OTIS ELEVATOR COMPANY AND IUEC LOCAL NO.18

LOCAL TRAVEL AND EXPENSE AGREEMENT

SECTION I. PARTIES TO AGREEMENT

This agreement is made by and between Otis Elevator Company (hereinafter referred to as the "Company") and the International Union of Elevator Constructors, Local No. 18 (hereinafter referred to as the "Local").

SECTION II. JURISDICTION

There will be three primaries of the Local as follows:

Los Angeles Primary – That area within a circle with a fifteen (15) mile radius using the City Hall of Los Angeles as the center.

San Diego Primary – That area within a circle with a fifteen (15) mile radius using the City Hall of San Diego as the center.

Las Vegas Primary – That area within a circle with a fifteen (15) mile radius using the City Hall of Las Vegas as the center.

The secondary jurisdiction of the Local shall include the area in the State of California, south of the Tehachapi Line, and that portion of Nevada, east of the 118 degree Meridian to the Utah Border and south of the 39 degree North Latitude to the Arizona and California borders.

SECTION III. TRAVEL ZONES

The following travel zones are established around the Los Angeles, San Diego, and Las Vegas primaries for construction, modernization and repair work only:

ZONE TWO (2)

Zone Two (2) shall include that area outside of the primary and within a radius of fifteen (15) to twenty-five (25) miles from the center.

A travel allowance equivalent to 50% of the prevailing hourly wage rate plus twenty (20) miles at the prevailing IRS mileage rate will be paid to each mechanic and helper working a full day in the Zone.

ZONE THREE (3)

Zone Three (3) shall include that area outside of the primary or sub-primary and within a radius of twenty-five (25) miles and a radius of thirty-five (35) miles from the center.

A travel allowance equivalent to 100% of the prevailing hourly wage rate plus forty (40) miles at the prevailing IRS mileage rate will be paid to each mechanic and helper working a full day in the Zone.

An Elevator Constructor Mechanic or Helper in construction, modernization, or repair beginning the day in one Zone, then traveling to a different Zone where he/she ends the day, shall receive the higher Zone Travel Allowance for the day, plus actual travel time and mileage while moving between Zones during the regular work day.

SECTION IV. SUBSISTENCE

Employees working beyond Zone Three (3) shall be paid subsistence based upon the following guidelines:

- A. The formula for subsistence shall be calculated at the rate one and one-half times the rate of mechanics pay.
- B. Elevator constructors working beyond Zone 3 shall receive per diem for each day worked and, for holidays which fall during the normal work week. Where work continues on the same job site the following week, elevators constructors will receive the per diem for Saturday and Sunday.
- C. On the first day out each mechanic and helper shall be paid the full per diem. On the last day of the job, each mechanic and helper shall be paid the full per diem allowance if they complete eight hours on the job. Should the job be completed before the end of the regular work day and they travel home during the regular work day, fifty percent (50%) of the per diem shall be paid for the last day on the job.
- D. Travel time and expense to an area beyond Zone Three (3) shall be reimbursed for actual expenses incurred. Travel time in these areas shall be computed at the rate of 45 mph and at the current IRS mileage rate.
- E. Receipts shall be submitted to justify any additional expenses over the established per diem rate.

SECTION V. USE OF PERSONAL VEHICLES

- A. When employees use their personal vehicle on Company business, they shall be reimbursed at the "Standard Mileage Rate" which is published periodically by the Internal Revenue Service (presently thirty-one cents per mile \$.310). Future changes in the mileage rate shall be based upon this index and shall become effective at the beginning of the pay period next following the Company's receipt of the change.
- B. Repair and Maintenance Mechanics and Helpers authorized to use their personal vehicles for Company business during regular working hours shall be reimbursed at the prevailing mileage rate, with a minimum of one-hundred (100) miles per week. Travel on overtime shall be included for purposes of the one-hundred minimum.

SECTION VI. CARTAGE

When elevator constructors are requested by the Company to transport or convey Company parts or tools (other than personal hand tools and safety equipment) in their personal vehicles they shall be paid drayage or cartage. The drayage or cartage shall be paid in accordance with the following schedule: up to fifteen (15) pounds, \$5.00 per day; from fifteen (15) to fifty (50) pounds, \$15.00 per day; from fifty (50) pounds to one-hundred (100) pounds, \$25.00 per day. Nothing in excess of one-hundred (100) pounds is to be hauled in personal vehicles. Any disputes which might arise with respect to what employee are requested to transport or convey or other matters related to this paragraph shall be resolved between the Superintendent/Supervisor and the Local Business Representative.

SECTION VII. PARKING

On construction and modernization jobs where free parking is not available within four blocks of a job, an amount of \$4.50 shall be allowed for parking with the primaries or sub-primaries of the Local. Receipts must be submitted to substantiate parking allowance. However, to justify any additional expense over the established parking allowance, the Superintendent and the Local Business Representative shall resolve what is reasonable. On contract service, after the first stop, parking will be paid by the employer.

SECTION VIII. HOLIDAYS

In addition to the paid holidays in the National Agreement, the following non-paid holiday shall be observed – President's Day.

SECTION IX TRANSFER AGREEMENT

It is agreed that the Company may move or transfer any employee on a permanent basis to or from the primaries and sub-primaries providing that the following are complied with:

- 1. The Company shall pay the employee the prevailing per diem rate (\$73.545 per day. Revised 1/1/2014) until he/she has established a permanent residence. The per diem shall be for a period not to exceed eight weeks.
- 2. In addition, the Company shall pay reasonable moving expenses for the employee's household effects. This move or transfer to another primary shall be predicated upon one year's employment.
- 3. Should the Company request the employee to relocate within that one year period, the Company shall pay retroactive per diem expenses to the employee for the time spent in the new primary.

This shall not apply in the event the employee is discharged for cause in accordance with the provisions of Article XXII, Par. 4(e).

SECTION X. LENGTH OF AGREEMENT

This agreement shall be effective on May 14, 1999 and will continue as long as satisfactory to both parties. Sixty (60) days written notice of a desire to change the agreement shall be given by either party and such written notice shall constitute cause for a meeting of the parties.

For Otis Elevator Company: For IUEC Local No. 18: