December 5, 2018

Dear Signatory Contractor,

The LMCI’s termination date (Dec. 13) is quickly approaching, and I wanted to take a moment to provide important recommendations for your LMCI contributions moving forward.

**Information about LMCI’s Termination**
The LMCI’s termination is a *national issue* and should have been resolved between FCA and the IUPAT. Unfortunately, that has not been the case. The Union Trustees have put pressure on local areas which has disrupted relationships between contractors and their local labor partners. FCA’s main objective is to continue providing our contractors with factual information on the LMCI termination and their contributions.

We encourage you to work with your District Councils and Local Unions to develop the best solution for your areas. FCA will continue our efforts to communicate with the IUPAT while doing our best to quickly eliminate the disruptions they caused through arbitration and legal actions.

**Recommendations for the LMCI Contributions: What Should You Do Now?**
As stated in previous communications regarding the LMCI contributions, the LMCI can no longer accept contractor contributions (for all hours worked) as of Dec. 14. Here are some suggestions of what you should do now regarding your LMCI contributions:

- **FCA recommends you notify the District Council or Local Union that you will cease making contributions for hours worked after Dec. 13, 2018.**

- **FCA recommends that you decline the execution of the Memorandum of Understanding from labor to move your LMCI contributions to the new “Labor Management Partnership.”**

- **FCA recommends you work in partnership with your local labor partner to escrow the LMCI contribution for all hours worked starting Dec. 14, 2018.** This will provide the time needed to work with your labor partner to identify the best solution for your area.

- If collaborating with your local labor representatives is not a viable option, please refer to the FCA Legal Counsel’s memorandum regarding the “Obligations of Contractors Upon Termination of the LMCI Trust Agreement” or contact the FCA office for further information.

- **If you want to direct your LMCI contractor contribution to a local Industry Promotion Fund for hours worked after Dec. 13, send a letter to your district council or local union.**

- **If you’re a contractor in an area not represented by a local association and you have not heard from your local labor partner, FCA recommends you stop paying your LMCI contribution for all hours worked after Dec. 13. You have no obligation to pay that contribution and should wait until your local labor representatives contact you to discuss.**

  **Note – Legal Memorandum and letter templates available at [www.finishingcontractors.org/contractorcontributions](http://www.finishingcontractors.org/contractorcontributions)**
**Future Collaboration with the IUPAT**

While we have a disagreement with the IUPAT on this issue, we believe labor and management working together is beneficial to our industry. As such, we will continue collaboration in several key areas:

- **FCA leadership remains committed to doing what is necessary to collaborate with the IUPAT on issues that are mutually beneficial to labor and management.**

- **FCA will continue appointing Employer Trustees to the International Painters and Allied Trades (IPAT) Pension Fund.** We remain committed to working professionally with the Union Trustees in the best interests of fund participants and beneficiaries. It is more important than ever for labor and management to have equal representation as we work on improving the fund’s health.

- **FCA will continue appointing Employer Trustees on the Finishing Trades Institute (FTI) International and working collectively with the Union Trustees in the best interests of that training fund.**

- **FCA will continue connecting the industry’s top manufacturers and suppliers with local training centers so they can provide free products and training to our current and future workforce.**

- **FCA will continue appointing contractors from all regions and trades to the IPAT Pension Fund and the FTI to ensure that all contractors’ interests are represented.**

**What’s Next for Your FCA**

For the past 21 years FCA has represented the interests of signatory contractors in the finishing trades throughout North America. During that time all signatory contractors (regardless of size, location or trade) have had the opportunity to be part of FCA’s decision-making process. **As FCA goes forward into the future, providing all contractors a voice in FCA’s decision-making will continue as a top priority.**

The FCA Board of Directors are excited about all of the contractor groups that have already committed their financial support to FCA moving forward. **If you haven’t committed yet, we’ll be touching base to discuss your support.**

As always, please contact the FCA office with any questions. You can find all the latest information regarding the LMCI Fund Termination at [www.finishingcontractors.org/contractorcontributions](http://www.finishingcontractors.org/contractorcontributions), and you can count on FCA to continue providing the latest, factual information you need to make the best decisions for your areas.

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