

LIUNA!

May 14, 2010

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QUARTERS:

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To: All District Councils and Construction Local Union Affiliates

Re: LIUNA Code of Performance

Dear Brothers and Sisters:

For decades our Union has been a leader among the building trades in recognizing the importance of skills training, education and responsible work habits for our members. Having a skilled, highly trained and motivated work force is the best way to provide signatory contractors with the competitive edge that will result in more work opportunities for our members and will enable our organization to continue to grow stronger and to enhance our influence both at the bargaining table and in the political arena.

Continuing in that tradition, on April 20, 2010, the General Executive Board, after extensive discussions with local unions and district councils in the United States and Canada, adopted the Laborers' Code of Performance as policy for all our construction-sector affiliates effective June 1, 2010. The purpose of the Code is to further encourage our members to update their skills and to display responsible and productive work habits on the job. Members who fail to live up to the Code will be subject to having their referral privileges suspended under certain conditions.

The Code should be implemented through changes to affiliates' hiring hall rules to include the Code of Performance. For U.S. affiliates, the office of the Special Counsel has pre-approved such modifications, while the office of the Special Counsel – Canada has done likewise for Canadian affiliates. If the referral rules are also included in collective agreements, then modifications to those collective agreements may have to be negotiated with the signatory employers or associations. Where the referral rules are not included in the collective agreements, then signatory contractors should be advised of the Code and asked to sign the Model Collective Bargaining Agreement Clause, which is included with the materials. By agreeing to this provision, participating employers agree to document instances where laborers are let go for a reason covered by the Code. In all cases, members should be provided with copies of the Code and asked to sign the Acknowledgment Form, which is also included with these materials; these signed Acknowledgment Forms should be kept on file at your Local Union.

Feel the Power

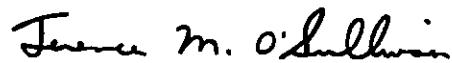
Enclosed you will find the following materials:

- What it means to be a Union Laborer – The Laborers' Code of Performance;
- Laborers' Code of Performance – Model Hiring Hall Clause;
- Model Collective Bargaining Agreement Clause;
- Notification of Termination Form (for participating employers)
- Laborers' Code of Performance Acknowledgement Form (to be signed by members);
- Frequently Asked Questions.

Please review the attached materials carefully. Our Regional Offices and the Legal Department at Headquarters are prepared to assist all construction sector affiliates, our members and participating contractors with implementation of the Code of Performance and to answer any questions you may have. We hope the Code will prove to be a useful tool in continuing to build LIUNA by expanding work opportunities for our members.

With kind regards, I remain

Fraternally yours,



TERENCE M. O'SULLIVAN
General President

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Enclosures

WHAT IT MEANS TO BE A UNION LABORER -- THE LABORERS' CODE OF PERFORMANCE

Members of the Laborers' International Union of North America are known for bringing more to the work site than their Union cards. Laborers built our Union by delivering:

- experience in the field
- all the necessary skills for the job
- pride in their work and
- an ethic of hard work and safe practices.

To ensure that these qualities continue to be passed on to the present and future generations of Laborers, and to assure maximum efficiency and productivity for our signatory employers, the Union adopts and implements this Code of Performance for its members and officers.

The goal of the Code of Performance is to ensure that our membership meets the highest standards in our industries. Our aim is to deliver craftsmanship that exceeds the expectations of our contractors and their customers. We need to provide and maintain a work force that makes contractors want to be Union and owners want to build Union.

Meeting these goals requires a commitment of our leaders to embrace the values of hard work and best practices at work and to pass them on to the members. It requires that members understand and incorporate these values in

their day-to-day performance. And, it requires contractors to follow through on any complaints that Laborers are failing to adhere to our standards.

Local Union Responsibilities

- Understand and adopt the Code of Performance as part of the Local Union's Hiring Hall Rules, or request a variance from the General President if the Local Union has previously adopted a substantially equivalent policy, practice or procedure; any such variance request must first be approved by the District Council (if the Local is affiliated with a District Council) and the Regional office.
- Educate members about the Code of Performance, its goals and standards.
- Provide guidance to members in their skills assessments.
- Provide training opportunities for members to upgrade their skills.
- Enforce the Code of Performance by suspending members' referral rights as appropriate. Nothing in the Code shall prevent a Local Union from enforcing its own job referral rules provided such rules have been approved the District Council (if the Local is affiliated with a District Council), are not inconsistent with the Code or the Job Referral Guidelines.
- Ensure a fair opportunity for members to contest any suspensions of referral privileges.
- Provide an opportunity to counsel members whose referral privileges have been suspended about how to prevent further problems.
- Promptly notify members who are discharged "for cause" and provide the contact information for the Business Manager of the District Council (if the Local Union is affiliated with a District Council).

District Council Responsibilities

- Assist Local Unions in effectuating the Code in accordance with Article II of the Uniform District Council Constitution and where the hiring hall rules are included in a collective bargaining agreement, in negotiations with contractors, to adopt the Model Hiring Hall Clause (Attachment B);

Member Responsibilities

- Acquire the necessary skills through apprenticeship and/or training programs.
- Report promptly upon referral to a job and show up to work on time, ready, willing and able to work.
- Be aware of and follow the Local Union's job referral rules.
- Avoid excessive absenteeism and excessive tardiness.
- Follow directions from supervisors.
- Do not be insubordinate;
- Give a fair day's work.
- Treat the Employer's and the customer's tools and property and those of fellow workers with respect.
- Avoid disruptions on the job by using the established procedures to resolve disputes.
- Understand and use safe practices and safety equipment.

Employer Responsibilities

The Code of Performance will not be effective without the Employers' commitment to full support and participation. Accordingly, it is the Employers' responsibility to:

- Ensure that each project has the necessary number of Laborers, equipment and leadership to perform the work.
- Inform the Local Union of any problem Laborers and/or work issues with Laborers regarding the Code of Performance.
- Counsel Laborers who are not meeting their responsibilities through verbal and written warnings and consult with the Local Union when warnings occur.
- Fill out the Notification of Termination Form for any Laborer terminated "for cause." Cause shall include only those reasons for termination specified on the Notification of Termination Form.
- The Employer agrees to support any decision made through or by a Review Committee, or Independent Review Officer.

Enforcement Procedures

- (a) Should any Laborer be terminated for cause, his or her referral privileges shall be suspended automatically for one month. Should the same individual be terminated for cause a second time within a twenty-four (24) month period, his or her hiring hall referral privileges shall be suspended automatically for six months. Should the same individual be terminated for cause a third time within a twenty-four (24) month period, his or her referral privileges shall automatically be suspended indefinitely (time period begins from the date of first discharge).
- (b) A termination shall not be considered as "for cause" for purpose of this provision if the person referred for employment has filed a grievance under the c/b/a challenging the propriety of his or her termination, unless and until the grievance is resolved in a manner that affirms the termination for cause. For the

purpose of this provision, a decision of a designated panel or an arbitrator shall be final and binding.

(c) The provisions in subsections (a) and (b) notwithstanding, a Review Committee, composed of three (3) members appointed by the Business Manager of the District Council, may, upon written request of the applicant, vacate or reduce the period of suspension, in the event the Local Union is not affiliated with a District Council, any such representatives shall be appointed by the Business Manager of the Local Union.

Any such written request by the applicant shall be filed in writing with the Business Manager of the District Council, or if the Local is not affiliated with a District Council then with the Business Manager of the Local Union, within five (5) calendar days of the time he/she has been notified that the termination is "for cause" under this Code. A request under this provision shall stay the commencement of suspension from referral unless and until the Committee decides otherwise. The Committee's decision will be by majority vote and shall be based on all of the available evidence including, as appropriate, the circumstances of the termination, skills evaluations by third parties, the availability and need for additional training whether the applicant is a journeyman or an apprentice member and such other factors as may be relevant. The Committee's decision shall rest in its sole and complete discretion.

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LABORERS' CODE OF PERFORMANCE MODEL HIRING HALL CLAUSE

- (a) Should any Laborer referred for employment be terminated for cause as defined under the Laborers' Code of Performance, his or her referral privileges shall be suspended automatically for one month. Should the same individual be terminated for cause a second time within a twenty-four (24) month period, his or her hiring hall referral privileges shall be suspended automatically for six months. Should the same individual be terminated for cause a third time within a twenty-four (24) month period, his or her referral privileges shall automatically be suspended indefinitely (time period begins from the date of first discharge). A termination "for cause" under the Code is defined to include a termination for any of the reasons specified in the Notice of Termination Form, which is incorporated by reference and attached hereto as "1."
- (b) A termination shall not be considered as "for cause" for purpose of this provision if the person referred for employment has filed a grievance challenging the propriety of his or her termination, unless and until the grievance is resolved in a manner that affirms the termination for cause. For the purpose of this provision, a decision of a designated panel or an arbitrator shall be final and binding.

(c) The provisions in subsections (a) and (b) notwithstanding, a Review Committee, composed of three (3) members appointed by the Business Manager of the District Council or where the Local Union is not affiliated with a District Council, appointed by the Business Manager of the Local Union, may, upon written request of the applicant, vacate or reduce the period of suspension. A request under this provision shall stay the commencement of suspension from referral unless and until the Committee decides otherwise. The Committee's decision will be by majority vote and shall be based on all of the available evidence including, as appropriate, the circumstances of the termination, skills evaluations by third parties, the availability and need for additional training whether the applicant is an apprentice or journeyman member and such other factors as may be relevant. The Committee's decision shall rest in its sole and complete discretion.

(d) The decision of the Committee will affect only the issue of eligibility for future referrals, and will not affect the termination unless all parties expressly consent to have that issue considered by it.

(e) If dissatisfied with the decision by the Review Committee, the applicant may appeal the Committee's decision to an Independent Review Officer whose costs shall be paid by the International Union. The Independent Review Officer shall establish a procedure for expedited and prompt review of such appeals. Any appeal to the

Independent Review Officer shall be filed by the applicant in writing within five (5) calendar days of time he/she has been notified of the Review Committee's decision and shall contain a brief statement of the issue/s. The decision of the Independent Review Officer shall be final and binding. A request for review under this provision does not affect the commencement or continuation of the suspension from referral unless and until the Independent Review Officer decides otherwise.

LABORERS' CODE OF PERFORMANCE ACKNOWLEDGEMENT FORM

The goal of the Code of Performance is to ensure that our membership meets the highest standards in our industries. Our aim is to deliver craftsmanship that exceeds the expectations of our contractors and their customers. We want to create and maintain a work force that makes contractors want to be Union and owners want to build Union.

Meeting these goals requires that members understand and incorporate these values in their day-to-day performance. Accordingly, as a member of the Laborers' International Union of North America I agree to:

- Acquire the necessary skills through apprenticeship and/or training programs.
- Report promptly upon referral to a job and show up for work on time, ready, willing and able to work.
- Be aware of and follow the Local Union's job referral rules.
- Avoid excessive absenteeism and excessive tardiness.
- Follow directions from supervisors.
- Do not be insubordinate;
- Give a fair day's work.
- Treat the Employer's and the customer's tools and property and those of fellow workers with respect.
- Avoid disruptions on the job by using the established procedures to resolve disputes.

- Understand and use safe practices and safety equipment.

I acknowledge this responsibility and pledge my word to do the same and acknowledge that I have received, read and understand the Laborers' Code of Performance.

Signature

Social Security/Membership

Date

LIUNA CODE OF PERFORMANCE

FAQ'S

1. Q. Why have a Code of Performance?
 - A. The Code of Performance is intended to encourage more cooperation among our signatory contractors, affiliates and members to help ensure that our workforce is the most efficient, most skilled and most highly trained anywhere. This is another tool to grow our Union and to provide more and better work opportunities for our members.

2. Q. How will the Code of Performance work in relation to our c/b/a's?
 - A. The Code is designed to work in tandem with collective bargaining agreements that reflect its provisions.

3. Q. What is a discharge "for cause" under the Code?
 - A. A discharge "for cause" includes a discharge for only the following reasons: excessive absenteeism; excessive tardiness; lacking required skills; insubordination; theft. Additional instances of discharge "for cause" may be included by a local union upon recommendation by the District Council (if the Local Union is affiliated with a District Council) and pursuant to a variance requested from the General President.

4. Q. What if a laborer is let go or discharged by a contractor for some other reason?
 - A. If a laborer is let go, laid off or discharged for some reason other than "for cause" as defined in the Code, then this will not trigger a suspension of referral privileges under the Code.

5. Q. What if a laborer is discharged "for cause" under the Code and files a grievance under the c/b/a?
 - A. If a laborer files a grievance under the c/b/a to challenge a discharge "for cause," then no suspension of referral privileges will occur unless and until the grievance is resolved in a manner that affirms the termination "for cause."

6. Q. What are the consequences under the Code if it is determined that a laborer was discharged "for cause"?
 - A. For a first violation, the laborer's referral privileges will be suspended for one month. For a second occurrence within a 24 month period, referral privileges will be suspended for six months. For a third occurrence within a 24 month period of the first occurrence, referral privileges will be suspended indefinitely.

7. Q. Can a laborer who has been discharged "for cause" appeal the suspension of referral privileges?
 - A. Yes, the Code establishes a Review Committee of three persons to be appointed by the Business Manager of the District Council or, if the Local Union is not affiliated with a District Council, by the Local Union to review these suspensions. A laborer dissatisfied with the decision of the Review Committee can request review by an Independent Review Officer.

8. Q. How will apprentices be treated under the Code?
 - A. Whether the laborer who has been discharged "for cause" is an apprentice or a journeyman is a factor to be considered by the Review Committee in determining whether a suspension of referral privileges is warranted.

9. Q. What if a laborer is not discharged "for cause" but simply fails to follow the Union's internal hiring hall rules as, for example, by accepting a dispatch but failing to report to the job?
 - A. The Code of Performance is not intended to displace the Union's ability to sanction or discipline laborers who fail or refuse to comply with the Local's job referral rules and procedures, as, for example, by failing to report to the job after receiving a dispatch.

10. Q. What if the Union already has internal rules or practices similar to those set out in the Code of Performance?
 - A. In those situations the Local may, upon approval from the Regional Office and the District Council (if the Local is so affiliated) request a variance from the General President.

11. Q. Does the Code of Performance apply to all LIUNA – affiliated Local Unions?
 - A. The Code applies to those affiliated Local Unions that provide job referrals to signatory contractors in the construction industry.

12. Q. What should those Locals that are subject to the Code of Performance do now?
 - A. Locals should include the Code as part of their job referral rules or negotiate appropriate changes if the job referral rules are included in a c/b/a, discuss the Code with their members, provide members with copies of the Code, post copies, obtain members' signatures on the Acknowledgement Form, and work with their District Councils to encourage signatory contractors to participate in enforcing the Code of Performance by adopting the model c/b/a provision.

13. Q. How should Locals get current members to sign the Code of Performance Acknowledgement Form?
 - A. Locals shall require current members to sign as a condition of registering or re-registering for referral.

14. Q. What if a laborer whose referral privileges have been suspended under the Code wants to transfer to another Local?
- A. In that situation, the home Local should note the suspension of referral privileges on the transfer slip and the same suspension of referral privileges will apply at the new Local to which the member transfers.
15. Q. Does a suspension of referral privileges under the Code affect the member's good standing, right to voice and vote at meetings or any other rights of membership?
- A. A suspension of referral privileges under the Code will not affect good standing or any other rights of membership.
16. Q. What are the Local's obligations if notified by a participating contractor that a laborer has been terminated "for cause?"
- A. The Local should promptly notify the laborer either in person or in writing by return receipt mail of the termination "for cause" and provide him/her with a copy of the completed notification of termination form submitted by the contractor.
17. Q. Is a member whose referral privileges are suspended under the Code considered to be working at the calling?
- A. In some circumstances a member whose referral privileges are suspended under the Code may nonetheless be able to obtain work that would qualify as working at the calling, as, for example, under the a non-exclusive referral system or working in a related capacity for the government or the trade union movement. However, where an exclusive referral system is in effect, such a member generally would not be able to show that he or she was otherwise working at the calling.