APPRENTICE SCHOLARSHIP LOAN AGREEMENT

The Minneapolis Electrical Joint Apprenticeship and Training Trust Fund ("Trust Fund") an employee and apprenticeship training trust fund sponsored by Local Union 292 of the International Brotherhood of Electrical Workers and Minneapolis Chapter NECA, and ____________________ ("Apprentice"), for the good and valuable consideration set forth, understand and agree as follows:

BACKGROUND

The Trust Fund is organized exclusively for educational purposes within the meaning of Internal Revenue Code 501(c)(3) and educates and trains apprentice and journeyman electricians by its Joint Apprenticeship and Training Committee ("JATC" or "Committee"); and

The Trust Fund, through its Committee, will expend significant sums of money for the training of the Apprentice in the specialized skills necessary for employment in the Electrical Industry, as that is defined in Paragraph 11; and

The amount expended by the Committee for Apprentice’s training will result in a substantial direct benefit, as well as a substantial indirect and intangible benefit, to the Apprentice. This training is valued, at a minimum, in the amount set forth in Paragraph 1 hereof (the "Scholarship Loan"); and

The Committee will grant a Scholarship Loan to the Apprentice in the amount set forth in Paragraph 1 hereof for the year of the Apprentice’s training set forth in Paragraph 2; and

The Scholarship Loan amount for the Apprentice’s subsequent years of training will be calculated on or around the anniversary date of this Agreement and a new Apprentice Scholarship Loan Agreement and Promissory Note for that amount will be supplied to Apprentice and the Apprentice agrees to promptly execute such new Agreement and Promissory Note and deliver them to the Committee; and

Apprentice hereby understands and agrees that the Apprentice assumes certain obligations arising out of the training provided to Apprentice by the Committee, including the obligation to repay the total of all Scholarship Loans made to the Apprentice by the Trust Fund for all years of training; and

The Apprentice will repay to the Trust Fund the Scholarship Loan set forth in Paragraph 1 hereof pursuant to the terms set forth in this Agreement and the Promissory Note, Exhibit 1, by either (1) cash payments, or (2) in-kind credits received for working in the Electrical Industry under the terms of collective bargaining agreements that provide for the payment of contributions by Apprentice’s employers to the Committee or to another Joint Apprenticeship and Training Committee sponsored by or affiliated with a local union of the IBEW.
AGREEMENT

1. **Scholarship Loan:**
   1) The cost of the Apprentice’s training, including but not limited to, necessary equipment, maintenance and cost of operating the training facility, instructors’ salaries (where applicable), and related materials, for the year of training covered by this Agreement is at least $__________;
   2) The amount of the Scholarship Loan for the one (1) school year of training covered by this Agreement is $__________; and
   3) The Apprentice will execute this Agreement and the Promissory Note in the amount of $__________ attached hereto as Exhibit 1, and deliver such executed Agreement and Promissory Note to the Committee prior to Apprentice’s participation in apprenticeship training in the term of training stated in Paragraph 2.

2. **Term of Training:** The Committee will provide training to the Apprentice hereby worth at least the amount of the Scholarship Loan during the training period ____________________.

3. **Subsequent Years of Training:** The Committee and the Apprentice hereby agree that the cost of the training, necessary equipment, maintenance and cost of operating the training facility, instructors’ salaries (where applicable), and related materials for each subsequent year of training shall be calculated by the Committee on or around the anniversary date of this Agreement. That calculation shall be the Scholarship Loan amount of a new Agreement and Promissory Note that the Apprentice shall execute and deliver to the Committee for that year of training. A separate Agreement and Promissory Note shall be signed for each year or term of apprenticeship training.

4. **Repayment of Scholarship Loan:** The Scholarship Loan will be repaid by the Apprentice in full either (1) in cash for the Net Amount Due, as set forth in the Promissory Note, Exhibit 1, hereto, or (2) by in-kind credits, as set forth in Paragraph 8 below and in the Promissory Note.

5. **Warranty of Apprentice:** The Apprentice agrees and warrants as a condition of receiving the Scholarship Loan that, both during the period of training provided for in this Agreement and upon completion of the training provided pursuant to this Agreement, the Apprentice will neither seek nor accept employment from an employer engaged in, nor become an employer or an owner of an employer engaged in, the Electrical Industry or perform any other work covered by the Constitution of the International Brotherhood of Electrical Workers, AFL-CIO, unless such employment is performed under the terms of collective bargaining agreement that provides for the payment of contributions by such employer to the Committee or to another Joint Apprenticeship and Training Committee sponsored by or affiliated with a local union of the IBEW. This warranty shall extend for the period that any Amount Due is owing under this Agreement and the Promissory Note.
6. **Breach of this Agreement:** It will constitute an immediate breach of this Agreement and a default requiring repayment of the Net Amount Due after demand under the Promissory Note, together with interest at the prime rate then prevailing or established by Great Northern Bank of St. Michael, Minnesota, from the date of the Promissory Note:

(A) if the Apprentice breaches the warranty in Paragraph 5 by accepting employment or working in the Electrical Industry for an employer, or becomes an employer or an owner of an employer who does not have a collective bargaining agreement which provides for the payment of contributions to the Committee or to another Joint Apprenticeship and Training Committee sponsored by or affiliated with a local union of the IBEW, and Apprentice shall then forfeit the right to receive further in-kind credit, and the Net Amount Due and then owing on this Apprentice Scholarship Loan Agreement and in the Promissory Note will, on written demand, become immediately due and payable, together with interest at the prime rate prevailing or established by Great Northern Bank on and from the date of the Promissory Note; or

(B) If during the Term of Training stated in Paragraph 2, Apprentice voluntarily terminates or quits apprenticeship training, or the apprenticeship is terminated by action of the Committee prior to its successful completion, then Apprentice shall forfeit the right to receive in-kind credit, and, unless otherwise determined by the Committee in its sole discretion, the Apprentice shall immediately, after the Committee’s written demand, repay in cash, the pro-rated portion of the Scholarship Loan amount stated in Paragraph 1 corresponding to the period of apprenticeship training received by Apprentice in the Term of Training stated in Paragraph 2.

7. **Repayment by In-Kind Credit:** An Apprentice, who works pursuant to a collective bargaining agreement for an Employer making payments to the Committee or to another Joint Apprenticeship and Training Committee sponsored by or affiliated with a local union of the IBEW, subsequent to Apprentice’s successful completion of the training provided for in this Agreement, shall receive an in-kind credit for each “journeyman working year” of such employment in accordance with the Repayment Schedule set forth in the Promissory Note attached hereto as Exhibit 1. The amount due the Committee for the Scholarship Loan will be reduced by such amount in accordance therewith. For purposes of this paragraph, a “journeyman working year” is hereby defined as 1600 hours of employment subsequent to Apprentice’s successful completion of apprenticeship training with an Employer(s) who make contributions on the Apprentice’s behalf to this Committee or to another Joint Apprenticeship and Training Committee sponsored by or affiliated with a local union of the IBEW. The total in-kind repayment obligation of the apprentice shall not exceed 8000 “journeyman working hours,” or 5 journeyman working years of employment with contributing employers in the Electrical Industry from the date of the completion of the Apprentice’s training, whichever shall occur first.

8. **Waiver of Breach:** An inadvertent breach of Paragraphs 6(A) or 6(B) of this Agreement by Apprentice may be waived in writing by the Committee if deemed excusable by the Committee in its sole discretion.
9. **Controversy or Claim:** Any controversy or claim between the Trust Fund or its Committee and Apprentice arising out of or relating to this Scholarship Loan Agreement or the Promissory Note, Exhibit 1, or the breach, default, or collection thereof, shall be decided by arbitration in Minneapolis, Minnesota, in accordance with the Commercial Arbitration Rules of the American Arbitration Association currently in effect and with the Federal Arbitration Act, Title 9 of the United States Code. Notice of any demand for arbitration shall be filed with the other party to this Agreement at that party’s address in Paragraph 10 and with the American Arbitration Association. The Arbitrator shall be empowered to enjoin any act or practice that violates the terms of this Agreement, to award any and all relief necessary to redress such violations or to enforce any of the terms of this Agreement, including awarding monetary damages for the Amount Due under the Promissory Note. Any monetary award in favor of the Trust Fund shall include pre-award interest at the prime interest rate than prevailing or established at Great Northern Bank of St. Michael, Minnesota, on and from the date of the Promissory Note. The Arbitrator shall also award to the prevailing party, if any, all of its costs and fees as determined by the Arbitrator. “Costs and fees” means all reasonable pre-award expenses of the arbitration, including the Arbitrator’s fees, American Arbitration Association filing and administrative fees, travel expenses, if any, costs of postage and copying, witness fees, and the prevailing party’s attorney’s fees.

10. **Notice:** All notices under this Agreement or demands under the Promissory Note will be sent to the Committee of the Trust Fund and Apprentice as follows:

   **APPRENTICE NAME**

   **ADDRESS**

   **CITY, STATE, ZIP**

   **TELEPHONE**

   **COMMITTEE OF THE TRUST FUND:**

   Joint Apprenticeship and Training Committee,
   The Minneapolis Electrical Joint Apprenticeship and Training Trust Fund
   13100 Frankfort Parkway
   St. Michael, Minnesota 55376

   The Apprentice hereby agrees to promptly notify the Committee of the Trust Fund of any change in the Apprentice’s address and telephone number after the Date of this Agreement.

11. **Electrical Industry** As used herein the term “Electrical Industry” means any and all types of work covered by collective bargaining agreements to which the International Brotherhood of Electrical Workers, AFL-CIO, and/or any affiliated I.B.E.W. Local Union are a party, or under the trade jurisdiction of the I.B.E.W. Constitution; or any other work to which an electrical worker has been assigned, referred or can perform by virtue of possessing the skills and training of a union electrical worker.
Signed and agreed to on this date: _____________________________.

By: _______________________________________________________

Apprentice

By: _______________________________________________________

Signature and Title Committee of the Minneapolis Electrical Joint Apprenticeship and Training Trust Fund
EXHIBIT 1
PROMISSORY NOTE FOR APPRENTICE SCHOLARSHIP LOAN AGREEMENT

SCHOLARSHIP LOAN AMOUNT ($__________)

I, _______________________________ (the “Apprentice” or “I”), hereby promise to pay to the MINNEAPOLIS JOINT APPRENTICESHIP AND TRAINING TRUST FUND (the “Trust Fund”), after written demand to Apprentice at the address below (or another address that Apprentice has notified the Committee of pursuant to Paragraph 10 of the Apprentice Scholarship Loan Agreement), a Scholarship Loan of $__________ (the “Loan Amount”) after Apprentice’s breach of the terms and provisions of Paragraph 6A or 6B of the Apprenticeship Scholarship Loan Agreement between the undersigned Apprentice and the Committee, dated the same date as this Promissory Note (the “Agreement”). That Loan Amount represents direct and indirect funds provided by the Committee of the Trust Fund for Apprentice’s apprenticeship training.

I also understand that the Loan Amount will be reduced, in accordance with Paragraph 7 of the Agreement, for every “journeyman working year” I work for an employer within the Electrical Industry who makes contributions, pursuant to a collective bargaining agreement, to the Committee or to another Joint Apprenticeship and Training Committee sponsored by or affiliated with a local union of the IBEW, as follows:

<table>
<thead>
<tr>
<th>Journeyman Years Worked</th>
<th>Percent of Total Red</th>
<th>Annual Amount Reduced</th>
<th>Cumulative Amount Reduced</th>
<th>Net Amount Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10%</td>
<td>$________</td>
<td>$________</td>
<td>$________</td>
</tr>
<tr>
<td>2</td>
<td>15%</td>
<td>$________</td>
<td>$________</td>
<td>$________</td>
</tr>
<tr>
<td>3</td>
<td>20%</td>
<td>$________</td>
<td>$________</td>
<td>$________</td>
</tr>
<tr>
<td>4</td>
<td>25%</td>
<td>$________</td>
<td>$________</td>
<td>$________</td>
</tr>
<tr>
<td>5</td>
<td>30%</td>
<td>$________</td>
<td>$________</td>
<td>$________</td>
</tr>
</tbody>
</table>

Any controversy or claim under this Promissory Note or the collection of this Promissory Note shall be decided by arbitration as provided in Paragraph 9 of the Agreement incorporated here by this reference to it. Apprentice agrees that, if arbitration or other action is required to collect this Promissory Note, Apprentice may be required to pay to the Trust Fund interest from the date below of this Promissory Note and the Trust Fund’s costs and fees defined in accordance with Paragraph 9 of the Agreement.

NAME: _______________________________ DATE: ________

ADDRESS: ______________________________________________

Apprentice Signature: ____________________________________