

December 20, 2004

LOCAL UNIONS AND REGIONAL DIRECTORS

Re: Barricade Agreement

Dear Brothers and Sisters:

Enclosed is a copy of the settlement with several companies regarding barricades and is self-explanatory.

With best wishes, I remain

Fraternally yours,

James H. Chapman, Jr.

Assistant to the General President

JHC/mrg

Encl.

We are very pleased to announce that we have reached agreement with several of the major national companies over the development and deployment of an enhanced barricade that should provide greater protection for our members performing service and maintenance on escalators. Otis, KONE, Schindler and Mitsubishi all have agreed to use a barricade that is 42" high (unlike many currently in use). In addition, the barricade will be secured through attachment to the escalator floor plate or to the unit by suction cup or chain attachment, or in some other fashion. The companies have agreed to begin implementation by July 1, 2004.

We also wish to further advise you on the matter of escalator maintenance. Following the recent contract negotiations, the issue of whether one man could safely service escalators surfaced throughout the country. Based on the IUEC's concern for employee safety, and to prevent back and other injuries to our members, we recommended that a second employee should be requested whenever an employee has to get inside an escalator unit to pull a step. Our recommendation was intended to emphasize the risks that may exist in this work, particularly in areas of public access when an escalator is being serviced, not to suggest that a second man was required for escalator maintenance in all cases regardless of safety. Unfortunately, our recommendation may not have been interpreted correctly in some areas, and some members may have been refusing to service escalators alone regardless of safety concerns. The IUEC's main interest has always been the safety of its members and the adequacy of the barricades that are being used in the field. The agreement recently reached with these employers will go a long way in eliminating our concerns. At the same time, we want to re-emphasize to you the importance of using lock out, tag out procedures in performing escalator work, particularly when anyone has to get inside the unit.

Under the new agreement, Repair Work in Article VIII, Paragraph 2 was changed to read:

All escalator and moving walk repair work must be done by a team (Exception: Article IX, Contract Service Work, callback and examination may be done by one person if there is no factor of safety.)

All other language in Article VIII remains unchanged. When escalators are prepared and/or disassembled for cleaning, oiling, greasing, adjusting and minor replacement, this work shall not be considered as repair work unless the escalator is prepared and/or disassembled primary for replacement and/or repairs.

If you have concerns over safety in the escalator maintenance procedure, including the adequacy of barricades, you should call your supervisor for assistance and you will get help. Advise the local union of any such situations. There will be no retaliation against any employee who follows these instructions.

## **GRIEVANCE SETTLEMENT**

This Letter Agreement will confirm that the International Union of Elevator Constructors ("IUEC") and KONE Inc., Schindler Elevator Corporation, Otis Elevator Company and Mitsubishi Electric & Electronics USA, Inc. (hereinafter the "Companies") have settled all grievances and unfair labor practice charges in any way related to arbitration case AAA Case # 51 300 00883 03 upon the following terms:

1. The Companies agree to develop a new barricade for use during escalator/walkway repair or service work ("New Barricade") that is 42" high.

2. The Companies agree that the New Barricade will be securely fastened at both ends of the unit to restrict nonauthorized entry through the following or similar means (attachment to the escalator floor plate, attachment to the unit by suction cup or chain attachments, attachment to unit by handrail grabs or other similar devices).
3. The IUEC agrees that the New Barricade will not be required to meet any other specific design standard, so long as it meets the intent of paragraphs No. 1 and 2 above.
4. The IUEC and the Companies agree that the Companies will begin implementation of the New Barricade by July 1, 2004 and complete implementation of the New Barricade by February 1, 2005.
5. The IUEC agrees to send a Notice to all of its members, the text of which is set forth in Attachment A.
6. The IUEC and the Companies agree that arbitration case AAA Case # 51 300 00883 03 and related unfair labor practice charges will be withdrawn and considered resolved.
7. The Companies and IUEC agree that Arbitrator Steven Briggs may retain jurisdiction to arbitrate disputes over the interpretation of this Grievance Settlement.

Dated. January 12, 2004

INTERNATIONAL UNION OF ELEVATOR

CONSTRUCTORS

By: \_\_\_\_\_

Dated: January 12, 2004

KONE INC.

By: \_\_\_\_\_

Its Duly Authorized Agent

Dated: January 12, 2004

SCHINDLER ELEVATOR  
CORPORATION

By: \_\_\_\_\_

Its Duly Authorized Agent

Dated: January 12, 2004

OTIS ELEVATOR COMPANY

By: \_\_\_\_\_

Its Duly Authorized Agent

Dated: January 12, 2004

MITSUBISHI ELECTRIC &  
ELECTRONICS USA, INC.

By: \_\_\_\_\_

Its Duly Authorized Agent