

SECTION 6. BOND REQUIREMENT Each Employer shall be required to obtain, maintain in full force and effect and keep on file with the Union a bond to secure all wages and fringe benefits in accordance with Appendix “B”, required of the Employer by this Agreement pursuant to the following schedule

Number of Employees	Amount of Bond
0 to 5	\$20,000
6 to 15	\$40,000
16 to 29	\$60,000
Over 30	\$75,000

The Employer’s average number of employees covered by this Agreement during the preceding three (3) months shall be used to determine the number of employees for purposes of computing the amount of the bond. If an Employer is required to furnish a larger bond, the Union shall notify the Employer in writing of said matter and the Employer shall provide the larger bond within thirty (30) days after it receives said written notification from the Union.

Each Employer will obtain the bond required by this Section with a minimum rating of B+ according to the Best or Moody rating service. The rate or cost of the required bond will be determined by such broker, but in no case will the cost be more than that quoted by another broker for a comparable bond. If any bond provided by an Employer does not meet these requirements, the Union shall notify the Employer in writing of said matter and the Employer shall provide a bond that meets these requirements within thirty (30) days after it receives said written notification from the Union.

In lieu of such bond, the Employer may obtain a bank irrevocable letter of credit to secure such obligations in such forms and on such terms as determined by the Union. This letter of credit shall be held in the Union’s possession.

In the event of an Employer’s failure to secure the required bond or irrevocable Letter of Credit, an authorized agent of the Employer must sign an agreement to be jointly and severally liable along with the company for all wages and fringe benefits that become due. In the event of an Employer’s failure to comply with the obligations imposed by this Section, the Union shall have the right to withdraw its members from the employ of, to picket and/or to use other lawful economic means against such Employer in order to compel compliance herewith. Such withdrawal of employees, picketing or other lawful economic actions shall not be considered a violation of this Agreement on the part of the Union and shall not be subject to arbitration. In no event will members of the Union be permitted to work for an Employer who does not fulfill the requirements and obligations set

forth in this Section.

Further, an Employer who fails to comply with the obligation imposed by this Section shall also be liable to the employees, Union, Trust Funds and other entities, as the case may be, for the payment of liquidated damages in the amount(s) equal to the monetary obligation(s) due and owing them or any of them which the bond or letter of credit required by this Section are designed to secure. The Joint Arbitration Board shall have the power to award such liquidated damages in any proceeding before it which involves a violation of this Section, and such liquidated damages shall be in addition to any and all remedies available for violations of any other provision of this Agreement or under any laws of the state of Illinois or the United States.