

equal number of representatives of the Employer and the Union for the sole and exclusive benefit of the employees of such Employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents): Provide that (A), such payments shall be held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families and dependents, for medical, dental, or hospital care, pension or retirement of employees or life insurance or insurance to provide any of the foregoing; (B), the detailed basis on which such payments are to be made shall be specified in a written agreement with the Employer, and employees and Employer are equally represented in the administration of such fund. In the event the Employer and Employee trustees deadlock on the administration of such fund Sam Kagel shall, acting as arbitrator, decide such dispute and his decision shall be final and binding. If Sam Kagel is unable to serve then an arbitrator shall be selected from a list of five names supplied by the California State Conciliation Service.

The Agreement between the parties shall also provide for an annual audit of the trust fund by a Certified Public Accountant, a statement of the results of which shall be available for inspection by interested persons at the principal office of the Trust Fund. If payments are intended to be used for the purpose of providing pensions for employees then such payments shall be made to a separate trust which provides that the funds held therein cannot be used for any purpose other than paying such pensions.

* * * SECTION 36—UNEMPLOYMENT INSURANCE

(a) The Employer, to the extent that he is not covered by the compulsory provisions of the California Unemployment Insurance Act, shall file with the California Employment Commission a written election that all employment in the units covered by this Agreement shall be deemed to be employment for all of the purposes of the Act and upon approval by the Commission of such election the Employer will make payments and deductions provided for under the Act.

(b) If the California Employment Commission does not approve the coverage requested then the amount of the Employer's monthly contribution which would be payable initially under the Act for each covered employee shall be paid monthly into the Special Benefits Fund provided for in Section 35, and such payments shall be retroactive to and commence as of April 3, 1967.

SECTION 37—GRIEVANCE PROCEDURE

(a) The parties to this Agreement agree that as to all differences, misunderstandings, or disputes which arise between the Employer and the Union out of the interpretation or application of this Agreement, including but not limited to discharges, and wages, an earnest effort shall be made to settle same immediately, as follows:

(b) *First Step:* Within 24 hours of notice from one party to the other, the matter shall be taken up between the immediate supervisor, representing the Company and the Union steward, and they shall use their best good faith efforts to resolve the grievance.

(c) *Second Step:* In the event they are unable to adjust the dispute within one work day, the matter shall then be taken up by an official of the Union and the Branch Personnel Manager of the Employer.

(d) *Third Step:* If there be no settlement between the above-mentioned parties within two work days, the matter shall be taken up by the Employer's district or local Personnel Manager and a District Officer of the Union.

(e) *Fourth Step:* In the event that these parties cannot resolve the dispute within five working days, the matter shall be submitted to an impartial arbitrator for a decision which shall be final and binding on all parties. The said impartial arbitrator shall be Sam Kagel. In the event that Sam Kagel shall not be available, then an arbitrator shall be selected from a list of five persons submitted to the parties by the California Conciliation Service.

(f) *Grievance Committee:* A grievance committee of five (5) workers shall be established by the Union which may participate in any step of the grievance.

(g) *Harmonious Working Relations:* Any claim by Union that action on the job of any non-bargaining unit employee is disrupting harmonious working relations may be taken up as a grievance.