

Schindler Elevator Corporation

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Dear Jim:

The union alleges that Schindler Elevator Corporation (SEC) is violating the collective bargaining agreement when nutserts are installed in doors in their factory for the installation of door closer devices, gibs, sight guards and fire stop before such doors are shipped to the jobsite.

SEC does not agree that it is violating the collective bargaining agreement by installing nutserts in their factory. However, SEC is desirous of maintaining labor harmony with the union and has agreed to the following with respect to the installation of nutserts in doors:

1. SEC will stop using nutserts for gibs, door closer devices and sight guards and will instead use "U" clips for gibs and door closer devices that will be installed by SEC's IUEC employees at the jobsite. A slot will be made in the door by the factory to accommodate the "U" clip. Sight guards will be installed by SEC's IUEC employees utilizing an alternative fastener (self tapping screws or a nut and bolt)
2. SEC will stop installing nutserts in the factory for the installation of the fire stop. Holes to receive nutserts will be made in the factory for the installation of the fire stop. Nutserts and fire stop will be installed in the field by SEC's IUEC employees utilizing a specialized tool that employees will be required to purchase.
3. SEC agrees that these changes will occur in the field on or about December 1, 2005.
4. SEC agrees to pay \$100 to the Elevator Constructor Annuity Fund account for each employee engaged in new installation work as of August 22, 2005. SEC will furnish a list of the names of the employees for whom such payments are made to the union.

SEC agrees that any settlement made prior to this agreement will not be disturbed, however this agreement resolves all matters arising from the union's claim and all outstanding and unresolved grievances concerning the factory installation of nutserts as described herein.

AGREED:

Michael Shields
Manager

James H. Chapman, Jr.
Assistant General President