

IMPLEMENTATION OF ENHANCEMENTS AND OMBUDSMAN / LABOR MANAGEMENT COUNCIL / AUDIT PROCESS

The Metropolitan Pier and Exposition Authority (the “Authority”), the unions responsible for show work in McCormick Place and Navy Pier and the general contractors and exhibitor appointed contractors licensed to work in those buildings have agreed on a set of specific work rule changes designed to create direct, measurable savings for exhibitors at shows taking place in McCormick Place and Navy Pier. Those agreements and changes are set out in the Amended Labor Agreement effective July 1, 2005.

One of those agreements creates a Labor Management Council to oversee the implementation of those changes and an audit/ombudsman process to ensure that the savings resulting from those changes are duly and accurately passed on to exhibitors. This memorandum details the manner in which the Labor Management Council and the Audit Process are to work.

Changes Publicized

There shall be a coordinated effort among the Authority, show management and general and exhibitor appointed contractors and the Unions who work at McCormick Place to acquaint all exhibitors with the changes in detail. Print ads in industry publications, sponsorship of seminars at industry organizations, banners on home pages of web sites, exhibitor kits, and flyers available at service desks and/or distributed on the show floor shall all be utilized to ensure that each exhibitor knows of the changes and exactly what he or she can now expect to be different from the last time they exhibited at McCormick Place or Navy Pier.

Labor Management Council

The Labor Management Council shall meet on a regular basis with meetings occurring monthly during the first year of the operation of the agreement. The Council shall:

- Further refine the detailed changes called for in the Agreement as questions about their implementation arise from labor, management or the Authority’s labor coordinator.
- Review audits of exhibitor invoices performed under the audit process set out below. The Council at its discretion may also order the initiation of audits.
- Serve as a forum for discussion of further reforms as may from time to time be needed to maintain the competitive position of McCormick Place and Navy Pier.
- Retain a professional facilitator to enhance discussion and maximize understandings.

Audit Process

To ensure that the savings made possible by the rule changes contained in the Agreement are accurately passed on to exhibitors, an audit process has been created. To implement this process an auditor familiar with the working of the trade show industry shall be contracted for by the Authority after consultation with the members of the Labor Management Council.

For the first shows taking Place after the implementation of the changes called for in the Agreement, the Auditor shall audit a random sample of invoices presented to exhibitors by general and exhibitor appointed contractors for the purpose of determining whether the savings made possible by the changes are accurately passed on to the exhibitors.

Once the Labor Management Council and the Auditor conclude that a pattern of accurate invoicing under the changes has been established the Auditor shall determine a method of periodic sampling to confirm that such a pattern does not change.

At any time that a complaint is received from an exhibitor that his invoice does not properly reflect the revised work rules concerning overtime, exhibitor rights and reduced booth crew size, the Auditor shall take steps necessary to determine the accuracy of the complaint. Also the Labor Management Council can request audits of invoices at its discretion.

In the event it is determined that the value of changes have not been passed on to an exhibitor, penalties will be assessed. The Labor Management Council shall develop appropriate procedures for the assessment and payment of any such penalties.

Specific Audit Processes will be Applicable to the Following Areas Set Forth in the Agreement between the Authority and the Affected Unions:

- Overtime Window
- Booth Work Crew Size
- Exhibitor Rights