be made the first month after the retirement of pensioner. Upon approval of a pension, payment shall be made retroactively to the date of retirement, provided that no payments are to be made unless retirement was subsequent to May 23, 1946.

B. Commencing with the first payment, the pension shall be payable on the first day of each month to pensioner at his last address of record, and shall be payable during the lifetime of pensioner; provided, however, such payments shall be suspended for any month that pensioner performs compensated services for an employer in the Coal Industry, or ceases to be a member of the United Mine Workers of America in good standing, or is mentally incompetent or otherwise incapable of conducting his affairs.

VI. TERMINATION OF PENSION

A. A pension shall terminate upon the death of the pensioner, the last payment being made for the month in which death occurred.

VII. FALSE STATEMENTS

A. Any applicant for a pension who knowingly and willingly falsifies any records or makes any false misrepresentations or statements in order to secure a pension from the United Mine Workers of America Welfare

and Retirement Fund shall be barred from receiving any benefits from the Welfare Fund.

BE IT FURTHER RESOLVED: That the Director of the United Mine Workers of America Welfare and Retirement Fund is hereby authorized and directed to activate this resolution in accordance with its terms and conditions and in accordance with the terms and conditions contained in Resolution No. 8.

Resolution of April 7, 1949²

Resolved, that Resolution No. 8 of the Trustees adopted at a meeting of the Board of Trustees on April 12, 1948, establishing a pension fund from the Welfare and Retirement Fund and determining those eligible to receive such pensions be, and the same hereby is, amended to change the eligibility age for pensions for miners from 62 years of age to 60 years of age, all other requirements of eligibility therein set forth to remain unchanged. In all other respects the Resolution of the Trustees adopted on April 12, 1948, is hereby ratified and confirmed and shall remain in full force and effect.

² From a descriptive booklet or related material.

**BETHLEHEM STEEL COMPANY AND UNITED STEELWORKERS OF AMERICA (CIO). INSURANCE
AND PENSION PROGRAM**

AGREEMENT dated October 31, 1949, between BETHLEHEM STEEL COMPANY, a Pennsylvania corporation, and UNITED STEELWORKERS OF AMERICA, an unincorporated association.¹¹

The parties hereto hereby agree as follows :

1. Wherever used herein

- (a) the term "the company" means said Bethlehem Steel Company ;
- (b) the term "the Union" means said United Steelworkers of America ;
- (c) the term "the Existing Agreement" means the agreement between the Company and the Union dated April 30, 1947, as amended and renewed by the agreement between the same parties dated July 17, 1948, and as further amended by paragraph 11 of this Agreement ;
- (d) the term "Employees" means the employees of the Company who from time to time during the term of this Agreement shall be in the bargaining units which are defined in the Existing Agreement ;
- (e) the term "the Pension Plan" means the Pension Plan of Bethlehem Steel Corporation and Subsidiary Companies, as amended by paragraph 3 of this Agreement.

2. The Company and the Union will agree upon a program of social insurance benefits (including death, sickness and accident and hospitalization benefits) for all Employees, which shall become effective on January 1, 1950, and such program as it may from time to time be amended by agreement in writing between the parties hereto shall remain in effect during the term of this Agreement. The total cost of such program of social insurance benefits shall be (but shall not exceed) 5 cents for each hour worked after December 31, 1949, by the Employees, one-half of which cost shall be borne by the Company and one-half of which cost shall be borne by the Employees. Subject as hereinbefore provided, the details of, and the specific benefits which shall be provided for by, such program of social insurance benefits shall be determined by agreement between the Company and the Union. Each Employee shall be a participant in such program of social insurance benefits and the amount which he shall be required to contribute to the cost thereof shall be deducted by the Company from his pay. Each Employee shall furnish to the Company any such written authorization or assignment (in a form agreed to in writing by the Company and the Union) as shall be necessary to authorize the deduction from his pay of the amount of his contributions. Such program of social insurance benefits having been agreed upon, the joint Board of Trustees of the existing Relief Plan of Bethlehem Steel Corporation and Subsidiary Companies shall take appropriate action to terminate such Relief Plan as soon as possible. Employees who are now receiving benefits under the Relief Plan and who, upon termination of such benefits, shall be entitled to a

¹¹This agreement must be read in connection with the Pension Plan of the Bethlehem Steel Corp. and Subsidiary Companies, adopted January 25, 1928, as amended to July 30, 1948, which follows on page 169.

pension under the Pension Plan, shall be granted such pension in accordance with the terms of the Pension Plan. Such program of social insurance benefits shall be in substitution for any and all other plans providing for insurance benefits or payments to Employees for death, sickness or accident, hospitalization or medical service, except as the Company and the Union shall in writing otherwise expressly agree. It is intended that the provisions for sickness and accident benefits which shall be included in such program of social insurance benefits shall comply with and be in substitution for provisions for similar benefits which are or shall be made by any law or laws. If the sickness and accident benefits which shall be provided for under such program shall not be in substitution for similar benefits which shall be provided for under any such law or laws, the cost to the Company or to the Employees of such benefits under such law or laws shall be deducted from the amounts which the Company and the Employees, respectively, are required to contribute to the program of social insurance benefits as provided in this paragraph 2, and an appropriate readjustment shall be made in the benefits provided for under such program. The cost of any social insurance benefits for Employees in addition to the benefits provided for under this paragraph (which benefits may be made available to Employees by agreement with the Union) will be borne by the Employees and provision may be made by agreement between the Company and the Union to deduct the cost of such additional benefits from the pay of the Employees who shall desire to purchase them.

3. Subject to favorable action in respect thereof by the stockholders of Bethlehem Steel Corporation, the Pension Plan of Bethlehem Steel Corporation and Subsidiary Companies as it exists at the date hereof shall be amended as follows:

- (a) Effective as of January 1, 1950, Paragraph 1 of Section III shall be amended by deleting therefrom the number "25" and by inserting in lieu thereof the number "15".
- (b) Effective as of January 1, 1950, clauses (2) and (3) of Paragraph 1 of Section IV shall be amended to read as follows:
 - (2) that, subject to the provisions of clause (3) of this paragraph, a Pension granted after January 1, 1950, to an Employee who shall have had at least 25 years of continuous service at the date of his retirement shall not be at a rate of less than twelve hundred dollars (\$1,200) per year, and a Pension granted after that date to an Employee who shall have had 15 or more, but less than 25, years of continuous service at the date of his retirement, shall not be at a rate per year of less than that part of twelve hundred (1,200) dollars which the number of years of his continuous service bears to 25; and (3) that the amount of any Pension which shall be granted under Paragraph 2 of Section III hereof may, in the discretion of said Board, be less than the amount that would result from the calculation and minimum amount above prescribed, but it shall not be less than at the rate of six hundred dollars (\$600) per year, until the Pensioner shall reach the age of 65 years, after which it shall not be less than the applicable minimum rate as provided in clause (2) of this Paragraph 1.
- (c) Effective as of the first day of the month in which the old-age insurance benefits presently payable pursuant to Title II of the Social Security Act shall be increased by any amendment of said Act which shall be enacted after the date of this Agreement, clause (2) of Paragraph 1 of Section

IV, as amended as aforesaid, shall be further amended by deleting therefrom the words "after January 1, 1950," and, if such amendment of said clause (2) shall result in increasing any pension under the Pension Plan, the increase in such pension shall be effective as of the first day of the month in which such old-age insurance benefits shall be so increased.

If the stockholders of Bethlehem Steel Corporation shall not have acted by January 1, 1950, on the amendments to the Pension Plan which are hereinbefore set forth, the date "January 1, 1950," wherever it appears in this paragraph 3, shall be changed to the first day of the month following the month in which such favorable action shall be obtained, but not later than March 1, 1950.

4. It is understood that during the term of the Existing Agreement (the provisions of the Pension Plan notwithstanding) the General Pension Board shall grant a Pension to any Employee who shall have had at least 15 years continuous service (as the term "continuous service" is used in the Pension Plan) and who shall have become through some unavoidable cause permanently incapacitated. An Employee shall be deemed to be permanently incapacitated (as the term "permanently incapacitated" is used in the Pension Plan and in this Agreement) only (a) if he has been totally disabled by bodily injury or disease so as to be prevented thereby from engaging in any occupation or employment for remuneration or profit and (b), if such total disability shall have continued for a period of six consecutive months and, in the opinion of a qualified physician, it will be permanent and continuous during the remainder of his life. It is understood that a Pension shall not be granted under the provisions of Paragraph 2 of Section III of the Pension Plan for the purpose of providing an Employee relief from unemployment or any condition other than permanent incapacity for medical reasons. If, during the term of the Existing Agreement, any difference shall arise between the Company and any applicant for a pension under the Pension Plan as to whether such Employee shall have become permanently incapacitated, such difference shall be resolved as follows:

The Employee shall be examined by a physician who shall have been appointed for the purpose by the company and by a physician who shall have been appointed for the purpose by the International President of the Union or his designee. If they shall disagree concerning whether the Employee is permanently incapacitated, that question shall be submitted to a third physician who shall be selected by such two physicians. The medical opinion of such third physician, after examination of the Employee and consultation with such two other physicians, shall decide such question. The fees and expenses of such third physician shall be shared equally by the Company and the Union.

It is further understood that, during the term of the Existing Agreement (the provisions of the Pension Plan notwithstanding), the monthly amount of any pension which shall be granted to an Employee who shall be an applicant for a pension under Paragraph 2 of Section III of the Pension Plan shall not be less than one per cent of the average monthly compensation received by the applicant from one or more Employing Companies (as the term "Employing Companies" is used in the Pension Plan) for services rendered during the one hundred and twenty calendar months next preceding the month in which the applicant shall retire multiplied by the number of years of his continuous service.

5. If, during the term of the Existing Agreement, any difference shall arise between the Company and any Employee who shall be an applicant for a pension under the Pension Plan, as to

- (a) the number of years of actual continuous service of such applicant (as the term "continuous service" is used in the Pension Plan) in the employ of one or more Employing Companies (as the term "Employing Companies" is defined in the Pension Plan) ; or
- (b) the age of such applicant ; or
- (c) the average monthly compensation received by such applicant from one or more of such Employing Companies for services rendered during the one hundred and twenty calendar months next preceding the month in which he shall retire ; or
- (d) whether an applicant, who shall have been determined to be permanently incapacitated and who shall have had at least 15 years of such continuous service but shall not have attained the age of 65 years, shall have become so permanently incapacitated through some unavoidable cause (an incapacity shall be deemed to have resulted from an unavoidable cause unless it (a) was contracted, suffered or incurred while the Employee was engaged in or resulted from his having engaged in a criminal enterprise, or (b) resulted from his habitual drunkenness, or (c) resulted from a self-inflicted injury), such difference may be taken up as a grievance in accordance with the provisions of Article XI of the Existing Agreement, beginning at Step 3 thereof. If any such grievance shall be appealed to an impartial umpire in accordance with the provisions of Section 2 of said Article XI, then such impartial umpire, insofar as shall be necessary to the determination of such grievance, shall have authority only to interpret and apply the provisions of the Pension Plan and of this Agreement, but he shall not have authority in any way to alter, add to or subtract from any of such provisions ; and his decision on any such grievance which shall properly have been referred to him shall be binding on the Company, the General Pension Board, the Union and the Employees concerned therein.

6. During the term of the Existing Agreement, the number of years of continuous service of an Employee for the purposes of the Pension Plan shall be computed in accordance with the provisions of Section 3 of Article X of the Existing Agreement, except that it is understood that it shall include continuous service (as computed in accordance with the provisions of such Section 3) in the employ of one or more of the Employing Companies rather than continuous service in the applicable unit and except, further, that such number of years of continuous service may include such additional years as the General Pension Board shall determine in accordance with the provisions of Section V of the Pension Plan.

7. It is understood that, where applicable, the following rules shall apply, during the term of the Existing Agreement, in computing the average monthly compensation of an Employee in accordance with the provisions of Paragraph 1 of Section IV of the Pension Plan :

- (a) If, during the one hundred and twenty calendar months next preceding the month in which the Employee shall retire, the Employee shall have been absent from work because of disability or lay-off for one or more periods of more than three consecutive calendar months each, there shall be deducted from the total number of months which shall be used in so computing the average monthly compensation of such Employee the aggregate of the calendar months in excess of three in each such period of absence.

- (b) If, during such one hundred and twenty months, such Employee shall have failed to work in more than twelve entire calendar months because of disability or lay-off, there shall be deducted from the total number of months which shall be used in so computing the average monthly compensation of such Employee the number of such entire calendar months in excess of twelve.
- (c) If both of the foregoing rules shall be applicable to any Employee, only the rule which shall yield the higher average monthly compensation for such Employee shall be used.

8. The aggregate of the amount of moneys that shall have been paid into any pension trust or trusts established in accordance with the provisions of the Pension Plan for any year during the term of the Existing Agreement and of the moneys that were paid into such trust or trusts for previous years shall not be less than an amount which on a sound actuarial basis shall be estimated to be sufficient to pay the pensions which shall have been granted thereunder during such year and during such previous years.

9. The Company and the Union shall establish a joint committee on insurance and pensions consisting of ten members, five of whom shall be designated by the Company and five of whom shall be designated by the Union. Such committee shall be furnished annually a report regarding the program of social insurance benefits and the operation of the Pension Plan insofar as it affects the Employees, and also a copy of the annual report of the General Pension Board. From time to time during the term of the Existing Agreement such committee shall be furnished such additional information as shall be reasonably required for the purpose of enabling it to be properly informed concerning the operation of the insurance program and of the Pension Plan insofar as it affects the Employees.

10. During the term of this Agreement, but only so long as the Pension Plan insofar as it applies to the Employees and the provisions of paragraphs 4, 5, 6, 7, 8 and 9 of this Agreement shall continue in effect without modification or change, neither the Union nor any of its locals or representatives nor any of the Employees shall (a) make any request that the Company increase its contributions toward the cost of any program of social insurance benefits for the Employees as hereinbefore in paragraph 2 provided, or (b) make any request that the Company increase the wages of the Employees on account of or for use in paying the cost, in whole or in part, of any such program or pensions for the benefit of the Employees or of their dependents, or (c) make any request that the Pension Plan be changed in any respect or terminated, or that a new pension plan be established, or that the amount which the Company is required by the provisions of the Pension Plan and of paragraph 8 of this Agreement to pay or provide for pensions for the Employees be increased, or (d) engage or continue to engage in or in any manner encourage or sanction any strike or other action which shall interfere with work or production at any of the steel plants or fabricating works of the Company for the purpose of securing any such increase or any such change or any other such action with respect to pensions or social insurance; and during the the term of this Agreement the Company shall not have any obligation to negotiate or bargain with the Union with respect to any of the matters covered by clauses (a), (b), (c) and (d) of this paragraph 10.

11. Section 1 of Article XIX of the agreement between the Company and the Union dated April 30, 1947, as amended and renewed by the agreement between the parties dated July 17, 1948, is hereby amended to read as follows:

Section 1. Except as otherwise expressly provided in this Agreement or by the provisions of paragraph 12 of the agreement between the parties hereto dated October 31, 1949, this Agreement shall become effective on October 31, 1949, and shall continue in effect to and including midnight of December 31, 1951.

The existing Agreement is hereby reinstated and shall continue in full force and effect in accordance with its terms.

12. Either party may on November 1, 1950, give notice to the other party of the desire of the party giving such notice to negotiate with respect to a general and uniform change in wage rates. After the giving of such notice and before the parties shall reach an agreement on such matter (and during the period of any strike or lockout which shall occur as permitted by the provisions of this paragraph 12), neither party shall request the other party to bargain or continue to bargain with respect to any other matter and neither party shall have any obligation to negotiate or bargain with the other party with respect to any such other matter. Within thirty days after the giving of such notice, the parties shall meet to negotiate with respect to the matter described in the first sentence of this paragraph 12. If the parties shall not agree with respect to such matter by midnight of December 31, 1950, either party may thereafter resort to strike or lockout, as the case may be, in support of its position in respect of such matter; and, if such a strike or lockout shall occur, the Existing Agreement shall terminate at the beginning of such strike or lockout; provided, however, that, if and when the parties shall have reached an agreement with respect to such matter, the Existing Agreement shall be reinstated and there shall be added to and incorporated therein such additional provisions as shall have been agreed to with respect to such matters only, and no others, and the Existing Agreement, as so modified, shall thereafter continue in effect to midnight of December 31, 1951.

13. This Agreement is in full settlement of all the issues in dispute between the Company and the Union and the Union shall cause the strike of Employees at the plants and works of the Company to be terminated at 12:01 a. m. on November 1, 1949. The Employees who were on September 30, 1949, on the pay rolls of the Company will be returned to work as soon as the orderly resumption of operations will permit.

14. This Agreement is made with the understanding that (the provisions of Section VII of the Pension Plan to the contrary notwithstanding) the Pension Plan will continue in effect insofar as it applies to the Employees, without modification or change, during the term of the Existing Agreement and that at any time after the expiration of the Existing Agreement Bethlehem Steel Corporation shall be as free to act with reference to the Pension Plan as it was prior to the execution of this Agreement.

15. This Agreement shall become effective on October 31, 1949, and shall remain in effect until midnight of December 31, 1951, and thereafter it shall continue in effect, if and so long as the Pension Plan insofar as it applies to the Employees and the obligations of the Company under the provisions of paragraphs 4, 5, 6, 7, 8, and 9 of this Agreement shall continue to be complied with without modification or change, but not later than October 31, 1954.

BETHLEHEM STEEL COMPANY,

By (Signed)

UNITED STEELWORKERS OF AMERICA

By (Signed)

OCTOBER 31, 1949.

UNITED STEELWORKERS OF AMERICA,
Commonwealth Building,
Pittsburgh, Pennsylvania.

Dear Sirs:

This will confirm the understanding between Bethlehem Steel Company (hereinafter called the Company) and United Steelworkers of America (hereinafter called the Union), as hereinafter set forth, with reference to the agreement which the Company and the Union have signed contemporaneously herewith (hereinafter called the Pension Agreement) relating to pensions and insurance for the employees who shall be in the bargaining units which are defined in the collective bargaining agreement between the parties dated April 30, 1947, as amended and renewed by the Agreement between the parties dated July 17, 1948, and as further amended by paragraph 11 of the Pension Agreement, which collective bargaining agreement, as so renewed and amended, is hereinafter called the Existing Agreement.

1. The Pension Agreement is contingent upon and subject to obtaining the necessary approval of the Commissioner of Internal Revenue of the trust or trusts established under the Pension Plan of Bethlehem Steel Corporation and Subsidiary Companies, as amended by the Pension Agreement, as exempt under the provisions of Section 165 of the Internal Revenue Code.

2. If the stockholders of Bethlehem Steel Corporation shall fail by March 1, 1950, to approve the amendments of said Pension Plan which are set forth in paragraph 3 of the Pension Agreement, the Pension Agreement and the Existing Agreement shall terminate on said date.

Please confirm that the foregoing correctly sets forth the understanding between the Company and the Union by signing the form of confirmation on the attached copy of this letter and returning it to us.

BETHLEHEM STEEL COMPANY

By (Signed)

Confirmed:

UNITED STEELWORKERS OF AMERICA

By (Signed)

OCTOBER 31, 1949.

UNITED STEELWORKERS OF AMERICA,
Commonwealth Building,
Pittsburgh, Pennsylvania.

Dear Sirs:

This will confirm the understanding between Bethlehem Steel Company (hereinafter called the Company) and United Steelworkers of America (hereinafter called the Union), as hereinafter set forth, with reference to the agreement which the Company and the Union have signed contemporaneously herewith (hereinafter called the Pension Agreement) relating to pensions and insurance for the employees who shall be in the bargaining units which are defined in the collective bargaining agreement between the Company and the Union dated April 30, 1947, as amended and renewed by the Agreement between the parties dated July 17, 1948, and as further amended by paragraph 11 of the Pension Agreement, which collective bargaining agreement, as so renewed and amended, is hereinafter called the Existing Agreement.

1. The present practice of designating the members of the General Pension Board under the Pension Plan of Bethlehem Steel Corporation and Subsidiary Companies (hereinafter called the Pension Plan) shall be continued.

2. The present practice of not designating Local Pension Boards under the Pension Plan shall be continued.

3. The present practice of not giving effect to the provisions of Paragraph 3 of Section II of the Pension Plan with respect to employees who are in the bargaining units which are defined in the Existing Agreement shall be continued.

4. The provisions of Paragraph 1 of Section VI of the Pension Plan shall not be deemed to modify the provisions of the Existing Agreement.

5. The present practice of the General Pension Board in not interpreting the provisions of Paragraph 2 of Section IV of the Pension Plan to authorize the deduction of payments under any state law approved pursuant to Title I of the Social Security Act, as amended, shall be continued.

6. The understanding hereinabove described is for the term of the Pension Agreement.

7. The General Pension Board shall not take any action under Paragraph 3 of Section VI of the Pension Plan with respect to the pension of any pensioner who at the time of his retirement during the term of the Pension Agreement was in a bargaining unit which was covered by the Existing Agreement.

Please confirm that the foregoing correctly sets forth the understanding between the Company and the Union by signing the form of confirmation on the attached copy of this letter and returning it to us.

BETHLEHEM STEEL COMPANY

By (Signed)

Confirmed:

UNITED STEELWORKERS OF AMERICA

By (Signed)

PENSION PLAN OF BETHLEHEM STEEL CORPORATION²

(Delaware)

and

SUBSIDIARY COMPANIES

Adopted January 25, 1923

As amended to July 30, 1948

SECTION I. DEFINITIONS

Wherever used in this Pension Plan:

1. The term "the Corporation" means Bethlehem Steel Corporation (a Delaware corporation) or any corporation which shall be a successor to it in ownership of substantially all its assets.

2. The term "Employee" means any persons (including any officer and also any director other than a director active only in that capacity) who is or shall have been employed by an Employing Company (as the term "Employing Com-

² From a descriptive booklet or related material.

pany" is hereinafter defined) on regular full time service and whose place of employment is in the United States or whose compensation is paid in United States currency, and any such other person in the full time service of an Employing Company outside the United States as may be designated as an Employee Under this Pension Plan by the General Pension Board constituted as hereinafter provided.

3. The term "Employing Company" means (a) the Corporation, (b) any subsidiary company (as the term "a subsidiary company" is hereinafter defined) and (c) any corporation which prior to March 1, 1941, was merged into or consolidated with the Corporation or any subsidiary company. In case the Corporation shall after March 1, 1941, acquire shares of stocks or properties of any other corporation, the question of whether such other corporation shall be regarded for the purposes of this Plan as an Employing Company shall be as determined by the Corporation at or after the date of acquisition thereof.

4. The term "a subsidiary company" means any corporation at least 95% of whose capital stock was on March 1, 1941, owned, directly or indirectly, by the Corporation.

SECTION II. ADMINISTRATION

1. The administration of this Plan shall be in charge of a General Pension Board, which shall consist of five or more officers or employees of the Employing Companies to be appointed by the Board of Directors of the Corporation and to serve until their successors shall have been appointed in like manner.

2. Subject to action by the Board of Directors of the Corporation the General Pension Board shall have the following powers and duties:

- (a) To grant such pensions as are provided for under this Plan.
- (b) To make and enforce such rules and regulations as it shall deem necessary or proper for the efficient administration of this Plan, and to decide such questions as may arise in connection with the operation of this Plan.
- (c) To appoint representatives or Local Pension Boards at the plant or operation or any of the plants or operations of an Employing Company to assist the General Pension Board in the administration of this Plan.

Any action by the General Pension Board shall require the written approval or the affirmative votes of a majority of its members.

3. The General Pension Board shall have the power to receive contributions made by or on behalf of any of the Employees and to apply such contributions to the acquisition of annuities or pensions in addition to those provided for under Section IV hereof.

SECTION III. ELIGIBILITY

1. Any Employee who, at the time of his retirement, shall have had at least 25 years' continuous service determined as provided in Section V hereof and shall have attained the age of 65 years shall be entitled to receive a Pension. He may, however, remain in the service of an Employing Company after attaining such age with the consent of the management of such Employing Company and upon his retirement at any time thereafter shall be entitled to receive a Pension.

2. Any employee who shall have had at least 15 years continuous service determined as provided in Section V hereof and who shall have become through some unavoidable cause permanently incapacitated or who for any other reason shall retire with the consent of the management of the Employing Company

by which he shall then be employed may, at the discretion of the General Pension Board, be granted a Pension by it upon his retirement from active service.

3. Each application for a Pension shall be in writing on a form provided by the General Pension Board, and shall be made to the General Pension Board or to the Local Pension Board, if any, at the plant or operation at which the applicant shall then be employed or to any representative of the General Pension Board designated by it for the purpose. The General Pension Board may require any applicant for a Pension to furnish to it such information as it in its discretion shall require.

SECTION IV. PENSION ALLOWANCE

1. The monthly amount of any Pension granted hereunder shall equal one per cent of the average monthly compensation received by the applicant from one or more Employing Companies for services rendered during the one hundred and twenty calendar months next preceding the month in which the applicant shall retire, multiplied by the number of years of his continuous service (the monthly amount in each case to be adjusted to the nearest dollar, cents being eliminated); provided, however, (1) that, if by reason of temporary lay-offs or other unusual conditions such average monthly compensation in the judgment of the General Pension Board shall not be fairly representative of the normal earnings of such applicant, said Board may, for the purpose of calculating the Pension of such applicant, make such adjustments in the actual earnings of such applicant for said one hundred and twenty calendar months as it shall deem equitable; (2) that, subject to the provisions of clause (3) of this paragraph, no Pension shall be at a rate of less than six hundred dollars per year; and (3) that the amount of any Pension granted under Paragraph 2 of Section III hereof may in the discretion of said Board be less than the amount that would result from the calculation and minimum amount above prescribed.

2. If any Pensioner is or shall become, or upon application would become, entitled to any annuity, pension or payment of similar kind by reason of any law of the United States of America or of any foreign country, or of any state, district, territory, or subdivision of, or subject to the jurisdiction of, either thereof (hereinafter called a Public Pension), or to any other pension or payment in the nature of a pension from any source or fund (other than a pension trust of the character described in Section VIII hereof) to which source or fund any of the Employing Companies shall have directly or indirectly contributed (any such other pension or payment in the nature of a pension being hereinafter referred to as Other Pension), then the amount of the Pension payable under this Plan to such Pensioner for any period shall be reduced by the amount of any such Public Pension and/or any such Other Pension paid or payable to him or that would upon application become payable to him for the corresponding period; provided, however, that, if such Pensioner shall have contributed to the source or fund out of which such Other Pension shall be paid or become payable or would become payable upon application, then the amount by which the Pension payable under this Plan for any period shall be reduced in accordance with the foregoing provisions of this Paragraph 2 shall be decreased by the amount of that part of such Other Pension for the corresponding period which shall be attributable to the contributions which such Pensioner shall have made to such source or fund. As used herein, the term "Public Pension" does not include a Pension granted for or on account of military service.

3. If any Pensioner is or shall become entitled to or shall be paid any discharge, liquidation or dismissal allowance or payment of similar kind by reason of any

plan of any of the Employing Companies, or in respect of which any of them shall have directly or indirectly contributed, or by reason of any law of the United States of America or of any foreign country, or of any state, district, territory or subdivision of, or subject to the jurisdiction of, either thereof, then the total amount paid or payable to him in respect of any such allowance or payment may, in the discretion of the General Pension Board, be deducted from the amount of any Pension to which such Pensioner would otherwise be entitled under this Plan upon retirement; provided, however, that, if such Pensioner shall have contributed to the source or fund out of which such allowance or payment shall be paid or become payable, then the amount which may, in the discretion of the General Pension Board, be deducted from the amount of any such Pension in accordance with the foregoing provisions of this Paragraph 3 shall be decreased by the amount of that part of such allowance or payment which shall be attributable to the contributions which such Pensioner shall have made to such source or fund.

4. Each Pension shall be paid in monthly instalments. The first monthly instalment of the Pension of each Pensioner shall be payable during the month next following the month in which he shall retire, and the last monthly instalment of such Pension shall be payable, to his widow or other dependents, during the month next following the month in which the death of such Pensioner shall occur.

SECTION V. DETERMINATION OF SERVICE

1. The term "continuous service" as used in this Plan means continuous service in the employ of one or more of the Employing Companies, except as in this Section V otherwise provided.

2. The number of years of continuous service of any Employee shall be conclusively determined for all purposes of this Plan by the General Pension Board.

3. Temporary lay-offs on account of illness or reduction of forces shall not be considered as breaks in continuity of service, except in cases where the Employee fails to return promptly after he shall have recovered from such illness or fails to accept employment when offered. When any such absence exceeds six consecutive months, the period of time in excess of such six months shall be deducted in computing the term of continuous service of such Employee.

4. The continuous service record of an Employee who shall have been absent in military service for the United States of America or who shall have been absent on leave for other service to the United States of America or for military or other service to any subdivision thereof shall not be affected by his absence.

5. The number of years of service of any Employee may include, in the discretion of the General Pension Board, (a) the periods of service rendered by such Employee in connection with properties or businesses at any time owned by an Employing Company and which was rendered prior to the acquisition of such properties or businesses by such Employing Company, and (b) the periods of service rendered by such Employee in other activities relating to or affecting the interest of any of the Employing Companies.

SECTION VI. GENERAL REGULATIONS

1. This Plan is strictly a voluntary provision on the part of the Employing Companies, and shall not be deemed to constitute a contract between any one or more Employing Companies and any Employee or to be a consideration for, or an inducement or condition of, the employment of any Employee. Nothing contained in this Plan shall be deemed to give any Employee the right to be retained

in the service of an Employing Company or to interfere with the right of the Employing Company by which he shall then be employed to discharge or retire any Employee at any time.

2. No assignment of any Pension will be recognized or permitted, nor shall any Pension or payment on account of any Pension be subject to attachment or other legal process for or against the Pensioner.

3. The General Pension Board shall have the absolute right to cancel or suspend payment of the Pension of any Pensioner whenever it shall consider such Pensioner is undeserving for any reason.

SECTION VII. AMENDMENT OR TERMINATION

The Board of Directors of the Corporation shall have the right to modify, change, or terminate this Plan at any time; provided, however, that no Pension already granted at the time of any modification of, or change in, or the termination of, this Plan shall be discontinued or reduced except as provided in Paragraph 3 of Section VI hereof; and provided further, that this Plan shall not be so modified or changed as to result in the payment of any Pension in excess of that which may be paid in accordance with the provisions of Paragraph 1 of Section IV of this Plan. Notice of any such modification or change or of such termination shall be posted conspicuously at each plant of the Employing Companies at least thirty days prior to its effective date.

SECTION VIII. PENSION TRUST

The Corporation may pay or cause to be paid into one or more pension trusts such amounts as its Board of Directors shall approve. The moneys so paid into such trust or trusts shall be used only for the payment of Pensions to Employees of the respective Employing Companies which shall pay such moneys into such trust or trusts, or, if not required therefor, for such other purposes as are for the exclusive benefit of such Employees. The aggregate of the moneys that shall be in such trust or trusts shall not at any time exceed the estimated amounts that will be required for the payment of Pensions to such Employees.

ALUMINUM COMPANY OF AMERICA AND ALUMINUM WORKERS' UNIONS Nos. 18780, 19256, 23120, AND 24288 (AFL), ACTING JOINTLY IN COOPERATION WITH THE INTERNATIONAL COUNCIL OF ALUMINUM WORKERS' UNIONS. INSURANCE AND PENSION PROGRAM. AGREEMENT NEGOTIATED NOVEMBER 1949

Aluminum Company of America (and its subsidiaries), hereinafter referred to as the Company, and Aluminum Worker's Unions Nos. 18780, 19256, 23120, and 24288 affiliated with the American Federation of Labor, acting jointly in cooperation with the International Council of Aluminum Workers' Unions, hereinafter referred to as the Union, hereby agree:

The Union having opened the matter of wages in accordance with the Agreement of June 25, 1948, it is now agreed that the issues under discussion pursuant to such reopening are hereby settled upon the following basis:

A. Group Insurance

1. Article 3 of the Supplemental Agreement dated May 8, 1947, is hereby amended to read as follows:

"The Company will provide and pay the cost of an employee social insurance plan which will provide benefits as follows:

- (1) A death benefit, payable upon death during active service, of \$2,000.
- (2) A death benefit, payable upon death after retirement under the Employees' Retirement Plan of Aluminum Company of America, of \$1,500.
- (3) Non-occupational sickness and accident benefits of \$26 per week for a maximum of 26 weeks in any one period of a year, subject to a seven (7) day waiting period in cases of sickness.
- (4) Hospitalization benefits of \$3.50 per day for a maximum of thirty-one (31) days in any one period of a year, and for special services a maximum of ten (10) times the daily benefit.
- (5) Surgical operation insurance, as per schedule, with a maximum benefit of \$225.

"Details of these benefits will conform to the applicable provisions, with revised benefits, as outlined in the booklets of the present plan."

"The insurance will apply to all active (not laid-off) employees who have ninety (90) days' seniority."

"Any problems, complaints of grievances arising under or concerning group insurance shall not be subject to or handled under the grievance or arbitration provisions of this Agreement, but will be handled in accordance with separate rules."

2. The schedule of revised benefits will become effective not later than the last day of the calendar month next following the month in which this Agreement becomes effective.
3. It is understood that this Agreement is an agreement on the basis of benefits and not on the basis of costs.

4. It is understood that the continuance of the present dependents' insurance and voluntary group life insurance plans is unaffected by this Agreement.
5. Wherever there are or may hereafter be State or Federal laws providing insurance benefits in any of the above categories, together with pay-roll taxes to support them, full advantage will be taken of any opportunity under any such laws to substitute these benefits for those provided by the law, or vice-versa, with the maximum abatement of tax or premium cost which is available because of such substitution.

B. Pensions

(1) The Company will revise its existing Retirement Plan so as to provide benefits which, when added to any primary benefits payable under the Old Age and Survivors Insurance provisions of the Social Security Act or similar Federal or State law, (or law of any foreign country) equal a uniform rate, for normal retirement allowances, of 1.18 percent of the compensation received during each year of credited service prior to attainment of age sixty-five (65) ; provided

- (a) There will be a minimum normal retirement allowance of \$100 per month for twenty-five (25) years of continuous service.
- (b) There will be a minimum normal retirement allowance of \$60 per month for fifteen (15) years of continuous service.
- (c) Minimum normal retirement allowances for years of continuous service between fifteen (15) and twenty-five (25) will be the \$60 per month allowance plus \$4 per month for each year over fifteen (15).
- (d) No employee shall be eligible for retirement allowance unless he has completed fifteen (15) years of continuous service upon attainment of age sixty-five (65).
- (e) The normal retirement date shall be at or over age sixty-five (65).

(2) The Company will revise its existing Retirement Plan so as to provide a benefit for permanent and total disability occurring at or after attainment of age fifty-five (55) and at or after twenty-five (25) years continuous service, which, when added to any benefit for such disability under any Federal or State law (other than Workmen's Compensation Acts) equals 1.18 percent of the compensation received during each year of credited service; provided, that no such benefit shall be less than \$50 per month.

(3) Employees retiring between the effective date of this Agreement and the effective date of the revisions of the Plan, will receive any applicable adjustments of benefits.

(4) The provisions of the revised Plan shall apply to present as well as future employees, but in no case shall the the revisions reduce the benefit to which any present employee is entitled.

(5) Words used in this Agreement, such as "credited service," "normal retirement allowance," etc., have the meanings as defined and used in the existing Retirement Plan.

(6) It is the object of the parties that the details of the revised Plan, including the development of rules and regulations governing its operation, will be completed by April 1, 1950, and placed in effect thereafter as soon as practicable.

(7) The revised Retirement Plan will be open for review on a date five (5) years after the effective date of the revisions. The revised Plan will not be changed and will not be open for negotiations except at the time of such review.

(8) The Plan as revised shall be contingent upon and subject to approval by the Commissioner of Internal Revenue as a qualified pension trust under Section

165(a) of the Internal Revenue Code and by the Board of Directors and/or the Stockholders of the Company.

(9) Except as agreed to herein, and except as may be agreed by the parties in completing any necessary details of the revised Plan, the existing Plan will remain in full force and effect.

(10) In case it appears desirable to do so, a Plan may be established whereby employees can contribute to a fund to supplement the pensions available under the revised Plan.

C. This agreement will become effective upon receipt of notice in writing by the International Council of Aluminum Workers' Unions to the Company that it has been ratified by the local Unions.

D. The matters of the term of Agreement of April 9, 1947, and the status of so-called cost or fringe benefits, will be the subject of negotiations prior to December 31, 1949.

Dated _____ 1949

For the Company

(Signed)

(Signed)

For the Union

(Signed)

(Signed)

FORD MOTOR COMPANY AND UNITED AUTOMOBILE, AIRCRAFT AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA (CIO). RETIREMENT AND HEALTH AND SECURITY PROGRAMS

Memorandum of Agreement on Retirement and Health and Security Programs

(September 28, 1949)

The Ford Motor Company and the Union (UAW-CIO) Agree to the following:

RETIREMENT PLAN

SECTION 1. The Retirement Plan shall be non-contributory, financed completely by the Company.

SECTION 2. For the duration of the pension agreement beginning March 1, 1950, the Company agrees to pay into a pension fund 8¾ cents for every hour for which an hourly rated employee covered by the contract receives compensation, for the purpose of providing the benefits set forth herein. Since the Company assumes the responsibility to make contributions from time to time to the pension fund in the amount sufficient, based upon estimates made by a duly qualified actuary, to provide the monthly benefits specified in Section 5, taking into consideration as therein provided primary (old age) insurance benefits under the Federal Social Security Act (as now in effect or as hereafter amended) it may vary these payments accordingly. Past service benefits shall be funded in such manner as the Company in its sole discretion shall determine.

SECTION 3. The benefit structure of the Retirement Plan shall be administered within the framework of the Pension Agreement by a Joint Board of Administration, having three members each from the Company and the Union. Suitable provisions shall be made for the breaking of any deadlocks by an impartial chairman selected by mutual agreement by the Company and Union representatives on the Board.

SECTION 4. The Board of Administration shall be empowered to administer the Plan as it relates to development of administrative policy and procedure, for such functions as:

- A. Verifying and establishment of service credits;
- B. Methods of handling and paying claims and benefits;
- C. Interpretation of the rights of employees under the Plan;
- D. Reviewing and acting on appeals;
- E. Collection and analysis of administrative statistics;
- F. Authorization to the Bank or Trust Company acting as Trustee for the Pension Fund, for proper payments from the Pension Fund; and
- G. Similar and related functions and duties that are inherent in proper administration of benefits and operation of the Plan.

Decisions of the Board of Administration shall be by majority vote with the impartial chairman empowered to cast the deciding vote in case of a tie. Decisions of the Board shall be final and binding.

SECTION 5. (a) There shall be payable, on retirement at normal retirement, age 65, or older, with 30 years or more of credited service, a benefit of \$100

a month including primary (old age) insurance benefits under the Federal Social Security Act, (as now in effect or as hereafter amended) payable to the employee, or at age 65, or older, with less than 30 years of credited service, a pension equal to the same proportion of \$100 as the number of years of credited service bears to 30, including primary Federal Social Security Benefits as before.

(b) There shall be payable on retirement after age 60, but before age 65 and after 30 years of credited service, including 10 years credited service after the effective date of the Plan, a benefit reduced to equate for all factors so as not to increase the cost of the plan or impair the benefits payable under other sections.

(c) Benefits payable under Social Security shall be deducted from the pension benefit payable after retirement under the Plan whether or not such Social Security payment is lost by the individual through acceptance of covered employment or otherwise.

SECTION 6. *Disability Retirement*

Retirement for total and permanent disability after 30 years of credited service at age 55 or older shall be a flat retirement benefit of \$50 a month less any Federal Social Security benefit receivable by the employee for disability.

SECTION 7. Any future increase in the old age benefits payable under the Federal Social Security Act shall reduce by the amount of such increase the portion of the benefit payable under this plan.

SECTION 8. *Crediting of Service*

(a) "Past Service" shall be credited at the rate of one year of seniority as defined in the Collective Bargaining Agreement, excluding seniority credited for military service prior to employment by the Company, provided, however, that there shall be added thereto a year of past service for each year by which the total years of accumulated active service prior to June 20, 1941, exceed by more than five years total seniority for that period.

(b) "Future Service" shall be credited at the rate of one year for each calendar year prior to attainment of age 65 in which the employee receives pay for 1,800 or more hours, 3/4 of a year for 1,300 to and including 1,799 hours, 1/2 of a year for 750 to and including 1,299 hours, with no credit for less than 750 hours in a calendar year.

SECTION 9. *Retirement Age*

The normal retirement age shall be 65. Retirement shall be automatic at age 68 there shall be no increase in benefits after age 65. An employee may retire early with the consent of the Company between age 60 and 65, provided he has at least 30 years of credited service.

Retirement upon total and permanent disability is permitted between ages 55 and 65 provided the employee has at least 30 years of credited service.

The Company at its sole discretion may retire any employee at age 65 or older by reason of employee's inability to perform efficiently work assigned to him.

Employees age 67 or more as of July 16, 1949, shall be automatically retired on the date of their first birthday following January 1, 1951. No employee shall be subject to automatic retirement prior to April 1, 1952, if, at the time he reaches normal retirement age, he has more than ten years of service and would receive a pension (including Social Security) of less than \$75.00 a month.

This problem will be reviewed by the parties 30 days in advance of April 1, 1952.

SECTION 10. *Effective Date*

(a) The liability of the Company for payments to the "pension trust fund" as specified herein shall accrue beginning on March 1, 1950, which shall be the "effective date" of the program;

(b) Benefit payments shall commence on April 1, 1950. Employees who retire during March, 1950, or who are to be considered retired under subparagraph (c) below, shall commence to receive benefits on April 1, 1950, if living.

(c) Employees whose employment by the Company terminated on or after July 16, 1949, but before the effective date of the program, who would have qualified for benefits under the program had it been in effect at the time of such termination of employment, shall be treated as having retired.

SECTION 11. *Vesting*

No employee shall have any vested right under the program except as to such rights as accrue to him in connection with retirement as provided for under the program.

SECTION 12.

The Company shall have the sole right to select and contract with a qualified Bank or Trust Company to act as the Trustee of the Pension Fund. Such Trustee shall hold, and be solely responsible for, the investment of the Pension Fund. Benefits shall be payable only from the Trust Fund; and the Trustees shall make such benefit payments from the Pension Trust Fund as are specifically authorized by the Board of Administration.

SECTION 13. *Approval of Plan*

All of the foregoing shall be subject to the approval by the Commissioner of Internal Revenue as a qualified pension trust under Section 165 of the Internal Revenue Code, and in the event that any revision of the foregoing is necessary to meet the requirements for qualification, the Board, but only upon consent of the parties to this Agreement, is authorized to make such necessary revisions, adhering as closely as possible to the intent of the parties hereto as expressed in this pension agreement.

SECTION 14.

The Pension Agreement shall continue in effect for a period of five years from March 1, 1950. Either party may request renegotiation of the provisions of the pension agreement upon sixty-day written notice to the other party in advance of March 1, 1955.

During the period of five years from March 1, 1950, neither the Company nor the Union shall demand any change in this pension agreement nor shall either party be required to bargain with respect to this pension agreement, nor shall a change in or addition to any feature in this pension agreement be an objective of or be stated as reason for any strike or lockout or other exercise of economic force or threat thereof by the Union or the Company.

SECTION 15.

The Company shall not be obligated to make additional payments to the Fund to make up deficiencies in any year arising from depreciation in the value of the securities in the Fund resulting from abnormal conditions.

SECTION 16.

It is understood that the foregoing is intended to set forth the principal provisions of the Pension Plan. The Company and the Union, within two weeks following ratification hereof, shall each appoint a committee of three who shall draw up an agreement which shall incorporate and implement in sufficient detail, the framework established by the foregoing provisions.

HEALTH SECURITY PROGRAM

SECTION 1. *Medical Benefits*

The Company as of January 1, 1950, will add to its John Hancock policy with no change in the employees' contributions, an in-hospital medical program, for the employee, having the following basic benefit structure:

A maximum of \$280.00 for hospital confinement of 70 days or more. The maximum will be proportionately reduced for fewer than 70 days at the rate of \$4.00 per day.

SECTION 2. *Death and Accident and Sickness Benefits*

The Company agrees to continue without other change the present John Hancock Insurance Company group insurance policy for death, dismemberment, and accident and sickness benefits;

SECTION 3. *Hospital and Surgical Benefits*

The Company agrees to continue without change the present arrangement for providing Blue Cross and Blue Shield benefits.

This memorandum of agreement shall become final when both it and the Collective Bargaining Agreement superseding that dated August 21, 1947, have been signed by both parties and ratified by the Union, and the Company is so notified in writing by the Union by October 29, 1949.

In witness whereof the parties have set their hands on the date first appearing above.

United Automobile, Aircraft, and
Agricultural Implement Workers
of America, CIO
(Signed)

Ford Motor Company
(Signed)

NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION AND INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (AFL). INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS' PENSION BENEFIT TRUST FUND

EMPLOYEES BENEFIT AGREEMENT

(As Amended November 8, 1947)

Entered into September 3, 1946, between the National Electrical Contractors Association (I. B. E. W. Employers Section), hereinafter called the Association, and the International Brotherhood of Electrical Workers, hereinafter called the Brotherhood.

PREAMBLE

It is generally recognized that industry has an obligation to discharge in providing for its aged and disabled workers, and it is obvious that the benefits provided under the Federal Social Security Act for this purpose are inadequate to sustain electrical workers at anywhere near the standard of living which has been established by their normal income.

The efficiency of the Electrical Contracting Industry's service to the public will be enhanced and greater employment opportunities provided for new workers and returning war veterans if the older electrical workers are retired with payment of reasonable benefits when they are no longer able to maintain normal production.

The economic and social benefits of retirement plans have been recognized by the public and many public service corporations and other employers have provided old age pensions and other social benefits for their employees.

Because of the nature of the Electrical Contracting Industry which requires many of its employees to move from job to job and from employer to employer, it is necessary for its employers to act cooperatively through a central organization in order to do what a single employer may do in other fields of industrial enterprise.

For the purpose, therefore, of improving the service of the Electrical Contracting Industry and of enabling its employers to discharge their obligation to their wage earners, it is hereby decided and agreed between the Association and the Brotherhood as hereinafter set forth.

ARTICLE I

Sec. 1. This agreement shall take effect October 1, 1946, and shall remain in effect until December 31, 1946. It shall continue in effect from year to year thereafter, from January 1 to December 31 of each year, unless changed or terminated in the way later provided herein.

Sec. 2. Either party desiring to change or terminate this agreement shall notify the other in writing at least ninety days prior to January 1 of any year. If notice is given for changes, the nature of the changes desired shall be specified in the notice.

Sec. 3. This agreement shall be subject to amendment or revision at any time by mutual consent of the parties hereto.

ARTICLE II

Sec. 1. A Pension Board to be known as the "NATIONAL EMPLOYEES BENEFIT BOARD FOR THE ELECTRICAL CONTRACTING INDUSTRY" (hereinafter called the National Board) is hereby created to establish a trust fund for the purpose of providing a pension for "A" members of the Brotherhood. Such trust fund shall not be used for any purpose other than payment of pensions to members of the Brotherhood.

Sec. 2. It is understood and agreed that the National Employees Benefit Board shall not pay any benefits directly to any individual, or in any way engage in the business of insurance. No provision of this Agreement shall be construed to the contrary.

Sec. 3. The National Employees Benefit Board shall consist of fifteen (15) members, seven (7) appointed by the Association and seven (7) appointed by the Brotherhood and one (1) Public Member, appointed by the United States Secretary of Labor. The members of the National Board shall serve without compensation or allowances, except for actual expenses as approved by the National Board, and for such terms as each appointing authority may decide. Vacancies from any cause shall be filled by the respective appointing authority on whose membership the vacancy exists.

Sec. 4. No member of the National Board shall be personally liable to any member of the Brotherhood or to any electrical contractor for any act or failure to act of his or of any agent or employee of the Board.

Sec. 5. The National Board shall appoint a Chairman and a Vice Chairman from among its members—one of whom shall be from the Association and the other from the Brotherhood—and it shall employ a Secretary-Treasurer as hereinafter provided. The Secretary-Treasurer shall not have a vote in any matter before the Board.

Sec. 6. An annual meeting of the National Board shall be held within the first six (6) months of each calendar year on such date within this period and at such place as the Chairman and the Vice Chairman may decide. Special meetings may be called by the Chairman at any time on fifteen (15) days' notice mailed to each member. Nine (9) members of the National Board shall constitute a quorum for the transaction of business, but in voting on any matter before the Board the representatives of each party to this Agreement shall be counted as though all were present and voting.

Sec. 7. In the event the members of the National Board become deadlocked with respect to any question before them, such question shall be submitted to the Public Member for decision and his decision shall be final and binding upon the Board.

ARTICLE III

The National Employees Benefit Board is hereby instructed and empowered as follows:

Sec. 1. To provide for the local collection of Benefit Fund pay-roll assessments in an amount equal to 1% of the gross electrical labor pay rolls of all electrical contractors (as hereinafter defined) who employ members of the Brotherhood and for the performance of such other local functions as may be required, by establishing as its agents, local or area boards to be constituted and operated as set forth in Article IV hereof.

Provided that in localities or areas where there are now in effect under agreements between Locals of the International Brotherhood of Electrical Workers and electrical contractors or associations of electrical contractors, plans under

which retirement benefits by assessments on contractors' pay rolls are provided for members of such Locals, the National Board, under this Agreement, shall designate as its agents to perform the functions of the Local Board described in Article IV of this Agreement, the trustees or other administrative bodies under such local plans. Only Section 6 of Article IV and no other Section of that Article, shall apply to any local trustees or other administrative bodies acting under this proviso.

Sec. 2. To pay over quarterly to a Board of Trustees (hereinafter provided for) a lump sum, the amount of which it shall separately determine for each quarter, provided, however, that the total of such subscription shall not in any case be in excess of the total amount paid into the Brotherhood's Pension Fund by its own members from May 5, 1947, and provided further that no such subscription shall in any case be in excess of the amount of the funds then in the hands of the National Board, less its necessary operating expenses and the operating expenses of the Board of Trustees for the following quarter. The Brotherhood shall submit quarterly to the National Board a report of the receipts and disbursements under its pension Benefit Fund.

Sec. 3. To secure and compile accurate statistics regarding the number, age, health and employment records of members of the Brotherhood employed by electrical contractors, and to make actuarial studies based on such statistics and prepare for the consideration of the Industry plans for providing its employees with disability and hospitalization insurance as well as such other social benefits as are economically sound and will receive public acceptance.

Sec. 4. To obtain whatever office space and equipment the National Board feels is necessary for the administration of this Agreement.

Sec. 5. To engage a Secretary-Treasurer and such other employees as are needed and to secure such special or regular services of others as the National Board considers proper and to pay from the funds under the National Board's charge such salaries and such expenses or operating overhead as the National Board considers necessary.

Sec. 6. To retain a Certified Public Accountant to set up a proper bookkeeping and accounting system for the National Board and for the operation and administration of its funds.

Sec. 7. To engage and have an auditor make audits and examinations at least once each year of the books, accounts and records of the National Board. The result of the audits and examinations shall be made available for inspection by interested parties at the offices of the National Employees Benefit Board, the National Electrical Contractors Association and the International Brotherhood of Electrical Workers.

Sec. 8. To make a full and complete report to the Association and the Brotherhood once each year of the National Board's actions and the conditions of the funds under its charge.

Sec. 9. To keep correct minutes of all of its meetings.

Sec. 10. To make accessible at any and all times to the auditor or any of his assistants, or any authorized representatives of the Association or of the Brotherhood, all minutes and meetings of the National Board, and all records, reports, contracts, accounts and papers.

Sec. 11. To see that the Secretary-Treasurer and other employees whom it may deem necessary to bond are properly and adequately bonded.

Sec. 12. To promulgate such policies, rules and regulations as may be necessary to effectuate the efficient administration of this Agreement. Provided, such policies, rules or regulations are consistent with the intent of this Agreement.

ARTICLE III-A

Sec. 1. There shall be established by the contracting parties hereto a Board of Trustees to be known as the "Board of Trustees of the International Brotherhood of Electrical Workers' Pension Benefit Trust Fund" (hereinafter called the Trustees).

Sec. 2. The Board of Trustees shall consist of two (2) members, one (1) appointed by the Association and one (1) appointed by the Brotherhood. Provided, however, that if the trustees become deadlocked with respect to the interpretation of any provision defining their duties (hereinafter set out) they shall submit the question in dispute to the Public Member of the National Board for determination and his decision shall be final and binding.

Sec. 3. The Trustees are hereby instructed and empowered as follows:

(a) To deposit all monies received from the National Board in a Trust Company in the name of "International Brotherhood of Electrical Workers' Pension Benefit Trust Fund." All withdrawals after approval by the two trustees shall be signed by one of the trustees. Withdrawals shall not be made for any purpose other than for payment of Pensions to members of the Brotherhood.

(b) To pay pensions to those members of the Brotherhood who meet the requirements specified in Section 1 of Article III-B herein.

(c) To secure and compile records regarding the ages, and length of membership in the Brotherhood of all members of the Brotherhood who shall be eligible to apply for pensions at such time as they have complied with the provisions of Section 1, Article III-B herein.

(d) To meet monthly on such date and at such place as they may decide; provided, however, that special meetings may be called by either one of the trustees.

(e) To furnish bond to the Association and the Brotherhood for faithful performance of their duties. The amount of the bond shall be twenty-five thousand dollars (\$25,000.00) for each trustee. The National Board shall pay the premiums on the bonds.

(f) To engage and have an auditor make audits and examinations at least once each year of the books, accounts and records of the Trustees.

(g) To make a full and complete report to the National Board once each year of their actions and the conditions of the funds under their charge. Such report shall be available for inspection by interested parties at the offices of the Trustees, the National Employees Benefit Board, the National Electrical Contractors Association and the International Brotherhood of Electrical Workers.

ARTICLE III-B

The pension Benefits shall be made available to and in accordance with the following:

Sec. 1. Any "A" male member of the Brotherhood who attains the age of 65 years and who has been a member of the Brotherhood in continuous good standing for 20 years immediately preceding his application for a pension.

Sec. 2. The Pension Benefits provided for herein shall be \$50.00 per month.

Sec. 3. Applications for pensions shall be submitted in duplicate, the original forwarded to the Brotherhood and the copy to the Trustees. The Brotherhood shall submit to the Trustees a complete record of the age and membership standing of each applicant for pension and on the effective date of this Agreement the names of all the members of the Brotherhood receiving pensions under the "Pension Benefit Fund of the Brotherhood."

Sec. 4. Approved applicants shall be placed on the Pension Roll the first of the month following action of the Trustees. Provided, however, that in the event there are not sufficient funds in the hands of the Trustees to meet all pension claims as they become due in any calendar month of the year, the Brotherhood shall provide for the additional pension claims out of the funds in the Pension Benefit Fund of the Brotherhood.

Sec. 5. Any member of the Brotherhood who accepts a pension payment for any particular month under the provisions of this Agreement shall thereby cancel any claim he may have against the Pension Benefit Fund of the Brotherhood for the same month, and he agrees not to perform any electrical work of any kind either for compensation or gratis for anyone.

ARTICLE IV

Sec. 1. As soon as possible after the date upon which this Agreement is entered into a Local Employees Benefit Board, hereinafter called the Local Board, shall be established in each locality or area over which a chapter chartered by the Association has jurisdiction, and where there are in effect recognized collective bargaining labor agreements between said Association chapter and all local unions of the Brotherhood having trade jurisdiction in the area and members employed by electrical contractors. Notice of the appointment of each Local Board shall be published in the official journals of the Association and of the Brotherhood.

Sec. 2. Each Local Board shall consist of seven (7) members and a Secretary-Treasurer, all of whom shall be appointed by and serve subject to the approval of the National Board. Three members shall be appointed from nominations made by the local union or unions involved, three members and the Secretary-Treasurer shall be appointed from nominations made by the local chapter of the Association and one public member who shall be appointed from nominations made by the six members thus selected. The Secretary-Treasurer shall not be a member of the local chapter or any of the local unions in the area, and shall not have a vote on any matters before the Board. The Local Board shall select its own Chairman from among its members.

Sec. 3. The members of all Local Boards shall serve without compensation or allowances, except such necessary expenses as the National Board shall approve.

Sec. 4. The operating expenses, if any, of each Local Board shall be paid by the National Board. However, no expense shall be incurred without the prior approval of the National Board.

Sec. 5. The Secretary-Treasurer of each Local Board shall furnish bond to the National Board for faithful performance of his duties. The National Board shall pay the premium on the bond and determine the amount in which it shall be written in each case.

Sec. 6. Each Local Board shall be instructed and empowered by the National Board as follows:

(a) To collect weekly from all electrical contractors (as hereinafter defined) employing members of the Brotherhood within its territorial jurisdiction the pay-roll assessments provided for in this agreement.

(b) To remit to the National Board on or before the 10th day of each calendar month all pay-roll assessments collected during the preceding month.

(c) To compile, file with the National Board and keep corrected a complete list of all members of the Brotherhood in the area under its jurisdiction who are employed or available for employment by electrical contractors as defined in

this Agreement. The information filed with the National Board shall also include the age, health and employment record of all such persons.

Sec. 7. The National Board may from time to time issue to Local Boards such additional instructions and authority as may be necessary or as it deems proper. Each Local Board shall conduct its activities in strict conformity with this Agreement and with all instructions issued by the National Board.

ARTICLE V

Sec. 1. Each electrical contractor, as defined herein, who employs members of the Brotherhood shall pay to such Local Board as may be designated by the National Board an amount equal to 1% of the gross labor pay roll paid to any electrical worker whose rate of pay is established in the applicable local labor agreement.

Sec. 2. These payments shall be made weekly by check or draft and shall be accompanied by a pay-roll report in such form as may be prescribed by the National Board. Each Local Board shall be authorized to investigate the accuracy of any report received. A penalty of 10% of the payments due may be imposed on any such electrical contractor (as defined herein) by the National Board for failure to make payments when due.

Sec. 3. Should any electrical contractor cease employing members of the Brotherhood, or should the Brotherhood cease doing business with any electrical contractor, then such contractor shall nevertheless be obligated to pay to the Local Board having jurisdiction the required pay roll assessments on all work fully or partially completed up to that time but not thereafter.

Sec. 4. Failure to comply with regulations adopted by the National Board or by any of its Local Boards as approved by the National Board shall constitute a violation of this Agreement.

ARTICLE VI

Sec. 1. The pay roll assessments provided for in Article V hereof shall be the sole and final obligation resting upon the parties under this Agreement.

Sec. 2. The term "electrical contractor" as used in this Agreement is defined to mean any individual or form of organization whose business is the erecting, installing, altering, repairing, servicing, or maintaining of electrical wiring, devices, appliances, or equipment, including the purchasing from suppliers and the selling of manufactured parts and products. Such individual or organization shall have an established location where he transacts his business with the public with a sign displayed announcing the character of the business, and shall maintain proper books of accounts and records incident to the conduct of such business.

Sec. 3. From and after the date upon which this Agreement is entered into, all labor agreements or contracts entered into by the Brotherhood or by any of its local unions with electrical contractors, as defined herein, shall require such contractors to comply with the terms of this Employees Benefit Agreement.

Sec. 4. Failure on the part of any individual electrical contractor to comply with the terms and conditions herein prescribed shall constitute a violation of this Agreement so far as such defaulting contractor is concerned, but neither the Association nor the other members thereof shall be in any way responsible for such default.

Sec. 5. All monies received by the National Board and/or the Trustees, over and above actual expenses, shall be administered as trust funds for the purpose hereinbefore set forth. In the event that this Agreement shall be terminated

by mutual consent of the Association and the Brotherhood or for any other cause, all funds in the hands of the Board and/or the Trustees, after all expenses are paid, shall be turned over to a Trust Company to be designated by the parties hereto for the purpose of paying the Pension Benefits in effect until the funds are exhausted.

Sec. 6. The Trustees of the "Board of Trustees of the International Brotherhood of Electrical Workers Pension Benefit Trust Fund" accept this trust and agree to hold all of the funds now or hereafter transferred to them hereunder by the National Board subject to all of the terms and provisions of this Agreement, and in particular the provisions of Articles III-A and III-B.

MERCHANTS' LADIES GARMENT ASSOCIATION (NEW YORK, N. Y.) AND INTERNATIONAL LADIES GARMENT WORKERS' UNION. RETIREMENT FUND OF THE COAT AND SUIT INDUSTRY. AGREEMENT EFFECTIVE JULY 28, 1948

TWENTY-SECOND: A. The Retirement Fund of the Coat and Suit Industry—a Fund of the Union—heretofore established under and pursuant to the terms of the collective agreement entered into on the 28th day of June, 1943, as of June 1st, 1943, between the parties hereto, and the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., and the Infants' and Children's Coat Association, Inc., is hereby continued for the full term of this agreement.

At the time of the establishment of the Fund, the parties hereto declared and now reiterate:

The coat and suit industry in the Metropolitan District employs many workers who, for many years, have contributed to its general welfare by their skill, experience and loyal service. Many of these workers have reached or will soon reach an age at which they may find it desirable to withdraw from all work of any kind if they could spend their declining years in some measure of comfort and security. The parties hereto recognize this subject to be of special interest and concern to them and to their members, and believe that a socially minded approach to it will be helpful to the stability and well-being of the industry.

B. The Retirement Fund shall continue to be administered by a Retirement Board of six representatives of the Union, the presidents and the executive directors of the Merchants' Ladies' Garment Association, Inc., Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., and Infants' and Children's Coat Association, Inc., respectively, and the following three public representatives: Hon. Arthur J. Altmeyer, Judge Jeremiah T. Mahoney and Mrs. Raymond V. Ingersoll. Any vacancy among the public representatives on the Retirement Board shall be filled within fifteen days after the same occurs by the Union and the associations' members on the Retirement Board or, upon their failure to agree, by appointment by the Mayor of the City of New York. All members of the Retirement Board shall serve without compensation. In the event that the Union and the associations' representatives on the Board shall be deadlocked on any matter which comes before the Board, the public representatives thereon, by a majority vote of those present, shall have full power to decide the issue and their decision shall be final and binding. No Trustee of the Retirement Fund shall be liable for any act of omission or commission in connection with the administration of the Fund, except for his own malfeasance.

C. Each member of the Association shall pay to the Retirement Fund weekly a sum equal to three (3%) percent of the weekly wages (before deductions for taxes) of all the workers in all crafts covered by this agreement employed in his inside shop and in the shops of his contractors and sub-manufacturers. No worker shall make or be required to make any contribution whatsoever to the said Fund. Each member of the Association shall submit with each payment two written statements to the Retirement Fund; one shall set forth the names of the workers employed in his inside shops, their social security numbers, their

crafts, their sex, the wages paid to them (before deductions for taxes), the period in which the payment was earned, and the number of hours worked within that period; the other shall state the full amount of the payment remitted, how much thereof is allocated to the pay roll of his inside shop, how much thereof is allocated to the pay roll of his contractors' and sub-manufacturers' shops and the period which the payment covers.

The Union reserves the right to recommend to the Association an improved basis or method for computing the payments properly payable hereunder to the Retirement Fund which will simplify and more quickly effectuate the collections of the amounts due hereunder. If no agreement is reached, the matter shall be submitted to the public representatives of the Retirement Board at any meeting of the Board and the decision of a majority of the public representatives in attendance shall be binding upon the parties hereto and shall be deemed to be a modification of this provision in that respect.

D. The Retirement Fund is hereby declared to be an irrevocable trust and the members of the Retirement Board shall be the Trustees of the Fund. None of the moneys paid into the said Fund shall be used for any purpose other than to retire workers in accordance with the Rules and Regulations adopted by the Retirement Board and to pay the operating and administrative expenses thereof, including the expenses of maintaining the Fund on a sound actuarial basis, and to pay for the maintenance of an office and expenses incidental to the operation thereof, and the employment of necessary personnel and to pay all reasonable counsel fees and disbursements incurred by the Fund.

E. All rules and regulations heretofore adopted and promulgated by the Board and now in effect shall be deemed incorporated herein and a part hereof with the same force and effect as if herein set forth in full. Immediately after the execution of this agreement, the Retirement Board shall convene to conform its rules and regulations to existing law and to consider whether, in the light of experiences gained during the period the Retirement Fund has been in existence, amendments to the existing rules and regulations are necessary, including amendments to those which deal with eligibility of workers for retirement benefits. All rules and regulations, whenever adopted and promulgated by the Board, may be added to, amended or modified from time to time whenever necessary to carry out more effectively the purposes of the Retirement Fund and all additions, amendments or modifications, when adopted, shall be deemed incorporated herein and shall become part hereof with the same force and effect as if herein set forth in full.

F. The Retirement Board shall, among other things, have the right to pass upon each worker's application for retirement, determine the number of workers which may be retired at any particular time and from time to time, maintain the Fund on a sound actuarial basis, and set aside sufficient reserves for the ensuing years.

G. Any member of any local union chartered by the International in the Metropolitan District employed (except for periods of lay-off, illness and the like) by a member of the Association or the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., or the Infants' and Children's Coat Association, Inc., or by any of their contractors and sub-manufacturers who are members of the American Cloak and Suit Manufacturers Association, Inc., or by any other firm which is in contractual relations with the Union or which has been properly designated under Paragraph numbered "SEVENTH" hereof, and whose craft and conditions of employment are included within this agreement, and who

has reached or reaches the age of 65 years during the term of this agreement and who otherwise qualifies for retirement under the rules and regulations of the Retirement Fund then in effect and conforms thereto may make application for retirement to the Retirement Board in such manner as the rules and regulations may prescribe. The rules and regulations may also provide for retirement of a member of such local union who is otherwise eligible and qualifies for retirement benefits but who has not been or is not employed as aforesaid because of service as a full time paid elected or appointer officer of the Union or of any local affiliated therewith, provided, however, that the Union or affiliate local of which he is a member pays to the Retirement Fund weekly three (3%) percent of his wages.

H. Each member whose application for retirement is approved and granted by the Board shall, upon execution of whatever instruments the rules and regulations established hereunder may provide, be entitled to receive the sum of \$50 each month from the Retirement Fund for the rest of his life, irrespective of the fact that this agreement may terminate prior to his death and all benefits shall cease upon the death of the retired worker: Provided, however, if, at the time during the worker's life, the benefits payable to him or her under or as a result of any governmental act, Federal, State or city, shall be increased, then and in such event the amount payable to the worker out of the Retirement Fund as above, viz., \$50 each month, shall be affected as follows:

1. If such increased benefits shall be paid under or as a result of an Act which requires (a) no contribution or payment by way of tax or otherwise from the worker or the employer, or (b) contribution or payment by way of tax or otherwise from the employer alone, then the amount of such increased benefits per month shall be deducted from the sum of \$50 payable each month from the Retirement Fund.

2. If such increased benefits shall be under or as a result of an Act which requires contribution by way of tax or otherwise from the worker alone, then no deduction shall be made from the \$50 payable each month from the Retirement Fund.

3. If such increased benefits shall be under or as a result of an Act which requires contribution by way of tax or otherwise from both the employer and employee, then and in such event the extent to which deduction for increased benefits shall be made from the said \$50 payable each month from the Retirement Fund shall be determined on an equitable basis by the Board.

I. It is the intention of the parties hereto to retire as many workers who shall be qualified for retirement during the term of this agreement as there shall be moneys available in the Fund to assure workers who are retired that they will receive the sum of \$50 each month from the Fund for each year of the remainder of their natural lives (or such different monthly amount as may result under the provisions of the last preceding paragraph). Whenever there shall be a lack of sufficient funds to permit the granting of further applications for retirement, the Board shall have the right to refuse to approve or grant further applications until such time as there shall again be available sufficient funds for that purpose. A rejected applicant or one whose application is not granted or approved shall have no recourse against the Fund, the Board, the Union, the Association, the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., the Infants' and Children's Coat Association, Inc., or any of the officers, agents or members of any of them.

J. Any approval of an application for retirement shall be subject to cancellation by the Board in the event the worker who has been retired has misrepresented material facts in his application or has, after retirement, engaged in any other gainful occupation.

K. All moneys paid into the Retirement Fund shall be invested in authorized Federal, State or city securities, except such funds as in the sole judgment of the Board are required for current administrative and operating expenses and to make benefit payments as the same accrue.

L. In the event that during the term of this agreement the Retirement Fund should acquire a surplus in excess of the reasonable and adequate needs to carry out the purposes of the Fund, and such surplus has been created (1) out of increased benefits referred to in subdivision "H" hereinabove, and (2) failure of a sufficient number of workers to apply for benefits under the Retirement Fund, then upon the happening of both events the Association reserves to itself the right to request the Board to reduce for temporary periods the percentage of its pay roll which its members are required to pay hereunder, the original percentage to be restored, however, if it shall be determined that the need therefor has arisen. The Union shall have the right to oppose such application upon any and all grounds which it shall deem to be appropriate.

M. Notwithstanding the expiration of this agreement, the Board created herein shall continue to effectuate the purposes herein contained until all moneys in the Retirement Fund have been paid out to the persons entitled thereto.

N. Payments made by a member of the Association to the Retirement Fund and payments of benefits by the Retirement Fund shall not constitute or be deemed wages. No member of the Association shall have any right, title, interest or claim, legal or equitable, in or to any sum paid by him or by any other members of the Merchants' Ladies' Garment Association, Inc., the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., or the Infants' and Children's Coat Association, Inc., or by any other employer, to the Retirement Fund or against the Retirement Fund itself. No worker shall have any right, title, interest or claim, legal or equitable, in or to his employer's or any other employer's payments to the Retirement Fund. Rights against the Retirement Fund of persons entitled to benefits therefrom shall be governed exclusively by this numbered Paragraph "TWENTY-SECOND," and the rules and regulations which provide the detailed basis upon which payments from the Retirement Fund will be made. No benefits or moneys payable from the Retirement Fund shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, garnishee, encumbrance or charge and any attempt to so anticipate, alienate, sell, transfer, assign, pledge, garnishee, encumber or charge the Fund shall be void. Nor shall any moneys paid in the Retirement Fund be subject to or payable for the debts, contracts, liabilities, or torts of any person entitled to receive retirement benefits.

O. Audits of the Retirement Fund in respect to the trust herein created shall be made at least semi-annually by certified public accountants to be designated by the Retirement Board. A statement of the result of such audit shall be made available for inspection of interested persons at the principal office of the Retirement Fund and at such other places as may be designated by the Retirement Board.

P. The provisions herein relating to the Retirement Fund constitute a consideration for this agreement and are of the essence of this agreement. Failure by any member of the Association to pay the amount due from him hereunder to the Retirement Fund shall be deemed a breach of this agreement by such member

of the Association. The Union shall be a proper party in interest to enforce payment thereof in the manner provided under Paragraph numbered "FIFTIETH" hereof. Accountants of the Retirement Fund shall be deputized by the Impartial Chairman hereinafter designated to make examinations of the books and records of members of the Association to ascertain whether the amounts properly due from them to the Retirement Fund have been fully paid.

Q. All of the foregoing provisions of this numbered Paragraph "TWENTY-SECOND" shall be incorporated in identical words (except for appropriate interchange of names of parties) in the agreements between the International and the Union and the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., and between the International and the Union and the Infants' and Children's Coat Association, Inc., which are intended to be executed simultaneously with the execution of this agreement, and shall be incorporated in all independent agreements entered into by the Union.

BROWN & WILLIAMSON TOBACCO CORPORATION (LOUISVILLE, KY.) AND TOBACCO WORKERS' INTERNATIONAL UNION (AFL), LOCAL No. 185. RETIREMENT PLAN. AGREEMENT EXECUTED APRIL 1949

The retirement plan, including permanent and total disability benefits, outlined in summary attached hereto will be placed into effect by the company effective as of the date of execution of the union agreement and this schedule.

RETIREMENT PLAN SUMMARY ²

Following is a summary of the provisions of the new proposed retirement plan (hereinafter called the "Plan") to become effective as hereinafter provided.

Unless otherwise required by the context, the following terms as used herein have the following meanings:

- (1) "Company" means Brown & Williamson Tobacco Corporation.
- (2) "Service" means regular full-time employment by the Company on an hourly rated or piece-work basis, excluding all salaried employees and seasonal, temporary and part-time employment; and "continuous service" means service uninterrupted by an absence without pay (other than sick leave), including layoff, which has lasted over six (6) consecutive months.
- (3) "Employee" means any person engaged in the service of the Company as defined above.
- (4) "Primary Social Security Benefit" means the primary insurance benefit to which the employee himself is entitled under the Federal Social Security Act, without reference to supplementary benefits payable to his wife or children.
- (5) The "normal retirement date" is the first day of any month following the attainment by an employee of his 65th birthday.
- (6) "Total and permanent disability" shall be such disability as defined in standard life insurance policies.

ELIGIBILITY

An employee to be eligible for a retirement benefit under the Plan must remain in service to his normal retirement date, must retire, and must have completed twenty (20) years of continuous service on that date.

While employees will not be deemed to be included under the Plan until they have attained age 30 and have completed five (5) years of continuous service, this requirement is for actuarial purposes only and any employee regardless of present age or service will be eligible for benefits upon retirement after completion of requirements for eligibility set forth above.

RETIREMENT BENEFITS

Upon retirement at or subsequent to normal retirement date, an eligible male employee will be entitled to a monthly income for life of \$100.00 per month, inclusive of Social Security Primary Benefits which he becomes entitled to receive, and an eligible female employee to a monthly life income of \$85.00

² From a descriptive booklet or related material.

per month, inclusive of Social Security Primary Benefits for which she becomes eligible. Retirement is automatic at normal retirement date, unless deferred with the consent of the employee and the approval of the Board of Directors of the Company.

PAST SERVICE

Credit will be given for years of service prior to effective date of the Plan as well as to years of future service.

PERMANENT AND TOTAL DISABILITY

Eligibility

An employee is eligible for disability benefits after the completion of the number of years of continuous service specified below immediately prior to permanent and total disability and who at such time is not on absence without pay (other than sick leave) which has lasted over six (6) consecutive months. Eligible employees who are found by the Board to be, before normal retirement date, totally and permanently disabled from continuing employment or undertaking other employment will commence receiving disability benefits.

Disability Benefits

An employee who becomes totally and permanently disabled from continuing or taking other employment will be entitled to disability benefits as follows:

After ten (10) years of continuous service at any age such permanently and totally disabled employee will be entitled to payments of \$50.00 per month in the case of males and \$42.50 per month in the case of females, such benefits to be inclusive of Primary Social Security Benefits to which the employee may be entitled to receive.

After attainment of age 60 and the completion of fifteen (15) years of continuous service at such date, such permanently and totally disabled employee will be entitled to monthly payments of \$75.00 per month in the case of males and \$63.75 per month in the case of females, such benefits to be inclusive of the Primary Social Security Benefits to which such employee may be entitled to receive.

Permanent and total disability benefits will continue throughout the life of the employee unless and until terminated in any of the following events:

- (1) if, without the consent of the Board, the employee accepts full-time or part-time work;
- (2) upon the failure of the employee to undergo an examination at least once a year by a physician designated by the Company;
- (3) upon notice from the Company that, in its opinion and on the advice of the examining physician, the employee is sufficiently recovered to return to work, accompanied (a) by a request to return to such work, or (b) by a notice to the effect that no work is available.

GENERAL

The Plan will become operative in the case of any employee represented by a recognized collective bargaining representative only upon the negotiated consent of the Company and such representative.

No contributions under the Plan are to be made by employees, as the entire cost will be borne by the Company. There will be no death or partial disability benefits under the Plan.

All benefits may be terminated with respect to any beneficiary who without the approval of the Company accepts employment with any competitor of the Company or engages in any activity in competition with the Company.

If any employee who has been retired returns to service with the Company, his pension shall be suspended for the renewed period of service.

Benefits under the Plan will be non-assignable by the beneficiary in any manner whatsoever, including transfer by operation of law. If any employee or beneficiary is in the opinion of the Board incapable of handling his affairs or makes or suffers any attempted transfer, whether voluntary or involuntary, of the benefits under the Plan, benefits under the Plan shall in the discretion of the Board cease and payments thereof may be made or applied to or for the benefit of such employee or beneficiary or his spouse, children or other dependents or any of them in such manner and proportion as the Board shall from time to time deem proper.

The Board and its committees and agents shall be the exclusive authorities to administer, interpret, construe and apply the Plan, and its and their acts shall be conclusive and binding upon all persons.

The Company reserves the right through action of the Board to alter, amend, modify, suspend or terminate the Plan in whole or in part at any time or from time to time, provided that any such alteration, amendment, modification, suspension or discontinuance shall have no adverse effect on retirement annuities theretofore purchased by the Company's contributions. The Company shall not be obligated to make any further contributions or deposits after such discontinuance or during such period of suspension.

It is the intention of the Company to insure the Plan and any benefits thereunder, but it may at its option under the reserved power above referred to make other arrangements in the future. All claims to benefits by employees or beneficiaries are subject to such reserved right of amendment or modification or termination. The Plan confers no right upon any employee to be retained in the service of the Company. The Plan shall not be construed as preventing the Company from paying additional disability severance or retirement allowances or death benefits or from making other provisions in any case where in the opinion of the Board special circumstances exist.

In due course, a certificate or booklet will be issued to each employee under the Plan, which will outline his rights under the Plan. The Company may adopt rules and regulations in connection with the Plan and reserve the right to decide on questions arising in the administration of the Plan.

The Company in establishing this Plan has assumed that Social Security Benefits will be 50% of the first \$75.00 of average monthly earnings plus 15% of monthly earnings in excess of \$75.00 plus 1% of such amount for each year of coverage. If Social Security benefits are not increased at all or are increased to an amount less than this formula, the Company will nevertheless pay the difference between \$100.00 per month in the case of men and \$85.00 per month in the case of women and the Social Security benefits to which the employee is entitled. If, however, Social Security Benefits are greater than those which would be payable under the above formula, then the benefits paid by the Company will be the same as they would have been had the Social Security benefits been the same as those payable under the above formula. Thus an employee will receive an amount per month in excess of \$100.00 for men and \$85.00 for women equal to the amount by which the actual Social Security benefits exceed the assumed Social Security benefits under the above formula.

GARY RAILWAYS, INC. (GARY, IND.), AND AMALGAMATED ASSOCIATION OF STREET, ELECTRIC RAILWAY AND MOTOR COACH EMPLOYEES OF AMERICA (AFL), LOCAL NO. 517. RETIREMENT ALLOWANCE PLAN. SEPARATE AGREEMENT FOR RETIREMENT ALLOWANCE PLAN DATED NOVEMBER 10, 1943, AS AMENDED THROUGH MARCH 22, 1948

Retirement allowances shall be paid to employees of the Company in accordance with the terms of a separate Retirement Allowance Plan dated March 22, 1948.

SEPARATE AGREEMENT²
for a
RETIREMENT ALLOWANCE PLAN

THIS AGREEMENT, made in duplicate this 22d day of March, AD., 1948, between GARY RAILWAYS, INC. (hereinafter for convenience called the "Company"), party of the first part, and DIVISION NO. 517 OF THE AMALGAMATED ASSOCIATION OF STREET, ELECTRIC RAILWAY AND MOTOR COACH EMPLOYEES OF AMERICA (hereinafter for convenience called the "Association"), party of the second part;

WITNESSETH, That:

WHEREAS, the parties hereto did on the 10th day of November, 1943 enter into an agreement providing for a Retirement Allowance Plan for employees of Gary Railways, Inc., and

WHEREAS, thereafter the parties did make certain amendments to said agreement by a Supplemental Agreement dated the 5th day of July, 1946; and

WHEREAS, it is the desire of the parties to make further changes in or amendments to said agreement

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows:

TITLE

The Retirement Allowance Plan, which is the subject of this Agreement, and sometimes herein referred to as "Retirement Allowance Plan," "This Plan," or "The Plan," shall be known as GARY RAILWAYS EMPLOYEES' RETIREMENT PLAN.

ARTICLE 1. DEFINITIONS

- A. "Company" shall mean Gary Railways, Inc., and its successor or successors, grantees or assigns.
- B. "Employee" shall mean any employee of the Company.
- C. "Association" shall mean Division No. 517 of the Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America.
- D. "Trustees" shall mean the Board of Trustees, more fully described in Article 3.
- E. The expression "Continuous Employment" shall mean employment with the Company continuously without break; however, any absence due to leave of absence, sickness, injury off of the job, or temporary lay-off

² From a descriptive booklet or related material.

on account of reduction in force, shall not break the continuity of service, but if absence on one or more of foregoing grounds exceeds three (3) consecutive years, the excess shall be deducted in computing the length of employment. When service is required to be performed in any branch of the armed forces of the United States, such time shall not be deducted. If a person is re-employed, for the purpose of This Plan, he shall be considered a new employee. In case of absences due to accident while on duty, period of discharge, if followed by re-instatement within three (3) years, leaves of absence while holding office in the Association, or during which no services were rendered because of strikes or lock-outs, the period of absence shall not be considered a break in continuous employment and shall not be deducted.

ARTICLE 2. OBJECT

The Plan is for the benefit of all employees of the Company who shall become eligible to receive a Retirement Allowance in accordance with its terms, also to comply with Section 32 of the Wage Agreement with the Association, effective April 24, 1943.

ARTICLE 3. BOARD OF TRUSTEES

The Board of Trustees shall consist of eight (8) members, four (4) to be appointed by the Company and four (4) to be selected by the Association. All such members shall have had at least ten years of continuous service with the Company. All Trustees shall have Alternates to the end that there shall be equal representation on the Board at all times.

The Board of Trustees shall have power—

A. To make and enforce such rules and regulations, not inconsistent with provisions of the Agreement, as in its opinion may be necessary, or desirable, for the carrying out of its duties, and for the efficient administration of The Plan.

B. To determine, according to the provisions herein set forth, the eligibility of an employee for retirement under This Plan.

The Board of Trustees shall select from its membership a Chairman, a Vice-Chairman, a Secretary, and a Treasurer, and all shall serve without compensation.

The Board of Trustees shall meet at least once every three (3) months, and a full Board shall be present at all meetings. Special meeting of the Board may be called at the request in writing of four members of the Board.

The Trustees shall make an Annual Report to the Company and the Association, and shall make such other reports of the operation of The Plan deemed necessary.

At least once a year the Trustees shall have an Audit made of the funds received, disbursed and held in the Treasury. The Trustees shall publish annually to the employees such Audit.

All necessary expenses incurred by the Trustees shall be certified to, and paid by, the Treasurer out of the funds held in the Treasury.

ARTICLE 4. RECORDS

The Company shall keep all records, compile all data, accept all applications for retirement, and submit such applications to the Trustees for certification. The Trustees shall have the right, at all times, to call for additional information concerning any or all applications forwarded to the Trustees, and to examine all records or data pertaining to The Plan.

ARTICLE 5. CONTRIBUTIONS TO THE FUND

All employees participating in The Plan, except those drawing Sick Benefits or Workmen's Compensation, will contribute \$3.50 per month.

In addition any employee who began or shall begin contributing to The Plan at any time subsequent to his or her 30th birthday shall reimburse The Plan as follows, to wit: By paying into the fund a sum equivalent to \$1.00 per month for each month which has elapsed between the date of his or her 30th birthday and the month in which he or she becomes a contributor to The Plan, such sum to be paid in the following manner:

1. By monthly payments from wages or salary at the rate of \$1.00 per month commencing with the month of April, 1948, which payment shall be in addition to his or her regular contribution of \$3.50 per month.
2. By deduction from pension payments at the rate of \$5.00 per month for any balance of such sum which is unpaid at the date of retirement.

The Company will contribute monthly an amount equal to the total contributions of participating members. Should the annual cost of retirement allowances paid in any calendar year exceed the amount of contributions to the Retirement Allowance Plan during that year, the Trustees shall have the power to increase the rate of contributions by the employees, in which event the amount to be contributed by the Company shall be increased accordingly.

Any employee leaving the service for any cause shall have refunded to him, or in event of death while not receiving a Retirement Allowance hereunder, to his or her heirs, out of the fund, an amount equal to his or her total contributions to the fund, less any payments which such employee may have received under this Retirement Allowance Plan.

An employee may not withdraw his contributions so long as he remains in the service of the Company, or borrow against it or assign the same at any time.

The total monthly contributions of the employees and the Company shall be forwarded to the Treasurer not later than the Fifteenth (15th) day of each and every month for all contributions made during the preceding month.

The Company's liability to the employees, on account of this Memorandum of Agreement, shall not extend beyond the contributions to be made by it to the Retirement Allowance Plan, which shall be the contributions herein set forth. As contributions by the Company are made to the Treasurer, they become assets of the Retirement Allowance Plan for the benefit of the employees, and can in no way be returned to the Company, or be subject to the debts, liabilities, or obligations of the Company, or be considered a part of its property or assets for any purpose whatsoever.

ARTICLE 6. RETIREMENT ALLOWANCE

Any member of the Retirement Plan now receiving benefits from The Plan shall continue to receive the same monthly allowance as said member is now receiving.

Any member of The Plan who may hereafter retire under the provisions of The Plan shall receive a Retirement Allowance as follows:

- If retiring during the year 1946_____ \$40 per month for life.
- If retiring after the year 1946_____ \$45 per month for life.

ARTICLE 7. TOTAL AND PERMANENT DISABILITY

Any employee of the Company who shall hereafter become totally and permanently disabled for continuous employment with the Company, by reason of

an accident arising out of and in the course of his employment with the Company, shall be entitled to receive a Retirement Allowance for life. If at any time the Board of Trustees finds the disability was not total and permanent, it shall have the power to order discontinuance of payment above mentioned.

Any employee becoming totally and permanently disabled for continuous employment with the Company from any cause not as a result of an accident arising out of and in the course of his employment with the Company, having completed more than fifteen years and less than twenty years of service shall receive 1/20 of the total amount allowable under The Plan for each year of service. Any such employee having twenty or more years of service shall receive the full amount of Retirement Allowance provided for in this Agreement. If any person while receiving benefits under this paragraph shall at any time receive or earn an income from any source, either cash or otherwise, equal to \$150.00 or more per month, then the benefits provided above shall cease during the period in which such income is received or earned. In addition, if any person while drawing benefits under the provisions of this paragraph shall have also received or earned an income of \$150.00 or more per month, or \$1,800.00 or more per year during any twelve (12) month period in which any benefits were received, such person shall reimburse the pension fund a sum equal to those benefits which were drawn while such person was receiving or earning said \$150.00 or more per month or said \$1,800.00 or more per year. Any reimbursements due the fund under this paragraph shall be made in the following manner: (a) By cash refund payments; (b) By deductions from future pension payments, if any, for any balances which are due the fund. Qualifications for benefits under this paragraph are to be determined in the discretion of the Board of Trustees.

Any present employee retiring at the age provided for under The Plan and having completed more than ten years and less than twenty years of service, shall receive 1/20 of the total amount allowable under The Plan for each year of service.

Any future employee over the age of 55 at the date of employment shall not participate in The Plan.

ARTICLE 8. ELIGIBILITY

- A. Any employee who has 20 years, or longer, of continuous employment will be eligible for retirement on the date he becomes 65 years of age.
- B. Any employee with 20 years, or longer, of continuous employment, and who shall have attained 65 years of age, will be eligible for retirement on the effective date of The Plan.
- C. Any employee on leave of absence from the Company and holding office in the Association on the effective date of The Plan, or any employee who may thereafter hold office in the Association, shall be eligible for retirement when he becomes 65, or is 65 years of age, or older, with 20 years of continuous employment.
- D. Any employee who has 25 years of continuous employment and who shall have attained 60 years of age or more shall be eligible for retirement and shall have the privilege of retiring or continuing his regular employment with the Company.

ARTICLE 9. PAYMENT TO THOSE RETIRED

Retirement Allowances shall be paid on the last day of each month from the time of actual retirement, as certified by the Trustees, and cease with the payment covering the month in which his or her death occurs.

A Retirement Allowance shall not be paid during the period a retired employee returns to active duty with the Company.

ARTICLE 10. DISABILITY OR UNEMPLOYMENT PAYMENTS

No monthly Retirement Allowance shall or will be paid while any employee is drawing Unemployment Insurance Payments, or Accident, Sickness, or Disability Payments under the Company Group Insurance, or Workmen's Compensation Benefits, except that should the total of the above payments not equal the amount of the Retirement Allowance in any one month, the Trustees will certify to the Treasurer a sum sufficient to make up the difference.

ARTICLE 11. ASSIGNMENTS

To the end of making it impossible for retired employees to improvidently imperil the provisions herein made for their support and welfare, by directly or indirectly anticipating, pledging or disposing of their retirement payments hereunder, it is hereby expressly stipulated that No Employee, or Retired Employee, hereunder shall have any right to assign, transfer, hypothecate, encumber, commute or anticipate his interest in any retirement payments, and that such payments shall not in any way be subject to any legal process to levy upon or attach the same for the payment of any claim against any employee.

Any one receiving a Retirement Allowance due to retirement on account of age may be employed in any business other than that of the Company, or the Association, which is not prejudicial to the interests of the Company, or the Association, without in any way affecting the payment to him of his Retirement Allowance.

ARTICLE 12. GENERAL PROVISIONS

- A. In case of incompetency, either mental or physical, of an employee who has retired, or is eligible for retirement, payments will be made to such person, or institution, who has satisfied the Trustees as to his, or its, right to receive said payments for such employee.
- B. Retirement and the acceptance of a Retirement Allowance are voluntary, except that the Company reserves and shall have the right, without the consent of the employee, to retire upon a Retirement Allowance any employee, 65 years of age, or older, and with 20 years of continuous employment, or longer, who, in the judgment of the Company, is no longer able to perform his or her duties satisfactorily.

ARTICLE 13. PERIOD OF AGREEMENT AND MISCELLANEOUS PROVISIONS

THIS AGREEMENT shall not become effective until approved by the United States Treasury Department. If approved by the United States Treasury Department then THIS AGREEMENT shall become effective as of April 1, 1948, and shall remain in force up to and including June 30, 1950, and shall continue thereafter subject, however, to the right of either party, after June 30, 1950, to open same for amendment or revision upon giving at least thirty (30) days written notice to the other party.

In the event that no agreement is reached on requested amendments or revisions by either side, then at the request of either side the matters in issue will be submitted to arbitration.

The Board of Arbitration, for this purpose, shall consist of three (3) persons, one (1) appointed by the Company, and one (1) by the Association, and the third shall be selected by the two thus chosen. The decisions of the majority of the Board shall be binding upon the parties. Until the decision of the Board

of Arbitration is submitted in writing to both parties, the provisions of this Agreement, with such modifications and amendments as may have been agreed upon by the parties hereto, shall continue in effect.

It is expressly understood and agreed, however, that the provisions of the first paragraph of Article 5 of this Agreement providing for a contribution by the Company of an amount equal to the total contributions of participating members, shall not be changed and shall not be the subject of arbitration under any circumstances, nor shall any proposed amendments or revisions of this Agreement relating to such equality of contribution become effective or be the subject of arbitration.

It is also expressly understood and agreed that the obligation of the Company to make its payments specified herein is conditioned upon the obligation of the employees continuing to make their contributions specified herein, and should the employees at any time during the term of this Agreement refuse to continue making their said contributions, this Agreement will thereby be immediately terminated and the obligation of the Company to make any future payments whatsoever, for the benefit of the employees not yet retired, shall cease. The Company shall have the right, if it shall so desire, to make advance payments to the Fund to be applied against future contribution obligations.

This Agreement incorporates the original Agreement for a Retirement Allowance Plan (dated November 10, 1943) as it has been amended to date. It is understood and agreed, however, that any rights which accrued under the terms of the original Agreement or its amendments shall be determined according to the terms of the Agreement which were in effect at the time that the rights accrued.

THIS AGREEMENT is and shall be deemed to be the "Separate Agreement" for a "Retirement Allowance Plan" referred to in Section 29 of the separate Wage Agreement between the parties hereto.

JOHN DEERE HARVESTER WORKS OF DEERE AND COMPANY (EAST MOLINE, ILL.) AND INTERNATIONAL UNION, UNITED AUTOMOBILE, AIRCRAFT AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (CIO), LOCAL No. 865. DEATH, DISABILITY, AND PENSION PLAN

This agreement made and entered into this 10th day of June, 1949, by and between John Deere Harvester Works of Deere & Company, East Moline, Illinois, hereinafter called the Company, and the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America (affiliated with the Congress of Industrial Organizations), and its Local 865, hereinafter called the Union, on behalf of the employees in the bargaining unit it represents.

I. During the term of this agreement the Company agrees to carry out, and the Union agrees to accept, the "John Deere Death, Disability and Pension Plan," hereinafter called the Plan, which is attached hereto and marked Exhibit "A" for identification.

II. The Union, on behalf of the employees it represents, may present questions concerning the administration of the Plan by the Company. Such questions relating to the administration of the Plan shall not be processed beyond Step D of the Grievance Procedure provided for in the Collective Bargaining Agreement between the Company and the Union [i. e., last step prior to arbitration].

III. During the term of this agreement, the Company shall not exercise its option, under Section 10 of the attached John Deere Death, Disability and Pension Plan.

IV. This agreement shall not become effective unless and until ratified by the membership of Local Union 865.

V. It is agreed that this agreement shall be subject to the right of either party, upon sixty (60) days written notice prior to May 6, 1950, to open said agreement once only, for the sole purpose of negotiating on the question of changing this agreement or the Plan.

It is understood and agreed that the provisions of Article X, Strikes and Lock-outs, in the Collective Bargaining Agreement between the parties, shall not be applicable to any dispute which may arise as a result of negotiations under this part of the agreement and that any such dispute shall not be subject to review through the Grievance Procedure or arbitration as provided in the Collective Bargaining Agreement between the parties.

VI. This agreement shall remain in full force and effect until the 1st day of September, 1951, and thereafter from year to year, unless sixty (60) days prior to such dates either party gives notice in writing of a desired change in or termination of this agreement.

EXHIBIT A

Section 1

1. For the purpose of promoting the mutual interests of Deere and Company and the Employees of its various organizations, including subsidiary factory and branch house organizations (said organizations hereinafter designated as "Employers"), the following plan has been adopted and will be known as the John Deere Death, Disability and Pension Plan.

2. Except as hereinafter provided, the cost of providing pensions and other benefits under this plan will be borne by the Employers.

Section 2

1. Death and Disability benefits will apply to all employees who have been continuously on the pay roll of the Employers for at least six months and who are not members of the John Deere Group Benefit Association.

2. No benefits will be provided or paid under this plan during the first 6 months of service, nor for death or disability resulting from any cause or causes which make the Employers or any one of them liable under any workmen's compensation act or other law.

* * * * *

DEATH BENEFITS

Section 3

1. An employee after six months of continuous service from date of hiring will be entitled to a death benefit of \$500 during the next four and one-half years of continuous service.

2. An employee having completed his fifth year and until he has completed his tenth year of continuous service will be entitled to a death benefit of \$1,000.

3. An employee having completed his tenth year and until he has completed his fifteenth year of continuous service will be entitled to a death benefit of \$1,500.

4. An employee having fifteen or more years of continuous service credit at the time of his death will be entitled to a death benefit of \$2,500, which is the maximum death benefit under the plan.

5. Such benefits, however, will be paid only in the event of the employee leaving one or more of the following relatives or dependents:

- (a) Husband or wife
- (b) Dependent minor children
- (c) Father or mother
- (d) Benefits may, at the option of the employers, be extended to other relatives or dependents, but only for such amount and for such a period as the Employers may determine in each individual case.

6. Where an employee dies leaving none of the relatives or dependents listed under (a), (b), or (c) of the above paragraph, a death benefit (\$500) or the part thereof necessary shall be applied to funeral expense only after the cash funeral payment due the deceased from the Federal Government under the Social Security Act has been exhausted.

PERMANENT TOTAL DISABILITY BENEFITS

Section 4

1. If an Employee before reaching age 65 becomes totally disabled by bodily injuries or disease and will, in the judgment of the Employers, remain permanently and continuously disabled and wholly prevented for life from pursuing any and all gainful occupations, a sum equal to the amount of death benefits which would have been paid had such Employee died in the service at the time the disability occurred will be paid in installments, as the Employers may elect, provided, however, that if and when the Employee becomes eligible for a Federal Pension such payments will cease.

2. Such disability payment will be in lieu of any and all payment which might otherwise be made under this plan. If such an Employee dies leaving one or more dependents or relatives such as described in Paragraph 5, Section 3, any installments remaining unpaid will be paid, as they become due, to such relatives or dependents.

DISCONTINUANCE OF BENEFITS

Section 5

When an Employee leaves the service of the Employers unless because of permanent total disability as provided for herein, or is dismissed from the service, or is dropped from the pay roll for an indefinite period,¹³ any and all death and disability benefits under this plan shall terminate and upon re-entering the service of the Employers, such an Employee will be required to again render the same length of service and in the same manner as required of those entering the service for the first time, except:

(a) A change or transfer from the service of one Deere & Company organization directly to that of another Deere & Company organization, with the knowledge and consent of the Employers affected, will not be considered as a discontinuance of service.

(b) **MILITARY SERVICE.** If an Employee resigns for the express purpose of entering and does enter the military service of the United States or its allies during a war and re-enters the service of the Employers at the end of such military service, the period of continuous service last rendered before so resigning and the period of time spent in such military service will both be counted in computing any pension or other benefit payments which may become due under this plan, but no benefits will be payable during the period of absence from the service of the Employers.

PENSION BENEFIT

Section 6

1. Any Employee who attains the age of 65 in the service of the Employers, and who has been in the service of the Employers continuously for 20 years or more, may retire or be retired from active service and become eligible to a pension.

2. The amount of pension payments allowed annually will in each individual case be equal to 1½% of the average annual wage during the last ten years of service, for each year of continuous service, last rendered, but no pension shall be less than \$65 per month, provided, however, that the amount which otherwise would be paid under this plan will be reduced by the amount which such Employee receives under the Social Security Act. In determining the amount so received by any Employee from the Federal Government, any amount received by the wife of such Employee from the Federal Government will not be considered.

3. Pension payments shall be made monthly from the date of retirement until death.

4. Should a pensioned Employee die, leaving one or more dependents or relatives such as described in Paragraph 5, Section 3, before the sum of pension payments received equals the amount of death benefits which would have been paid had the Employee died in the service during the year in which he became eligible to a pension, then the difference between the sum of pension payments so received and the amount of such death benefits will be allowed.

¹³ The clause "or is dropped from the pay roll for an indefinite period" as used herein is not intended to apply to an Employee regularly employed, the payment of whose wage is temporarily discontinued during a regular vacation period or during a regular shut-down.

5. At the discretion of the Employers, a pension or other benefits may be granted, to an Employee who attains the age of 65 in the service of the Employers, but who has not been continuously in the service 20 years, or to an Employee who, after 20 consecutive years or more of continuous service, is retired from active service before attaining age 65, but in such a case an allowance shall be only for such amount and for such a period as the Employers may determine.

BENEFITS AFFECTED BY PENSION PAYMENTS

Section 7

When an Employee becomes eligible to a pension provided by the Employers, any and all other benefits provided under this plan shall terminate, and no benefits other than the pension payments will be paid hereunder, except as provided in Paragraph 4, Section 6.

Section 8

Should an Employee retiring from the service of the Employers and otherwise entitled to a pension, be receiving or subsequently receive from the Employers or any one of them any sum or sums of money under any workmen's compensation act or other law the amount so received under such compensation act or other law will be deducted from the amount which would otherwise be payable under this plan.

INDEBTEDNESS OF EMPLOYEES TO EMPLOYERS

Section 9

Any indebtedness of the Employee to the Employers shall be deducted from the amount of any pension payments or any other benefits due under this plan, and only the balance paid to the Employee, heirs, or dependents, as the case may be.

DURATION

Section 10

Except as otherwise specifically provided, this plan shall be subject to modification or termination by the Employers.

CIRCLE WIRE AND CABLE CORPORATION (MASPETH, LONG ISLAND, N. Y.) AND INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (AFL). EMPLOYEES SECURITY FUND. AGREEMENT EFFECTIVE JUNE 1, 1948

The Employees' Securities Fund, entered into by the parties, is hereby made part of this working Agreement. The Hospitalization, Pension, and Disability Plan shall be contributed to by both the Employees (1%) and the Employer (2%).

The parties agreed to incorporate insurance in the Employees' Securities Fund.

THE EMPLOYEES' SECURITY FUND²

of the

"EW" DIVISION

WITNESSETH:

WHEREAS, the Employers engaged in the manufacture of electric wire and cable and the Union have entered into agreements and working rules on different dates in 1945; and

WHEREAS, Rule 8 of said agreements reads as follows:

"It is agreed that a committee will be formed as quickly as possible for the purpose of determining a proper pension plan that would be suitable and feasible, in keeping with the conditions and circumstances that would apply to the Employer"; and

WHEREAS, the said agreements entered into between the Employers and the Union contemplated the consummation of a plan under Rule 8, referred to hereinabove; and

WHEREAS, the Employers and the Union believe it to be best for their mutual interests and the public to provide opportunities for the retirement from active service of members of the Union who have reached the age of sixty (60) years and thereby to increase the work opportunities for younger men and women and to provide hospitalization, disability, and insurance premium benefits;

WHEREAS, to that end the parties desire to form and administer such fund, hereinafter referred to as the "Security Fund"; and

WHEREAS, part of the consideration for the Union entering into the respective agreements with the Employers covering the employment of their members constitutes the recognition by the Employers that there is a responsibility to their employees who have grown old or who become sick and disabled, all of which tends to stabilize conditions and bring about a harmonious relationship between the Employers and their employees;

NOW, THEREFORE, the parties hereto agree as follows:

1. The parties hereto establish a fund to be known as "The Employees Security Fund" hereinafter called the "Fund" and the benefits herein set forth shall be administered by a Joint Security Committee, hereinafter called the "Committee."

2. (a) The Committee shall consist of six (6) Employer representatives to be designated in the manner as agreed upon by the Employers, and six (6) Union

² From a descriptive booklet or related material.

representatives to be appointed by the Union. Any vacancy in the Employer members of the Committee, however, occurring, shall be filled by the Employers, and any vacancy in the Union members of the Committee, however, occurring, shall be filled by the Union.

(b) The Committee shall select from among its members a Chairman, a Vice-Chairman, a Treasurer and a Secretary. Two of the foregoing offices shall at all times be occupied by Employer and two by Union members of the Committee, and all action of whatever kind of the officers must be taken jointly by two of those officers, of whom one shall be an Employer and the other a Union member of the Committee. The Committee shall appoint an Executive Secretary.

3. The Committee may adopt rules and regulations for the administration of the Fund and the conduct of its affairs which are not inconsistent with any of the provisions of this agreement.

4. (a) Any act which this agreement authorizes or requires the Committee to do may be done by nine (9) members of the Committee at any time acting hereunder and the action of nine (9) such members, as recorded from time to time by vote at a meeting, shall constitute effective action for all purposes of the Committee. In the absence of the full Committee membership of either Employers or Employees, those members of such group present shall have the power to and are hereby authorized to cast the vote for those absent so that at all times each group shall have six (6) votes.

(b) In the event of a deadlock resulting from failure of the Employer and Employee representatives of the Committee to agree on a matter relating to the administration of the Fund, then and in that event the Committee shall appoint an impartial umpire to decide such dispute and upon the failure of the Committee to agree, within a reasonable length of time, upon the selection of an impartial umpire, either the Employer or Employee representatives of the Committee may petition the United States District Court for the Southern District of New York for the appointment of such impartial umpire.

5. The determination in good faith by the Committee of any matter or question under this agreement shall be final and conclusive.

6. The members of the Committee shall serve without compensation, but all reasonable expenses incurred by the Committee, including clerical and other assistance, shall be borne by the Fund.

7. No member of the Committee shall be liable for anything done or omitted to be done hereunder so long as he was acting in good faith and was free from fraud.

8. The Committee shall keep full and complete records of the administration of the Fund, which records shall be open to inspection at all reasonable hours by any contributing Employer, or by the duly authorized officials of the Union or by the duly authorized representatives of any such Employer or authorized Union official. Annual audits shall be made by Certified Public Accountants, employed by the Committee, and a statement of the results of such audits shall be available for inspection by the Employers, the Union, and the members at the principal office of the Committee.

9. The Committee shall adopt application forms and every applicant shall be required to answer accurately and completely all questions on such forms. The Committee's action in approving or disapproving any application shall be final.

10. The Committee is empowered to grant benefits hereunder in exceptional cases and to avoid hardship to employees who may not be completely eligible within the requirements herein imposed.

11. The money constituting the Fund shall be raised by the joint contribution of the Employers and the Union, as provided in this and in the succeeding article.

(a) Each Employer who has become a party hereto shall contribute an amount equal to 2% of the weekly wages of all the workers of such Employer who are members of the Union.

(b) The Employees agree to contribute 1% of such wages weekly, which the Employer shall deduct from the wages of all such workers referred to in "11 (a)" hereof, providing the authorizations and resolutions hereinafter referred to are duly executed.

(c) The contributions referred to in "11 (a)" and "11 (b)" shall be paid over weekly to the "Funds." Reports shall be filed as required by the Committee.

(d) The Employer shall at no time be required to contribute to the Fund any sum in excess of an amount equal to 2% of the wages of the contributing workers, as prescribed in the preceding article.

(e) The Committee shall adopt a form of written authorization by which each individual employee authorizes his or her Employer to make the deduction of 1% from his or her wages, hereinbefore provided for, and the Union undertakes to procure the signature of every employee to the form of authorization so adopted. The Union will call a meeting for the purpose of authorizing any and all resolutions to carry out the provision of this agreement. If any employee shall fail to sign an appropriate authorization for the deduction of the 1% to be contributed by him or her to execute such instruments as may be effective, the Employer shall not be required to make any contribution covering said employee. The contributions to the Fund herein provided for shall begin with the pay-roll week ending December 7, 1945.

(f) Sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of all monies collected from the Employers and the employees as hereinabove provided shall be deposited in a separate fund to be known as the "Pension Trust Fund" which fund shall be used exclusively for the payment of pension benefits as hereinafter provided. The remaining thirty-three and one-third percent (33 $\frac{1}{3}$ %) of all such monies collected shall be deposited in a separate fund to be used for the payment of disability, hospitalization, and insurance premium benefits. The Employer and the Union agree from time to time to increase or decrease the percentage payments to the Pension Trust Fund, as herein provided, such increase or decrease to be dependent upon the sufficiency of the Pension Trust Fund to meet all obligations thereunder, including the setting up of adequate reserves. In no event, however, shall the funds deposited in the Pension Trust Fund for payment of pensions be used for any other purpose other than the payments of pension benefits as hereinafter provided.

12. There shall be four (4) types of Benefits, which shall be known as (a) The Standard Pension Benefits, (b) The Disability Pension Benefits, (c) The Hospitalization Benefits, and (d) The Insurance Premium Benefits.

(a) The Standard Pension Benefits shall be made available to:

Any employee, male or female, who has attained the age of sixty (60) years and (1) who is a member in good standing in the Union and is employed by a contributing Employer and (2) who has at the filing of his or her application for standard pension benefits hereunder been employed for at least five (5) years by such Employer, or who has been a member of the Union in good standing for at least five (5) years immediately preceding his or her application, and has been employed by one of the contributing Employers.

(b) The Disability Pension Benefits shall be made available to:

Any employee, male or female, (1) who is a member in good standing in the Union, and is employed by a contributing Employer and (2) who has at the filing of his or her application for disability pension benefits hereunder been employed for at least five (5) years by a contributing Employer, or who has been a member of the Union in good standing for at least five (5) years immediately preceding his or her application and has been employed by one of the contributing Employers, and who is not eligible to the Standard Pension Benefits, and who is permanently incapacitated or who is disabled to such an extent that he or she can no longer secure gainful employment in the electrical or any other line of business (the Committee to be the sole judge of the facts).

* * * * *

Employees of the contributing Employer in the Armed Forces will be credited for the period of time that they are in the service. Simultaneously with the execution hereof, the Union has prepared for delivery to the Committee to be appointed, pursuant to the terms hereof, a list of its members who, except for age, would be eligible to receive benefits hereunder.

13. The benefits provided herein shall be as follows:

(a) The Standard Pension Benefit shall be Forty Dollars (\$40.00) per month.

(b) The Disability Benefit shall be Forty Dollars (\$40.00) per month.

* * * * *

14. Should any retired employee again work, all payments to him hereunder shall forthwith be discontinued.

15. The Committee may, for grounds deemed adequate by it, rescind its approval of any application, either before or after benefit payments have been made, and immediately upon such rescission all benefit payments to the employee affected shall be discontinued and such employee shall have no right or claim of any kind hereunder against the Committee, the Union, or the Employers.

16. Failure on the part of any Employer to adhere to the provisions of this Agreement shall constitute a violation of the collective labor agreement so far as such defaulting Employer is concerned, but no other Employer shall be financially responsible for such default, and no stoppage, strike, or withdrawal of other benefits under the collective labor agreement on account of such default shall affect Employers who are not in default.

17. The Union agrees that on and after this date it will not enter into any agreement with any Employer manufacturing products similar to those manufactured by the Employers not a party to this agreement, for the employment of any of its members for a period commencing after November 30, 1946, unless one of the conditions of said agreement is an undertaking by such Employer to become a party to this Agreement by signing a counterpart hereof.

18. All monies received by the Committee shall be administered as a trust fund for the benefit of those entitled to benefits hereunder. Such funds as the Committee may have on hand available for investments shall be invested only in such Federal, State, or Municipal securities as are legal for investments under the laws of the State of New York.

19. If at any time while this agreement is in effect, the net amount of funds are less than Twenty-Fve Thousand Dollars (\$25,000.00), the Committee shall not receive or entertain any applications unless and until the funds have again reached a net minimum of not less than Twenty-Five Thousand Dollars (\$25,000.00). The Committee may, if it deems the funds on hand insufficient, refuse

to entertain further applications, or may place a numerical limit on those to receive benefits hereunder.

20. The parties hereto, may at any time and from time to time, modify this agreement in any of its terms or terminate the same in its entirety, and neither the making of this agreement nor the creation of any fund pursuant thereto shall be construed as giving any employee or any person whatsoever any legal or equitable right against the Union, any Employer, the Committee and/or any fund, except such right as is specifically provided for herein or given by action of the Committee duly taken in accordance with the provision hereof and with the further exception that at no time shall the contributing Employer's participation in this Fund or any subsequent Fund exceed 2% of gross pay roll of participating employees.

21. Any monies contributed to the Fund by an Employer or Employees shall thereupon belong to the Fund to be administered pursuant to the terms hereof, and no contributing Employer or Employee shall have the right, title or interest in any sum so contributed. No Employee shall have any right or claim, legal or equitable hereunder, unless and until the Committee has approved his or her application, in which case the rights shall be limited to those awarded by the Committee, and shall be enforceable not by the individual Employee affected but by the Union.

22. In the event that the collective labor agreement between the parties hereto, or any extension or modification thereof, shall lapse or terminate for any reason, and no new labor agreement is made between the parties, then ninety (90) days thereafter this agreement shall terminate and all monies (after payment of expenses) then on hand shall be applied to the payment of all benefits then in effect hereunder, including the setting up of appropriate reserves, either through a trust company or otherwise, until the funds are exhausted, and if upon the satisfaction of all benefits a balance remains on hand, such balance shall be paid for the benefit of the Employees qualifying under this plan in some equitable manner.

23. As long as this agreement is in effect, benefit payments shall be made in accordance with its provisions to employees whose applications have been approved by the Committee, but all payments shall automatically terminate on the death of the Employee, except as otherwise hereinbefore limited.

24. Notwithstanding anything contained in this Agreement it shall be impossible, at any time prior to the satisfaction of all liabilities with respect to Employees entitled to benefits hereunder, for any part of the corpus or income of the trusts hereby created to be used for or diverted to purposes other than the exclusive benefit of such Employees.

25. In the event that this Agreement terminates by operation of any provision hereof, or by mutual consent of the parties, then (a) no one affected thereby shall have any right or recourse of any kind against the fund, and (b) the funds then on hand shall be applied as prescribed in Article "22" hereof.

26. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and the said counterparts shall constitute but one and the same instrument and may be sufficiently evidenced by any one counterpart.

27. In the event Federal Legislation that will liberalize social benefits is enacted and such benefits are equal to or better than benefits in this plan, then that portion of the plan concerned with such benefits shall be eliminated by action of the Committee.

COLEBY TAILORING COMPANY (MEMBER OF PHILADELPHIA CLOTHING MANUFACTURERS ASSOCIATION, PHILADELPHIA, PA.) AND PHILADELPHIA JOINT BOARD, AMALGAMATED CLOTHING WORKERS OF AMERICA (CIO). INDUSTRY HEALTH CENTER PLAN. SUPPLEMENTAL AGREEMENT EFFECTIVE AUGUST 15, 1947

Employer and Union hereby recognize the advantage to employees of a Medical Health Center which shall be open to all employees of Employer, who are members in good standing of a local Union affiliated with the Philadelphia Joint Board of the Amalgamated Clothing Workers of America, and who comply with provisions herein set forth, and such persons and groups as shall be approved for the purpose by a two-thirds vote of all of the Trustees. Employer agrees to contribute to a Fund established under this Agreement and similar Agreements between the Union and other employers to be known as the Men's Apparel Industry Health Center Fund (hereinafter referred to as "Industry Health Fund") for the purpose of maintaining the Men's Apparel Industry Health Center. The Men's Apparel Industry Health Center shall be organized, maintained and administered as follows:

A. The Men's Apparel Industry Health Center and Industry Health Fund shall be received, held and administered by a Committee of Trustees consisting of ten (10) representatives of Union and ten (10) representatives of the manufacturers. The Committee may make all necessary and appropriate rules and regulations for its government, not inconsistent with the provisions of this Agreement, and shall operate and maintain the Health Center. The ten (10) members of the Board of Trustees, on behalf of Union (herein called Union Trustees) shall be designated by the Philadelphia Joint Board and the ten (10) representatives of manufacturers (herein called Industry Trustees) shall be designated by the President of the Philadelphia Clothing Manufacturers Association. All decisions and resolutions of the Board of Trustees shall become effective and valid only upon the unanimous vote of both classes of Trustees. Each class of Trustees shall cast its vote upon the determination of a two-thirds majority in number of such class. It is the intention of this Agreement that both classes of Trustees shall be required to act jointly and in the event that they cannot agree upon any matter, then the matter shall be referred to the Impartial Arbitrator of the men's clothing industry of the City of Philadelphia, and his decision shall be final and binding upon the parties hereto. The position of Chairman of the Committee of Trustees shall alternate each year between an Industry Representative and a Union Representative.

B. Commencing with the first pay-roll week following the vacation period of July 1946, Employer shall pay into the Industry Health Fund three-fourths of one per cent ($3/4$ of 1%) of the gross earnings of all of Union employees who are members of the Philadelphia Joint Board. These earnings will include the cost of living bonus, overtime, if any, as well as holidays with pay, but will not include any vacation payments.

C. By the provisions of preceding paragraph 1, Section 9 (f), the Employer has agreed to pay 2.5% of the contract price of garments manufactured for him by contractors, of which amount 0.6% shall be paid to the Industry Health Fund.

This payment shall commence with the first pay-roll week following the vacation period of July 1946. The payments provided for in preceding paragraph B and in this paragraph shall only be based upon shops wherein the employees are members of local Unions affiliated with the Philadelphia Joint Board of the Amalgamated Clothing Workers of America.

D. Employer agrees that the funds received by the Trustees of the Health Center shall be utilized first, to the extent of Three Hundred Fifty Thousand Dollars (\$350,000.00) as provided in paragraph G-II hereof and the balance shall be utilized for the maintenance and operation of the Health Center and expended under the direction of the aforementioned Health Center Fund Committee of Trustees or their successors.

E. The Committee of Trustees, in its discretion, shall have the right to establish a non-profit corporation for the purpose of holding title to the property of, and to manage, the Health Center, and may turn over to said corporation, subject, however, to the provisions of this Agreement, the funds and assets which may have come into their possession.

F. Union agrees in accordance with its By-Laws and Constitution to levy an assessment in the sum of Twenty Dollars (\$20.00) on each of its members who are employed by Employer and upon those members who may hereafter belong to the Union, which shall be utilized for the purpose of purchasing the said buildings, real estate, and equipment, etc. Union shall pay the said special assessments into a Building Fund established by the Committee of Trustees to a maximum of Three Hundred Fifty Thousand Dollars (\$350,000.00) when an equal amount is likewise paid into said Building Fund from the Industry Health Fund. The moneys in said Building Fund shall be deposited in a bank selected by the Trustees and shall be withdrawn only upon the signature of an Industry Trustee and a Union Trustee and shall be used for the cost of construction or purchase of the building, the land and the equipment therein contained, and for the repayment of any obligation or mortgage occasioned by the construction and equipment. Pending the purchase and completion of appropriate building and equipment, Trustees are empowered to invest the funds upon deposit with any banks in the United States of America, or purchase any Government Bonds, or such other securities which shall be legal for trust funds in the Commonwealth of Pennsylvania. Interest on any mortgage or incumbrance shall be paid from the Joint Fund. After the land, building and original equipment have been fully paid for, the receipts from the Twenty Dollars (\$20.00) assessment of new members in excess of the amount of Three Hundred Fifty Thousand Dollars (\$350,000.00) shall be paid by Union to the Trustees and may be utilized by the Trustees for operating expenses similarly with the other payments received from Employers, provided that Employer shall make the payment required under 2-B hereof.

G. The Trustees, in addition to the powers herein set forth and not in limitation thereof, shall have the power:

I. To determine whether a suitable building shall be leased, purchased, or constructed.

II. Shall join with Union to merge the funds available from the Twenty Dollars (\$20.00) assessment for the Building Fund to a maximum of Three Hundred Fifty Thousand Dollars (\$350,000.00) with an equal amount from the Industry Health Fund derived from the percentage payments called for in paragraph 2-B, and after said merger of both funds then title to the buildings, real estate, equipment, etc., purchased from joint funds shall belong to the Board of Trustees or their successors or to a non-profit cor-

poration organized by said Trustees in accordance with the provisions of this Agreement, subject, however to the terms and conditions of this Agreement.

III. May determine what reserves shall be held in cash or legal investments in order to effectuate the purpose of this Agreement.

H. The Employer shall furnish to the Trustees, upon request, such information and reports as they may require in the performance of their duties under any of the Agreements. The Trustees, or any authorized agent or representative of the Trustees, shall have the right at all reasonable times during business hours to enter upon the premises of the Employer and to examine and copy such of the books, records, papers and reports of the Employer as may be necessary to permit the Trustees to determine whether the Employer is fully complying with the provisions hereof.

I. No Employee shall have the option to receive instead of the benefits provided for by this Agreement any part of the contribution of the Employer. No Employee shall have the right to assign any benefits to which he may be or become entitled to under any of the Agreements or to receive a cash consideration in lieu of such benefits either upon termination of the trust herein created, or through severance of employment or otherwise.

J. This Supplemental Agreement and the Collective Bargaining Agreement shall be construed as a single document, and all of the provisions of the Collective Bargaining Agreement relating to the administration and enforcement thereof (including provisions for arbitration) shall apply to the administration and enforcement of this Supplemental Agreement.

K. In the event that the Union receives written notice from one or more of the Trustees, designated by the Trustees for that purpose, that the Employer has failed to pay in full any sums due the Trustees, and that such failure has continued for five (5) days, the Union may direct its members to discontinue work in the plant of the Employer and to discontinue work upon clothing being manufactured for the Employer by contractors until all sums due from the Employer have been paid in full. The remedy provided for in this subparagraph shall be in addition to all other remedies available to the Union and the Trustees and may be exercised by the Union, anything in the Collective Bargaining Agreement to the contrary notwithstanding.

The Trustees, in their own names as Trustees, may institute or intervene in any proceeding at law, in equity, or in bankruptcy for the purpose of effectuating the collection of any sums due to them from the Employer under the provisions of this Agreement.

L. In no event will the Employer be entitled to the return of any part of any contribution made hereunder.

M. Neither the execution of this Agreement nor any provisions herein contained, or contained in any other agreement affecting same, shall be deemed to release the Employer from any contribution or contributions provided for in any prior Agreement or Agreements, and which have become due and payable.

N. The Trustees and their successors shall not be personally liable for any matter in connection with the management and operation of the said trust and the trust shall indemnify and save harmless each and every trustee from any claims, liabilities or costs of any nature in connection with the operation of said trust.

No trustee shall be liable for any action taken or omitted by him in good faith, nor for the acts or omissions of any agent, employee, or attorney selected by the

Trustees with reasonable care, nor for any act or omission of any other Trustee.

O. The Trustees shall provide for an annual audit of the Trust Funds and shall prepare a statement of the results of said audit, which shall be available for inspection by persons having an interest under this Agreement at the principal office of the Trustees, and also at the office of the Philadelphia Joint Board, Amalgamated Clothing Workers of America, and at the office of the Philadelphia Clothing Manufacturers Association.

P. Upon the expiration of this Agreement, or any renewal thereof, if no provision is mutually made for the continuance of the Health Center, then the Board of Trustees shall have the discretion to determine whether they shall operate the Center insofar as funds may be available or may be obtained from any source or, in their sole discretion they may liquidate, sell, assign or transfer the property, equipment or other assets belonging to the Health Center and transfer said property and assets to any other institution, public or private, in the City of Philadelphia which will utilize the said funds or property for the purpose of carrying out, insofar as may be possible, the furnishing of clinical medical care to the members of the Philadelphia Joint Board of the Amalgamated Clothing Workers of America similar to the manner provided in this Agreement.

3. The provisions of this Supplemental Agreement shall expire the 15th day of May, 1952, similarly with the provisions of the Contract between the Philadelphia Joint Board, Amalgamated Clothing Workers of America, and Employer, dated May 15th, 1945, to which this shall be a Supplement and which said Agreement shall continue in full force and effect except as amended in writing by the parties and this Supplemental Agreement.

SHAMOKIN DIE AND PRINT WORKS, INC. (SHAMOKIN, PA.), AND TEXTILE WORKERS' UNION OF AMERICA (CIO). GROUP INSURANCE PLAN. AGREEMENT EFFECTIVE AUGUST 20, 1948

Maintenance of Insurance Policies

(a) The Employer will provide and maintain at his sole cost during the full term of the collective bargaining agreement or renewal thereof the insurance policies listed in the articles immediately following. These policies shall be required to conform to the provisions enumerated in these articles as well as to subsequent articles of this section.

(b) The term "employees of the Employer," as used in this section, means all of the Employees of the Employer who are covered and are entitled to the benefits of the Agreement.

Life Insurance Policy for Employees Only

(a) The life insurance policy shall provide a death benefit of not less than five hundred dollars (\$500) payable solely and entirely to the beneficiary designated by each employee, with the right reserved to the employee to change the beneficiary.

(b) The policy shall contain a provision whereby a worker upon leaving the industry, may elect within not less than thirty-one (31) days, to carry his own policy without a physical examination.

(c) The policy shall contain a provision whereby benefits under the policy shall be payable for a period of thirty-one (31) days after the policy has been terminated.

(d) There shall be provision for the continuation without premium payments of benefits payable under the policy for each employee who has been deprived of his employment because of total disability, such continuation to run for the entire period of such total disability. This provision may be limited to those employees who suffer such total disability before reaching the age of sixty (60) years. With respect to such employees sixty (60) years of age and over, the Employer shall continue to pay premiums on them for a period of at least one (1) year from the last day worked, and the benefits under the policy shall be payable by the Carrier Company for a period of one (1) year after the termination of the policy.

(e) In substitution for the above, the policy may provide for a lump-sum payment of not less than the face amount of the policy to any totally disabled employee.

Sickness and Accident Insurance for Employees Only

(a) The policy shall provide benefits of twenty-two dollars (\$22) per week for a maximum period of not less than twenty-six (26) weeks for any one period of total disability due to non-occupational sickness or accident not compensable under Workmen's Compensation or similar acts.

(b) Hospitalization shall not be required as a prerequisite to the payment of such benefits.

(c) Benefits shall begin not later than the first day of any disability due to accident and the eighth day of any disability due to sickness.

(d) In maternity cases or any disability due to pregnancy or miscarriage the maximum period for payment of benefits shall not be less than six (6) weeks for any one pregnancy or miscarriage.

(e) There shall be no discrimination with respect to the benefits paid hereunder by reason of earnings or age of any employee, except that in the case of employees of sixty (60) years of age and over benefit payments may be limited to a total of thirteen (13) weeks in any consecutive twelve (12) month period.

(f) There shall be no waiting period imposed upon any insured employee with respect to coverage under the policy for any disability whatsoever, including maternity.

Hospitalization Insurance for Employees

(a) The policy shall provide benefit payments of eight dollars (\$8) per day for a maximum period of thirty-one (31) days for hospitalization required in connection with any one period of disability due to non-occupational sickness or accident not compensated under Workmen's Compensation or similar acts.

(b) Eligibility under this policy shall be established after the employee has been confined to a legally established hospital for a period of four (4) hours, or more.

(c) The policy shall also provide benefit payments of eight dollars (\$8) per day for hospitalization in connection with maternity or any condition resulting from pregnancy for a minimum of ten (10) days and a maximum of not less than fourteen (14) days.

(d) The policy shall also provide reimbursement to the employee, in connection with any hospitalization covered by the policy, or other charges up to a maximum of five times the daily benefit. This reimbursement shall be for hospital charges other than room and board, including anaesthetics, X-rays, laboratory, operating and delivery room charges.

(e) The policy shall provide for the payment of benefits after the termination of the policy for a period of nine (9) months in the case of maternity, and for a period of three (3) months in the case of hospitalization in connection with total and continuous disability sustained while the policy was still in effect.

(f) There shall be no waiting period imposed upon any insured employee with respect to coverage under the policy for any disability whatsoever, including maternity.

Hospitalization Insurance for Dependents

(a) The policy shall provide reimbursement up to a maximum of six dollars (\$6) per day for thirty-one (31) days for the cost of hospitalization required by the wife (but not husband) and unmarried children (between 3 months and 18 years) of any employee in connection with any one period of disability not compensable under Workmen's Compensation or similar acts.

(b) Eligibility under this policy shall be established after the dependent has been confined to a legally established hospital for a period of four (4) hours, or more.

(c) In connection with maternity or any condition resulting from pregnancy, the policy shall provide a lump-sum payment for hospitalization to the dependent of not less than ten (10) times the daily benefit, or sixty dollars (\$60).

(d) The policy shall provide reimbursement to the dependent in connection with any hospitalization, except for reason of maternity covered by the policy, for other charges up to a maximum of five (5) times the daily benefit. This reimbursement shall be for hospital charges other than room and board, including anaesthetics, X-rays, laboratory, and operation room charges.

(e) The policy shall provide for the payment of benefits after the termination of the policy for a period of nine (9) months in the case of pregnancy, and for a period of three (3) months in the case of hospitalization in connection with total and continuous disability sustained while the policy was still in effect.

(f) There shall be no waiting period imposed upon any insured dependent with respect to coverage under the policy for any disability whatsoever, including maternity.

(g) Under terms of this policy all adopted or all step and foster children not legally adopted but entirely dependent upon the employed shall be considered as the employee's children.

Surgical Aid for Employees Only

(a) The policy shall provide reimbursement for surgical expenses in accordance with a standard schedule up to a maximum of one hundred and fifty dollars (\$150) for all surgery required by the employee in connection with any one disability not compensated under Workmen's Compensation or similar acts.

(b) The policy shall provide a method for determining consistently payments for operations not listed on the schedule.

(c) The policy shall provide for the payment of benefits after the termination of the policy for a period of nine (9) months in the case of maternity and for a period of three (3) months in the case of surgical expenses in connection with total and continuous disability sustained while the policy was still in effect.

(d) There shall be no waiting period imposed upon an insured employee with respect to coverage under the policy for any disability whatsoever, including maternity.

(e) Hospitalization shall not be required as a condition for receiving benefits under this policy.

General Provisions Relating to All Policies

(a) The policies shall contain no special limitations respecting payment of benefits other than the following:

i. Benefits payable under the hospitalization, sickness and accident, and surgical aid policies shall be limited to non-occupational disabilities not covered by a Workmen's Compensation Act or similar legislation.

ii. All persons eligible for benefit payments under the hospitalization, sickness and accident, and surgical aid policies shall be treated by a physician legally licensed to practice medicine, and all hospitalization and surgical operations covered shall be recommended and approved by such a physician.

(b) All present employees shall participate in the benefits of the Insurance program hereinbefore mentioned.

STANDARD ULTRAMARINE COMPANY (HUNTINGTON, WEST VA.) AND UNITED GAS, COKE AND
CHEMICAL WORKERS OF AMERICA (CIO), LOCAL NO. 180. RELIEF PLAN. AGREEMENT
EFFECTIVE AUGUST 20, 1947

Sick Benefit Fund

The Standard Ultramarine Company and the Union, Local No. 180, CIO, believing that a broadening of the relief program to be in order have established a Board for the administration of their joint aid. These representatives, to the best of their ability, are to investigate and handle all cases on a just and equal basis.

Name

The name of the organization shall be known as The Standard Ultramarine Company Employees Relief Fund.

Purpose of Board

This Board is created for the purpose of (a) eliminating solicitation in the plant by refusal of the Union and the Company to sponsor any paper or collection for relief; (b) preventing delay of payment after need arises by prompt action of its members; (c) receiving and acting upon all claims for relief after thorough investigation; (d) to relieve the Union of collecting assessments for relief with the exception of the \$1.00 Death Benefit for an employee.

Officers

The Board shall consist of eight members, four selected from and by the Union and four representing the Management of the Company, and in the event of a tie vote an impartial person shall be selected by the Board. Officers of the Board shall be selected at a regular meeting and will consist of a Chairman, Vice Chairman, Secretary, and a Treasurer. In order to perpetuate a uniform policy, the Union members will serve for a term of three years.

Meetings

The meetings will be held in the assembly room of the First Aid building once a month or as required to transact current business.

Salary

Each member of the Board shall receive a salary of One Dollar (\$1.00) per month.

Article VI

The Union has agreed to assess themselves fifty cents per month and deposit the sum in a bank account separate from all others. The Company will deposit a check of equal amount to the same account. All disbursements, expenses, and salary of the Board members will be paid by check from this fund. The checks as drawn will not be valid unless signed by two members of the Board, one

representing the Union and one representing the Company. Alternates will be named to sign in the absence of either party. An impartial audit of the books will be made once each year.

Benefits

The benefits of this fund are intended to relieve extreme cases of prolonged illness, destruction of home by fire and such other disasters that may befall the employee.

Death benefits for employees' wives and children are as follows :

Infant fully developed from birth to 6 months.....	\$35.00
From 6 months to 1 year.....	50.00
From 1 year to 5 years.....	70.00
From 5 years to 10 years.....	100.00
From 10 years to 18 years.....	150.00
From 18 years to maximum, if physically disabled.....	150.00
Wife or husband of an employee.....	200.00

To be covered by this section, the deceased must be totally dependent on the employee.

On the death of a member, the Union agrees to \$1.00 assessment per member. The Company will, however, in a case where the individual has not been employed long enough to be eligible for either the insurance or pension, give the sum of One Hundred Dollars (\$100.00) to be added to the Union assessment for death.

Benefits will be paid on the death of an infant up to ten days of age, if the parent has been an employee of the Company for nine months. All other dependents are covered by the death benefit when the employee has contributed to the fund for three months.

Except as elsewhere provided, the fund will at no time pay more than One Hundred Dollars (\$100.00) for any emergency other than sickness of a member. The amount of Emergency Relief is left to the judgment of the Board.

Aged parents, if totally dependent on an employee, will be considered by the Emergency Board and their decision will govern the amount to be allowed the employee.

Relief payments for sickness will be Forty Dollars (\$40.00) per month for a maximum of nine months.

The responsibility of this relief fund terminates when the employee's name is removed from the pay roll.

Limit of Funds

Should the combined surplus in the treasury of this fund reach Four Thousand Dollars (\$4,000.00), the Company and the Union are to be notified in writing and no more deposits made to its account unless written permission is given by both parties.

Continuance

The relief plan covered by this agreement is in full effect for the duration of this contract. It may be terminated by either party after expiration of this contract, in which event the money held by the treasurer will be divided into two equal parts and returned after withholding enough to cover any commitments already made by the board.

In the event of strike or work stoppage for any cause, the relief payments will be continued if the Union pays its regular per capita share.

Contagious Disease

The Company agrees in the case of active tuberculosis, on the recommendation of the Company Doctor, to pay One Dollar (\$1.00) per day for a maximum of two years for all time spent in a recognized sanatorium. This is to be in addition to any relief given by the fund.

Blood Donor

The fund will, upon proper notification, pay any blood donor the sum of Ten Dollars (\$10.00) for each transfusion, to a maximum of three, if the recipient or a member of his family is a participant under this plan.

SHIP SCALING CONTRACTORS ASSOCIATION (SAN FRANCISCO, CALIF.) AND INTERNATIONAL LONGSHOREMEN AND WAREHOUSEMEN'S UNION (CIO), LOCAL NO. 2. INDUSTRY MEDICAL-SERVICE PLAN. AGREEMENT EFFECTIVE SEPTEMBER 1, 1949

It is agreed that a medical service plan covering employees within the scope of this agreement shall be maintained. The individual employers coming under this agreement shall, individually and separately, contribute into the medical service fund established for this purpose one cent (1¢) per man hour worked, according to actual hours worked for them individually by scalers who are bona fide members of the union, hired through the hiring hall, and covered by the agreement.

(i) The Union will bank the fund, and will not co-mingle these funds with any other funds, and will account yearly or on request to the Association the disbursements from said fund in detail, showing the sums withdrawn.

a. The cost of above accounting shall be payable from the fund, providing said cost does not exceed seventy-five dollars (\$75.00).

b. The Union will furnish a monthly list of the recipients of benefits, identified by names and plug numbers.

(ii) The Union will not allow to be paid out of said fund more than two dollars and sixty cents (\$2.60) per month for health plan dues in favor of any one (1) worker, nor allow the payment of more than one (1) registration per year in favor of any one (1) worker, nor allow the payment of more than two dollars (\$2.00) per registration fee out of said fund.

a. In the event of any change in monthly dues or registration, the preceding clause may be amended.

b. Signatures of representatives of the Employers and the Union shall be required on all checks drawn on the Hospitalization Fund Account.

(iii) The Union will not permit the payment out of this fund in favor of any person unless he is a regular working member in the industry, working a minimum of eighty-seven (87) hours per month for the members of the Association, as qualified below:

a. Any member working less than eighty-seven (87) hours per month shall have the privilege of paying the difference required to make up his regular monthly dues.

b. The above clause shall not apply to sick members of the Union who are unable to work and who were members of the Health Plan at the time they became ill, and are qualified and receiving benefits under the Plan.

(iv) The Union shall pay from the fund one dollar (\$1.00) for each visit made by its Union Plan members to the Permanente doctors and billed directly to the fund.

(v) The Union gains no right, title or interest in said fund, and said fund shall be for the sole purpose of maintaining "The Permanente Health

Plan" in favor of its qualified workers. The Union assumes the responsibility of accounting for the fund, and will not use, nor cause to be used by any of its agents or representatives, any of these funds for any other purpose than as above described.

(vi) If this plan should be abandoned or canceled, the remainder of said fund shall be paid over to the Association members with full accounting.

(vii) The Association assumes no responsibility for the collection of the individual health contributions to the health plan.

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