PIBE

May 16, 2012

TO ALL CONTRIBUTING CONTRACTORS

This letter provides the details of the agreement of the Pipe Line Contractors Association ("PLCA") and the United Association of Journeyman and apprentices of the Pipefitting Industry of the United States and Canada (UA) relating to fringe benefits. This letter provides the detailed breakdown of the fringes that contributing contractors are obligated to pay effective June 1, 2012 to May 31, 2013. We have attached a reproduction of pages from the National Pipeline Agreement illustrating the same rates and how the health and welfare and pension rates will be reciprocated from the Pipeline Industry Benefit Fund to other local union funds. The reciprocal breakdown is informational only as the Fund office will make the proper distributions.

NOTE: The new contract starts on Friday of the work week ending June 3, 2012. The Fund office recommends that 2 (two) reports be submitted for this week. One report should show the hours worked for the first part of the partial week at the 2011 rates. The second report should show the hours worked at the new 2012 rates for the remainder of the week.

Board of Trustees:

Labor Trustees
Danny Hendrix
Wade Pilgreen
Grant Sample

Management Trustees

Paul Somerville Don Thorn Chris Leines

Fund Director
Bob Kime

The contribution package for U.A. Mainline work for the Pipeline Industry Benefit Fund as of <u>June 1, 2012</u> is as follows:

U.A. MAINLINE WORK

| FUND | <u>J</u> | OURNEYMAN | | <u>HELPER</u> |
|------------------------------|----------|--------------|-------|---------------|
| Health & Welfare | | \$6.00 Hour | | \$6.00 Hour |
| Pension | | \$13.85 Hour | | \$8.14 Hour |
| 401(k) | | \$.05 Hour | | \$.05 Hour |
| Industry Advancement Fund | | \$.50 Hour | | \$.50 Hour |
| Local 798 Training Center | | \$.60 Hour | | \$.55 Hour |
| Industry Training Fund (ITF) | | \$.10 Hour | | \$.10 Hour |
| | Total | \$21.10 Hour | Total | \$15.34 Hour |

The contribution package for U.A. Special Agreement and Station work for the Pipeline Industry Benefit Fund as of *June 1, 2012* is as follows:

U.A. SPECIAL AGREEMENT AND STATION WORK

| <u>FUND</u> | JOURNEYMAN | <u>HELPER</u> |
|------------------------------|--------------------|--------------------|
| Health & Welfare | \$6.00 Hour | \$6.00 Hour |
| Pension | \$10.83 Hour | \$4.73 Hour |
| 401(k) | \$.05 Hour | \$.05 Hour |
| Local 798 Training Center | \$.20 Hour | \$.20 Hour |
| Industry Training Fund (ITF) | \$.10 Hour | \$.10 Hour |
| | Total \$17.18 Hour | Total \$11.08 Hour |

IT IS IMPERATIVE THAT YOU NOTIFY ALL OF YOUR FIELD OFFICES AND THE PERSONS RESPONSIBLE FOR YOUR PAYROLL AND BENEFIT REPORTING IMMEDIATELY OF THESE CHANGES.

Sincerely.

Achest Kime

Robert R. Kime, Director



EXHIBIT "A"

WAGES, FRINGE BENEFITS AND PER DIEM JUNE 1, 2012-MAY 31, 2013

| JOURNEYMAN WAGES | | | | |
|-------------------------|---------|----------------|-----------------------|--|
| | | | 6/1/2012 to 5/31/2013 | |
| Alabama | \$49.96 | Montana | \$49.96 | |
| Alaska | | Nebraska | \$49.96 | |
| Arizona | \$50.83 | Nevada | \$50.83 | |
| Arkansas | \$49.96 | New Hampshire | \$50.27 | |
| California | \$50.83 | New Jersey | \$50.83 | |
| Colorado | \$49.96 | New Mexico | \$49.96 | |
| Connecticut | \$50.83 | New York | \$50.27 | |
| Delaware | \$50.27 | North Carolina | \$49.96 | |
| D.C. | \$50.27 | North Dakota | \$49.96 | |
| Florida | \$49.96 | Ohio | \$50.27 | |
| Georgia | \$49.96 | Oklahoma | \$49.96 | |
| Idaho | \$49.96 | Oregon | \$50.27 | |
| Illinois | \$50.27 | Pennsylvania | \$50.27 | |
| Indiana | \$50.27 | Rhode Island | \$50.83 | |
| Iowa | \$50.27 | South Carolina | \$49.96 | |
| Kansas | \$49.96 | South Dakota | \$49.96 | |
| Kentucky | \$50.27 | Tennessee | \$49.96 | |
| Louis <mark>iana</mark> | \$49.96 | Texas | \$49.96 | |
| Maine | \$50.27 | Utah | \$49.96 | |
| Maryland | \$50.27 | Vermont | \$50.27 | |
| Massachusetts | \$50.83 | Virginia | \$50.27 | |
| Michigan | \$50.27 | Washington | \$50.27 | |
| Minnesota | \$50.27 | West Virginia | \$50.27 | |
| Mississippi | \$49.96 | Wisconsin | \$50.27 | |
| Missouri | \$50.27 | Wyoming | \$49.96 | |

| (ALL STAT | ES) |
|---------------------------------------|-----------------------|
| | 6/1/2012 to 5/31/2013 |
| Pipeline Industry Benefit Fund | \$ 6.00 |
| Pipeline Industry Pension Fund | \$ 13.85 |
| Pipeline Industry 401(k) Fund | \$.05 |
| Pipeline Industry Advancement Fund | \$.50 |
| Local Union Training Fund | \$.60 |
| International Training Fund | \$.10 |
| TOTAL | \$ 21.10 |

For the period from June 1, 2012 through May 31, 2013, all PIBF contributions subject to reciprocation shall be \$9.85 for Journeymen, and all PIPF contributions subject to reciprocation shall be \$10.00 for Journeymen. Reciprocation adjustments will be made by the Fund Office.

| PER DIEM | (All States) |
|-----------------------|-----------------------|
| | 6/1/2012 to 5/31/2013 |
| Welder Journeymen | \$102.50 |
| Non-Welder Journeymen | \$42.50 |

EXHIBIT "B" UNITED ASSOCIATION HELPER WAGES AND FRINGE BENEFITS

| | HELPER | WAGES | |
|---------------|--|----------------|-----------------------|
| | | | 6/1/2012 to 5/31/2013 |
| Alabama | \$22.21 | Mississippi | \$22.21 |
| Alaska | | Missouri | \$27.93 |
| Arizona | \$22.21 | Montana | \$22.21 |
| Arkansas | \$22.21 | Nebraska | \$22.21 |
| California: | | Nevada | \$28.56 |
| Zone 1 | \$32.54 | New Hampshire | \$22.21 |
| Zone 2A | \$36.25 | New Jersey | \$30.66 |
| Zone 2B | \$34.72 | New Mexico | \$22.2 |
| Zone 3 | \$33.39 | ▶ New York | |
| Colorado | \$22.21 | Zone 1 | \$35.15 |
| Connecticut | \$28.83 | Zone 1A | \$35.24 |
| Delaware | \$22.21 | Zone 2 | \$32.54 |
| D.C. | \$22.21 | Zone 3 | \$33.62 |
| Florida | \$22.21 | Zone 4 | \$33.90 |
| Georgia | \$22.21 | Zone 5 | \$28.32 |
| Idaho | \$29.03 | Zone 6 | \$27.9 |
| · Illinois: | 10 | Zone 7 | \$29.90 |
| Zone 1 | \$35.70 | Zone 7A | \$26.72 |
| Zone 2 | \$30.76 | Zone 7B | \$27.50 |
| Zone 3 | \$28.27 | Zone 7C | \$27.8 |
| ► Indiana | CONTRACTOR OF THE CONTRACTOR O | Zone 7D | \$28.0 |
| Zone 1 | \$35.70 | Zone 7E | \$29.0 |
| Zone 2 | \$25.02 | Zone 7F | \$27.22 |
| ► Iowa | | Zone 7G | \$30.88 |
| Zone 1 | \$26.93 | Zone 8A | \$29.00 |
| Zone 2 | \$22.21 | Zone 8B | \$29.19 |
| - Kansas | | Zone 9 | \$30.83 |
| Zone 1 | \$25.75 | Zone 10 | \$28.70 |
| Zone 2 | \$22.21 | Zone 11 | \$25.09 |
| Zone 3 | \$24.30 | Zone 12 | \$26.7 |
| Kentucky | \$22.21 | Zone 13 | \$29.87 |
| Louisiana | \$22.21 | North Carolina | \$22.2 |
| Maine | \$22.21 | North Dakota | \$22.2 |
| Maryland | \$24.11 | Ohio | \$29.3 |
| Massachusetts | \$30.43 | Oklahoma | \$22.2 |
| Michigan | \$28.13 | Oregon | \$28.67 |
| Minnesota | \$23.44 | (cont'd below) | \$20.07 |

| HELPER WAGES (cont'd) | | | |
|-----------------------|---------|---------------|---------|
| ► Pennsylvania | | Utah | \$22.21 |
| Zone 1 | \$27.97 | Vermont | \$22.21 |
| Zones 2 | \$26.01 | Virginia | \$22.21 |
| Rhode Island | \$30.14 | Washington | \$28.32 |
| South Carolina | \$22.21 | West Virginia | \$25.44 |
| South Dakota | \$22.21 | Wisconsin | \$25.75 |
| Tennessee | \$22.21 | Wyoming | \$22.21 |
| Texas | \$22.21 | | |

See Pages 240-247 for description of Zones.

| HELPER FRINGE BENEFITS (ALL STATES) | | |
|--|--------------------------|--|
| | 6/1/2012 to 5/31/2013 | |
| Pipeline Industry Benefit Fund | \$ 6.00 | |
| Pipeline Industry Pension Fund | \$ 8.14 | |
| Pipeline Industry 401(k) Fund | \$. 05 | |
| Pipeline Industry Advancement Fund | \$.50 | |
| Local Union Training Fund | \$.55 | |
| International Training Fund | \$.10 | |
| TOTAL | \$15.34 | |

For the period from June 1, 2012 through May 31, 2013, all PIBF contributions subject to reciprocation shall be \$7.00 for Helpers, and all PIPF contributions subject to reciprocation shall be \$7.14 for Helpers. Reciprocation adjustments will be made by the Fund Office.

| Helpers | \$42.50 |
|--|-----------------------|
| and the decision of the comment of the comment | 6/1/2012 to 5/31/2013 |
| PER DIEM (AI | l States) |

WAGES AND PER DIEM FOR WORK COVERED BY RATES IN <u>ATTACHMENT 1</u>

SPECIAL AGREEMENT FOR SMALL DIAMETER PIPE

II.

WAGE RATES, FRINGE BENEFITS AND PER DIEM

(A) Wage rates, fringe benefits, and per diem for Journeymen and Helpers, respectively, shall be as follows for the period from June 1, 2012 through May 31, 2013.

| | JOURNEYMEN | HELPERS |
|---------------------|------------|-------------|
| Wages | \$29.57 | \$12.75 |
| | 10 | (\$16.00 |
| | | Laborers' |
| | | Comparison) |
| Fringe Benefits | \$17.18 | \$11.08 |
| PIBF | \$6.00 | \$6.00 |
| PIPF | \$10.83 | \$4.73 |
| PIBF 401(k) | \$.05 | \$.05 |
| LU TF | \$.20 | \$.20 |
| ITF | \$.10 | \$.10 |
| Per Diem: Welder | \$92.50 | \$32.50 |
| Non-Welder | \$32.50 | |

For the period from June 1, 2012 through May 31, 2013, all PIBF contributions subject to reciprocation shall be \$7.00 for Journeymen and Helpers, and all PIPF contributions subject to reciprocation shall be \$9.83 for Journeymen and \$3.73 for Helpers. Reciprocation adjustments will be made by the Fund Office.

202786181_1.DOCX