

Exhibit E

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SMACNA Membership Benefits*



SMACNA is a trade association and an association is made up of people. Association people join together to concentrate their collective efforts on the needs and problems of an industry, society, or cause. By uniting, they combine their talents and resources to address and satisfy needs and seek resolution to problems that they are unable to satisfactorily address individually. By joining together they are able to consolidate their influence and power to affect change. This collective power can be effective in a variety of ways. The most common application of this collective influence for construction associations is in the area of labor relations, most notably collective bargaining and unity, for the express purpose of achieving equitable employment conditions. But the same unity can be used to affect positive impact in business management educational endeavors; legislative influence; industry regulatory conditions, such as code requirements, project specification development, and installation procedures. The application of this collective influence can be initiated at the local, state, regional, national, and international levels. The potential for positive impact in all of these areas and at all of these levels of influence is awesome.

By coming together to form a local sheet metal contractors association you start down the path of building a power base to influence the environment in which each of you conducts business. In affiliating as a Chapter of SMACNA, you expand your power base to the national level. The flow of power or potential influence runs both ways ... you increase the power base of SMACNA and SMACNA provides you with expanded power influencers.

Membership in SMACNA is by firm and is voluntary. The member firms have one common element, they utilize sheet metal and/or sheet metal products in the services they provide. The firms that comprise the membership of SMACNA are diverse; ranging from contractors that fabricate and install environmental systems in buildings to contractors that manufacture specialty metal products, including specialty operations ranging from food service equipment manufacturers to HVAC testing and balancing contractors.

But, beyond the esoteric benefit of potential industry influence, what more direct benefit does a company derive from affiliation? Are there specific benefits that accrue to a sheet metal contracting firm by joining a chapter and SMACNA? The answer is YES.

Some General Member Benefits

- Direct access to accepted industry technical standards at considerably reduced prices;
- The opportunity to become a contributor to the development and/or revision of such standards;

* U.S. and Canadian Contractors

- The opportunity to participate in many educational programs directed at business management, industry technical expertise, and personal growth; programming presented by industry-acclaimed professionals;
- A direct link to the Sheet Metal Workers' International Association [SMWIA] leadership through the SMACNA Labor Relations Department;
- Labor issue consultation through the SMACNA Labor Relations Department;
- Contractor advocacy in grievance processing and labor negotiations through the SMACNA Labor Relations Department; and
- The opportunity to meet with and exchange ideas with fellow contractors from around the globe. While SMACNA does not directly implement peer groups, we will assist in putting members in touch with other interested members.

A great deal of these benefits today are available electronically through our Web site at www.smacna.org. We encourage use of our site. The services and information available there are growing daily.

More Benefit Specifics

Many of the valuable member benefits result from the alliance of businessmen and businesswomen joining together to develop and expand their influential power base to improve industry conditions beyond the ability of a single contractor acting alone. As a result, a large number of the achieved benefits are both intangible and communal in nature, impacting the industry as a whole by improving the business environment for all of the participants. For example, SMACNA has been able to develop uniform fabrication and installation standards that are accepted, adopted, and specified by the design community. Professionals, such as architects and engineers, routinely issue specifications for sheet metal products and systems that require conformance with SMACNA technical standards. And **YOU**, the sheet metal contractor through your affiliation and participation in SMACNA, develop those standards. As a member of SMACNA you receive a copy of all of these industry standards *free* of charge; and if you require additional copies as SMACNA members they are available at substantially reduced cost over the non-SMACNA contractor.

SMACNA National is in a variety of ways constantly and continuously promoting the use of these standards with the professional design community, building owners, awarding authorities, enforcement authorities, government officials and agencies, etc. These efforts result in uniformity and standardization within the industry, which ultimately benefit the total industry, but **YOU**, the SMACNA contractor, have an additional advantage not only from an economic standpoint, but you also have the *opportunity to influence* and *participate* in the development and writing of the standards, something your non-member competitor will never achieve.

Such communal benefits exist other than the technical area; they can be found in educational programming, legislative influence, labor relations, and peer communications.

In addition to these broad universal benefits SMACNA members and Chapters have a number of additional and more direct benefits of which they may take advantage. These include:

1. SMACNA Market Sector Councils.

SMACNA's Market Sector Councils are charged with providing high quality programs and services that address specific concerns of SMACNA members. Each Council identifies and responds to issues and trends impacting members' businesses, markets and profitability in distinct market disciplines. Councils are responsible for establishing liaisons with industry groups aimed at increasing Council members' market visibility. These are:

- Architectural Sheet Metal (including Custom Fabricating and Manufacturing)
- Industrial Sheet Metal
- Residential Heating and Cooling
- Commercial HVAC (including Service and Duct Manufacturing)

2. Business Management Services

SMACNA offers a number of services designed to enhance the business management skills and tools of the sheet metal contractor. They include:

Financial Survey – The survey compares the financial performance of sheet metal contractors across the nation. The data and ratios provide benchmarks against which contractors can measure their company in comparison with other companies in similar financial and specialty areas. Contractors that participate in the survey obtain one gratis copy of the report; non-participants may purchase a copy.

Business Management University & Graduate Programs

The Business Management University and Graduate Programs are designed specifically for future managers and owners of SMACNA member companies. The Programs give participants the opportunity to network with their peers while learning the necessary elements of running a sheet metal contracting business.

Chapter Education Programs – SMACNA offers a comprehensive list of training programs for chapters to conduct locally. Current programs are listed on SMACNA's Web site at <http://www.smacna.org/members/courses/>. These programs are instructed by professional speakers and university professors. New programs are added each year.

3. Safety Programs

SMACNA offers a number of products and services to the membership designed to assist the contractor in implementing a successful safety and health program for their employees. Safety and health publications and products include a variety of brochures, manuals, and DVDs on topics related to industry issues including toolbox talks and vehicle safety information cards. Services offered to members include training courses for supervisors and OSHA compliance assistance.

The annual SMACNA Safety Statistics Evaluation and Awards Program (SSEAP) is a great tool to gather industry data and recognize contractors with superior safety programs. The collected data is made available to members through publication of the annual *Safety Profile*. Winners of the safety awards receive trophies and public recognition at the SMACNA Convention.

4. Labor Relations Services

SMACNA's Labor Relations Department provides information, assistance and a number of services to the SMACNA membership. They include:

Labor Report – issued six times per year, this report offers both a national and regional perspective to assist in local labor-management relations by providing information on bargaining trends, court decisions, and legislation affecting the labor relations climate in the sheet metal industry.

Collective Bargaining Orientation – held every February is designed to provide bargainers with advice on preparing for bargaining, and a comprehensive discussion on the legal framework for bargaining. The orientation also includes an update on industry trends and bargaining settlements.

Mutual Gains Bargaining Seminar – a training program designed to increase the ability for labor and management to negotiate more effectively through a problem solving approach as opposed to confrontation. Participation in the seminar requires representation from both the local management and labor negotiating teams.

SMACNA/SMWIA Joint Labor Management Partnership Conference – a conference for representatives from both labor and management to openly discuss current issues confronting the union sheet metal industry. An opportunity for both labor and management to address issues and seek solutions to factors that impact on market share.

Grievance Administration – SMACNA offers assistance in utilizing the provisions of Article X of the SFUA in settling grievances that from time to time arise in the application of the collective bargaining agreement. This procedure is designed to achieve amicable settlement of grievances without a work stoppage.

Annual Bargainer's Mailing – distributed annually to chapters entering negotiations. The mailing includes information on healthcare cost projections, updated wage and fringe information, FMCS information including filing requirements, and information of collective bargaining contract clauses utilized within the industry.

Davis-Bacon Issues – the Labor Department routinely keeps chapters informed of prevailing wage surveys scheduled for their area and stresses the need for contractor participation in the process.

Labor Bulletins – are sent out via e-mail from time-to-time to keep chapters up-to-date on what is happening in the industry, particularly when it pertains to contract negotiations. For example, as we receive new collective bargaining settlements we immediately forward the terms of the contract to all other local chapters that are bargaining.

Wage and Fringe Manual – is updated approximately every three months, tracks wage and fringe information for 101 areas and includes regional and national wage averages. The manual also tracks four topics: classified workers, pre-apprentices, Article 10, Section 8 and the integrity clause.

5. Technical Services

The SMACNA Technical Resources Department provides a wide variety of services to the SMACNA membership, including technical seminars conducted at the local chapter level on the various SMACNA technical standards; professional assistance with interpretations/applications of SMACNA technical standards; updates on new and revised technical standards; industry updates on building codes and technical activities impacting the SMACNA membership; and technical papers issued on matters impacting SMACNA members (these are available on the SMACNA Web site).

SMACNA membership also provides the opportunity to interact on various technical committees and task forces in the development of SMACNA technical standards.

6. SMACNA Annual Convention

SMACNA conducts an annual convention and business meeting. The convention includes a variety of educational sessions, social events, and informational forums. Information on this year's convention can be found on SMACNA's Web site.

7. SMACNA Web Site

SMACNA's Web site address is *www.smacna.org*. SMACNA continues to enhance the information and services available through the Web site. The site is a significant resource for the sheet metal industry. One of the top 50 pages visited is the Convention Sponsorship page.

8. Chapter Visitation

The Board Liaison Program is an opportunity to establish a direct communications link between the SMACNA leadership and local chapters. This program has great potential for the enhancement of information exchange and all participants are encouraged to utilize the program to the fullest extent possible. Each SMACNA officer and director is assigned liaison responsibility for a number of SMACNA chapters. The Board member is encouraged to establish regular communication with the chapters for the purpose of enhancing the exchange of information; identification of trends, problems, and concerns; promotion of SMACNA programs and services; and implementation of SMACNA policies. Chapters are requested to invite Board Liaisons to attend meetings of their organization. SMACNA encourages chapters and state associations to provide time on their meeting agenda for the Board Liaison to address those attending the meeting.

Two additional industry efforts are the **SMACNA Testing & Research Institute** and the **New Horizons Foundation**. While these organizations are independent of SMACNA, they do represent a potential source of information and services for SMACNA members and the sheet metal industry.

SMACNA Testing & Research Institute

Architects, engineers and building owners are more focused and concerned about quality than ever before. With increased reliance by the engineering/design community on industry standards, coupled with the growing impact codes are having on construction installations, the need for an impartial testing and research organization and the verification of product performance is quite evident.

The SMACNA Testing & Research Institute meets that industry need by overseeing the creation of valuable test data that can raise the comfort level of engineers, building owners and contractors that the materials being installed are of the highest caliber and meet appropriate specifications.

In addition, the SMACNA Testing & Research Institute permits the testing of proprietary products. Verification of manufacturers' published performance characteristics for proprietary products is something the industry has needed for years.

The Institute was created to educate and assure architects, engineers and building owners as well as the general public that all sheet metal products are manufactured and/or constructed to perform to credible industry standards.

The Institute is also dedicated to introducing and/or transferring new technology from the research phase to real world circumstances. The Institute will also apply new technologies to existing standards to promote a continuing commitment to quality construction.

The focus is on increased applied research and testing, rather than theoretical. The Institute encourages the practical application of new technologies and enables the industry to capitalize on emerging technologies.

New Horizons Foundation

The New Horizon Foundation was established by SMACNA's Board of Directors in 2001. The Foundation's mandate is:

- To encourage career participation in the sheet metal industry;
- To develop key relationships with academic institutions and industry partners to analyze workforce-related trends; and
- To position sheet metal contractors as key participants in the construction process to better shape public perception.

To insure that the Foundation's direction complements SMACNA's goals and objectives, a twelve-person Board of Directors provides guidance.

The Board consists of SMACNA's executive committee and five members of the Summit Challenge Council. These individuals have contributed more than one hundred thousand dollars to the Foundation.

The Foundation is a significant source of new programs for SMACNA members. Such programs include:

- Achieving Greater Project Success and Profitability Through Pre-Construction Planning
- Channel Disruption by the Home Centers
- Creating a Learning Culture for HVAC and Sheet Metal Contractors
- How Listening to the Customer's Voice Can Increase Customer Loyalty
- Implementing Research Results
Guidelines for the New Horizons Foundation
- Investigating Interoperability Initiatives
- The Impact of an SMWIA Merger or Consolidation
- Attracting the Millennium Generation to the Sheet Metal and HVAC Industries

- Improving Profit Margins Through Comprehensive Identification, Evaluation and Mitigation of Contract Risk Factors
- Lean Production Principles
- Procurement Chain Management in the Construction Industry
- Quantification of the Effects of Schedule Compression on Labor Productivity
- Quantifying the Cumulative Impact of Change Orders on Sheet Metal Contractors
- The Future of Union Sheet Metal Construction
- Tool and Material Control Systems

In conclusion an analogy that one member applies to SMACNA, and I don't know if Forrest Gump influenced this contractor, but he describes SMACNA as a box of candy just loaded with goodies. But if you never pick any of the goodies out and eat them, they simply remain in the box unused. The same is true of the products and services in the "**SMACNA box.**" They only take on value when they are used. The products and services exist and are waiting for you to make use of them. The ultimate value of membership is directly related to involvement. While some benefits accrue to contractors simply by becoming a SMACNA member, the greatest and most rewarding benefit results from the contractor's involvement and participation both locally and nationally.