

101.8

PACIFIC GAS AND ELECTRIC COMPANY

EXECUTIVE OFFICE
VICE-PRESIDENT & GENERAL MANAGER

Employees' Information Bulletin #174

April 6, 1951.

To All Members of the P.G.&E. Family:

The following information is sent to you in order that you may be fully informed in regard to the military service policy of this Company.

A leave of absence for military service will be given to any employee who enters the armed forces under an Act of Congress which entitles him to re-employment. The services which have re-employment rights at the present time are:

- (a) Induction into the armed forces of the United States for training and service.
- (b) Enlistment in the armed forces of the United States or the Coast Guard (other than reserves) for not more than three years, if it is the employee's first enlistment subsequent to June 24, 1948.
- (c) Active duty (as distinguished from training) in the armed forces of the United States or the Coast Guard in response to an order or call to active duty, provided the employee is relieved from such active duty not later than three years after entry or as soon after that as he can obtain an order of release.

Leave of Absence for Military Service

If a regular or probationary employee leaves for any of the above services he will be given a leave of absence for military service for not to exceed one year. If an employee's military service extends beyond one year a further leave will be granted when he returns to employment, at which time he will be given a retroactive leave of absence to cover the absence beyond one year. In order to qualify for re-employment he must comply with the provisions of Federal law which confer re-employment rights.

Group Life Insurance Plan

The Company will pay an employee's group life insurance premium, as well as its own share, for the first three months of his absence on leave for military service. The group life insurance contract provides that insurance ceases three months after the date an employee goes on leave for military service. Upon return to the Company, group insurance will be continued, upon application.

-2-

Stock Purchase Plan

An employee stock subscriber who is absent on leave for military service may continue his monthly payments in cash as provided by his stock purchase subscription. He may at any time cancel his subscription and have his payments refunded with interest. He may defer his payments until July 1951 and at that time pay his subscription in full. If he does not cancel his subscription and does not complete his payments the Company will issue to him as of August 1, 1951 the maximum number of shares of stock which his prior payments and accrued interest will purchase, and will return any balance to him in cash.

Employee Rates for Gas and Electricity

An employee who is receiving gas and/or electricity at employee rates when he goes into military service on leave will have such rates continued during his absence.

Vacation

When an employee is granted a leave of absence for military service, he will be given an allowance for any vacation then accrued to his credit. The computation of such vacation allowance will be made in accordance with the established procedure.

Sick Leave

When an employee is absent on leave for military service he will accrue sick leave credit to the same extent as if he were in active Company service.

Retirement Plan

During the time an employee, who is a member of the Retirement Plan, is absent on leave for military service his rights in the Plan will continue in force, but contributions to the Plan by the Company and the employee will be suspended during his absence.

For any such employee who qualifies for re-employment, as provided above, and continues in the Company's service to his Normal or Optional Retirement Date, as defined in the Plan, the Company will purchase an amount of retirement annuity as of his retirement date which will provide him with the same amount of retirement income he would have accrued had he remained in continuous employment at the wage rate applicable to his last active employment instead of being absent on leave for military service. Purchase of such annuity by the Company will not affect the amount of the employee's contributions which are refundable in the event he terminates his service or dies prior to retirement.

N. R. SUTHERLAND.