

AGREEMENT

BETWEEN

Capax Group, Inc.

And

LOCAL UNION 1245

OF THE

INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, AFL-CIO



Term: May 6, 2020 through May 31, 2022

This Agreement is made and entered into this 6th day of May, 2020 by and between Capax Group, Inc., hereinafter referred to as the "Company" and Local Union 1245 of the International Brotherhood of Electrical Workers, AFL-CIO, hereinafter referred to as the "Union".

WITNESSETH THAT:

WHEREAS, the parties hereto desire to cooperate in establishing fair and equitable wages, hours, and working conditions for the employees hereafter designated, to facilitate the peaceful adjustment of differences that may from time to time arise between them and to promote harmony and efficiency to the end that Company, Union and other interested parties may benefit there from.

NOW, THEREFORE, the parties hereto do agree as follows:

**ARTICLE I
RECOGNITION**

1:1 For the purposes of collective bargaining with respect to rates of pay, wages, hours and other conditions of employment, the Company recognizes the Union as the exclusive representative of all employees of the Employer regularly employed in California performing line clearance tree trimming and vegetation control on the property of Pacific Gas and Electric Company, the Sacramento Municipal Utility District, the Merced Irrigation District, the City of Santa Clara, the City of Palo Alto, the City of Shasta Lake, Trinity County PUD, City of Redding, City of Roseville, City of Lodi and the Sierra West areas, but excluding office clerical employees, guards and supervisors as defined in the Act.

1:2 The Company is engaged in rendering service to a public utility which renders service to the public, and the Union and the Company recognize that there is an obligation on each party for the continuous rendition and availability of such services.

1:3 The duties performed by employees of the Company as part of their employment pertain to and are essential in operation of a public utility and the welfare of the public dependent thereon. During the term of this Agreement, the Union shall not call upon or authorize employees individually or collectively to cease or abstain from the performance of their duties for the Company, and the Company shall not cause any lockout.

1:4 Employees who are members of the Union shall perform loyal and efficient work and service, and shall use their influence and best efforts to protect the properties of the Company and its service to the public.

1:5 The Company and the Union support the principles of collective bargaining and self-organization and further, shall cooperate in promoting and advancing the mutual welfare of all concerned and in preserving the continuity of service to the public at all times.

1:6 It is the policy of Company and Union not to discriminate against any employee because of race, creed, sex, age, religion, color, disability, veteran status or national origin, as defined in any applicable federal and/or state law.

ARTICLE II
UNION SECURITY AND ACTIVITY – MANAGEMENT RIGHTS

2:1 (a) All employees covered by the terms of this Agreement shall be required to become and remain members of the Union or to pay an Agency Fee in lieu thereof as a condition of employment from and after the thirty-first (31st) day following the date of their employment, or the effective date of this Agreement, whichever is later.

(b) An employee who is or who becomes a member of the Union shall, as a condition of employment, maintain his membership in the Union.

(c) The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Employer for the purpose of complying with any of provision of this Article.

2:2 Company shall deduct from their wages and remit to the proper officers of Union, the membership dues of the members of Union as provided in Subsection 2:1 who individually and voluntarily authorize such deductions in writing. The form of check-off authorization shall be approved by Company and Union.

2:3 Upon written request from the Union, the Company shall within thirty-one (31) calendar days, terminate the employment of any employee who fails to comply with the requirements of this Article.

2:4 If any dispute arises under the provisions of this Article; it shall be adjudicated under the grievance procedure provided for in this Agreement.

2:5 Company and the Union shall not discriminate against any employee because of his membership in Union or his activity on behalf of Union.

2:6 The Business Manager of the Union and/or his representatives shall have access to the Company's properties during regular working hours for the purpose of transacting Union business. The Union shall furnish the Company with a list of such representatives who shall be furnished with proper identification. This privilege shall not be abuses by the Union, nor shall the Union interfere with normal work of the Company.

2:7 Company shall provide all new employees with appropriate membership application forms on the first day of employment. All materials necessary to accomplish the above including postage shall be furnished to the Company by the Union. Company will furnish the Union on a quarterly basis with the name, address and social security number of all new employees or those returning from an extended leave of absence (i.e., LTD, Family Medical Leave, etc.) covered by this Agreement.

2:8 Company shall permit Union members to put one approved Union decal not to exceed 2 inches in diameter on their hard hats.

2.9 Management Rights

(a) Except as expressly modified or restricted by a specific provision of this Agreement, all inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Employer, including but not limited to, the rights, in accordance with its discretion: to reprimand, suspend or discharge for just cause, or otherwise discipline employees for just cause; to determine and revise the number of employees to be employed; to hire employees, and assign and direct their work; to promote, demote, transfer, lay off, recall to work; to train, retrain, and to test and determine their ability; to set and revise standards of work quality; to determine and change the equipment to be used and operated; to determine and change the staffing methods, means, and facilities by which operations are conducted; to control, regulate, delete or change the use of machinery, facilities, equipment and other property of the Employer and operating procedures pertinent thereto with the Employer providing employee training and education on operation of any new machinery and equipment; to schedule and reschedule work, jobs, and assignments; to introduce new or revised equipment and/or service or services; to determine the number, location and operation of bargaining unit work; to establish and revise safety standards; to conduct performance reviews of employees; to issue, amend and revise policies, rules, regulations, and practices not inconsistent with the specific terms of this Agreement; and to assure continuous performance of the unit's work. The enumeration of the above Employer's prerogatives shall not be deemed to exclude its other prerogatives not herein listed in this section.

(b) The Company maintains certain reasonable policies and practices by necessity, since all employment is based on successful execution of customer contracts which specify high standards of workmanship, conduct, productivity and safety. Violations of such policies and standards by employees, which shall be cause for disciplinary action or discharge, include but are not limited to (a) failure to observe safety rules, (b) dishonesty, (c) repeated tardiness, (d) unexcused absence, (e) getting into altercations with, or using profane or abusive language to customers, property owners, and/or tenants and fellow employees during working hours, (f) gross carelessness in the performance of duties, (g) causing damage to Company equipment by carelessness or improper use, (h) unauthorized use of Company equipment, (i) use of alcoholic beverages or narcotics during working hours, and (j) falsifying records.

ARTICLE III HOURS AND OVERTIME

3:1 A workweek is defined as seven (7) consecutive calendar days, from Saturday midnight to Saturday midnight. The basic workweek shall consist of five (5) workdays of eight (8) hours each and shall begin Monday and run through Friday, except when a job other than for a public utility is to be done on Saturday, then the Company may assign another day as a non-workday and Saturdays becomes a workday in the basic workweek. An extended workweek shall begin at starting time Monday and continue until the next Monday starting time. The regular hours of work for all employees shall be from 7:00 a.m. to 3:30 p.m. with an unpaid meal period of thirty (30) minutes which normally will be from 12:00 noon to 12:30 p.m. provided, however, that the regular lunch period may be advance or delayed an hour or less when work must necessarily be performed during the regular lunch period. Such a change in the lunch period shall not be deemed to require the payment of overtime.

The regular hours of work may be changed by the Company at the request or direction of the public utility or governmental authorities, and by mutual agreement between the Company and the Union. The Company may change the start times by 30 minutes in either direction of the regular start time to meet the operational need without union approval. Such a change in the regular hours of work shall not be deemed to require the payment of overtime.

3:2 Employees shall report to work at pre-determined assembly points and shall return thereto at the conclusion of the day's work; and the time spent in traveling between such assembly points and the job site shall be considered as time worked.

3:3 Overtime and Recognized Holidays. All work performed outside of the regular scheduled working hours and on Saturdays, Sundays, and the following holidays: New Year's Day, Martin Luther King Day, Memorial Day, Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day and the Friday following, and Christmas Day, shall be paid for at double (2x) the regular straight-time rate of pay. Holidays (except for Veteran's Day and those listed in Section 11.1) falling on Saturdays and Sundays do not require the Employer to observe those holidays on a Friday or on Monday and the employees will not receive premium time compensation on those Fridays or Mondays.

3:4 Company shall not require employees who have been required to work overtime to take equivalent time off during a workday.

3:5 (a) Emergency Work: Employees who are required to report for emergency work on non-workdays, or outside of their regular hours of work on a scheduled workday or on holidays which they are entitled to have off, shall be paid overtime compensation for the actual work time and for travel time in connection therewith, but such travel time shall not exceed one-half (1/2) hour.

(b) Prearranged Overtime: When, at the request of the supervisor in charge, an employee reports for prearranged work (a) on workdays outside of his regular work hours, he shall be paid overtime compensation for actual work time; (b) on non-workdays or on holidays he shall be paid overtime compensation for actual work time. For the purpose of this section, prearranged work is deemed to be work for which advance notice has been given prior to the end of the employee's normal work hours on the preceding day.

3:6 Employees who report for work as provided in Section 3.5 (a) shall be paid a minimum of two (2) hours pay at the overtime rate. Employees who report for work provided under 3.5 (b) shall be paid a minimum of two (2) hours pay, at the overtime rate even if work is canceled for any reason. However, Company will not be required to pay overtime rate if the two (2) hour minimum goes into employees regular work hours on regular workdays.

3:7 Overtime work shall be distributed among employees in the same classification and in the same location as equally as is practicable.

3:8 The Employer may adopt a work schedule consisting of four (4), ten (10) hour days, Monday through Thursday or Tuesday through Friday at the straight time rate of pay with a thirty (30) minute unpaid meal period approximately half-way through the shift. Overtime shall be paid for hours worked outside of the scheduled hours. The Employer shall provide two weeks' notice of a four (4), ten (10) hour work schedule and shall be effective for a minimum of (3) three weeks. On weeks that include a holiday, the Employer may adopt a four (4) day, ten (10) hour schedule for a one-week minimum, provided proper notice was given.

It is understood that the four (4), ten (10) hour work schedule is intended to afford employees a three day weekend. If the Employer schedules additional ten (10) hour days during the workweek, the schedule will be considered to have eight (8) hours of straight time and two hours of double time each day.

ARTICLE IV INCLEMENT WEATHER

4:1 Employees who report for work on a workday or for prearranged work on a workday and are unable to work in the field because of inclement weather, heat or other causes, shall be paid for actual time worked, if any, but not less than two (2) hours at straight-time rates. Employees receiving subsistence as provided for in Section 5:2 shall continue to receive subsistence in addition to the amount provided for under this Section.

(a) The determination for laying off on an inclement day shall not be at the discretion of the Foreman and the employees shall work on such days unless specifically notified otherwise by Company Supervision.

4:2 Subject to approval of the General Foreman or Supervisor, those employees who, due to inclement weather or other excused absences were prevented from working forty (40) straight-time hours in a given workweek shall be permitted to work on a non-workday within the same workweek the number of hours necessary to total forty (40) straight-time hours for the week, but not to exceed eight (8) hours. Make-up time shall be voluntary and will be paid at the straight time rate of pay.

ARTICLE V EXPENSES

5:1 If Company requires an employee to work two and one-half (2 ½) hours beyond regular work hours on an eight-hour workday or prearranged eight-hour non-workday, and each succeeding five (5) hours thereafter, the employee shall be granted a meal period. Time taken to consume such meals (30 minutes per meal) shall be considered as time worked and paid at the appropriate rate therefore. On a four-day ten-hour schedule, employees will be granted a meal period after one (1) hour of overtime. Company may prearrange employees with 4/10 schedules for ten-hour shifts on non-workdays. Employees provide their own first meal on prearranged shifts. Company is required to provide meal periods on emergency call-out shifts.

(a) If Company requires an employee to perform emergency work on days starting two (2) hours or more before regular work hours and such employee continues to work into regular work hours, the employee shall be afforded a meal period for every five (5) hours thereafter.

5:2 Time spent traveling to such temporary jobs on the first day of the assignment and from the temporary job on the last day of the assignment shall be paid for by Company. Company agrees to provide lodging when the Company assigns employees over 100 miles from their regular assigned headquarters.

Temporary work as used in this Article shall mean any assignment away from their regular established headquarters lasting ninety (90) days or less.

For employees assigned to a temporary work location or assembly point more than sixty (60) miles away, the following sequence will be observed:

- (1) The most senior volunteers in appropriate classifications.
- (2) The least senior individuals in the appropriate classifications.

- (3) Individuals relocated to another temporary headquarters will not be moved again until other individuals in the base headquarters have been relocated temporarily at least once. A temporary headquarters change will consist of a minimum of 15 consecutive workdays for an individual prior to activating the rotation process. (Individuals can volunteer to remain in the temporary assignment for longer than fifteen days.)

5:3 In other than emergency situations, the Company shall give at least forty-eight (48) hours' notice to an employee who is to be sent out of town for temporary work, in order that the employee may have time to prepare for the trip.

5:4 It shall not be a condition of employment for an employee use their personal automobiles or vehicles for Company's convenience.

5:5 Employees who are requested by the Company to use their personal automobiles for Company's convenience shall be reimbursed therefore at the appropriate rate as determined by the IRS for the mileage reimbursement.

5:6 Per Diems. A flat rate of fifty dollars (\$50.00) per day shall be paid for each day worked. Ground persons and VC Tech I and II will be eligible for twenty-five dollars (\$25.00) per day. An employee must work four (4) hours, or until noon whichever is later, or more to be entitled to subsistence for the day.

The Company shall pay for reasonable lodging for all classifications when working more than 100 miles from their yard with no more than two people per room and one person per bed.

On an emergency, declared by the Customer, the Employer shall provide meals and lodging to employees after sixteen (16) hours worked.

ARTICLE VI SENIORITY

6:1 Seniority is defined as the length of continuous service with the Company. Continuity of service shall be deemed to be broken when (1) an employee is discharged for cause; (2) except as otherwise modified by Section 10:3, an employee voluntarily terminates employment or voluntarily takes a layoff; (3) an employee has been laid off for more than six (6) consecutive months; or (4) an employee has violated the provisions of Article VII, Section 7:6.

6:2 New employees within the bargaining unit will be probationary employees until they have been employed and actually worked within the bargaining unit for six (6) months (1040 hours) within any consecutive twelve (12) month period, and their seniority shall be adjusted accordingly. When employees complete six (6) months probationary period, their seniority date will be adjusted by moving their seniority date back six (6) months from the completion date. During the probationary period, Company may demote, lay off, discipline or terminate such employee and such action shall not be subject to the grievance procedure.

6:3 Any employee entering the Trimmer Trainee classification with one (1) year or less of seniority will be subject to a six (6) month classification probationary period. Company may demote, layoff or terminate such employee and such action will not be subject to the grievance procedure.

6:4 Company shall furnish the Union with a seniority list including wage rates and division location by General Foreman area of all employees covered by this Agreement and shall keep the Union advised of all deletions or corrections at three (3) month intervals upon a request from the Union.

6:5 Seniority shall be used as the basis for determining such benefits as transfer rights, protection against demotion and layoff, etc., as specifically set forth in this Agreement.

6:6 When the Company assumes a contract in an area where the work was formerly performed by another contractor signatory to Union, the following applies:

- (1) The Company will make a good faith effort to retain Union line clearance and vegetation control personnel who formerly worked the area.
- (2) With respect to employees who are hired within thirty (30) days of the Employer assuming a contract from another contractor:
 - a.) Employees who previously served a probationary period under a line clearance collective bargaining agreement shall be subject to a ninety (90) day probationary period with this Employer.
 - b.) Company agrees to place former employees of another contractor on the wage scale under this Agreement based upon the length of experience in the job classification the employee has with the other contractor. The Company reserves the right to require evidence of the wage rate paid to these employees by the other contractor.
 - c.) For purpose of determining unpaid vacation, the length of continuous union membership in Local 1245 will be used.
 - d.) For purposes of transfer, demotion, promotion and layoff, the Company seniority will be used.

6:7 The continuity of an employee's service shall not be broken by absence for any of the following reasons, and his Company seniority shall accrue for the period of any such absence.

(a) Induction, enlistment, or active duty in the Armed Forces of the United States, or service in the Merchant Marine, under any Act of Congress which provides that the employee is entitled to re-employment.

(b) Absence on Union business not requiring a leave of absence.

(c) Absence by reason of authorized leave of absence without pay. Written request must be sent to the Company office.

(d) Absence due temporary disability incurred on the job while working for the Company.

ARTICLE VII LEAVES OF ABSENCE

7:1 A leave of absence without pay may be granted to regular employees with six (6) months or more of continuous service for urgent, substantial reasons, provided adequate arrangements can be made to take care of the employee's duties without undue interference with the normal routine of work. A leave will not be granted if the purpose for which it is requested may lead to the employee's resignation.

The Company shall grant a leave of absence when required by the Family and Medical Leave Act. Claims to enforce such leave requests shall not be brought under the grievance and arbitration provisions of this Agreement.

7:2 A leave shall commence on and include the first workday on which an employee is absent and terminate with and include the workday preceding the day he or she returns to work. The employee shall be restored to employment on the termination of his or her leave of absence. If during an employee's leave of absence a reduction in forces was necessary, the restoration of the employee to active employment would depend upon the application of Article X.

7:3 Except as otherwise provided herein, an employee's seniority shall not accrue while he is on leave without pay. However, an employee's status as a regular employee shall not be impaired by a leave of absence.

7:4 Company shall at request of Union grant a leave of absence without pay for three (3) years or less to an employee who is appointed or elected to any office or position in the Union and whose services are required by the Union.

7:5 A leave of absence under the foregoing conditions shall be granted to an employee who enters the Armed Forces of the United States provided, however, that any such leave of absence and the reinstatement of any such employee shall be subject to the terms of any Act of Congress which provides for re-employment.

7:6 If an employee fails to return immediately on the expiration of his leave of absence, or if he accepts other employment while on leave, or if he makes an application for unemployment benefits while on leave, he shall thereby forfeit the leave of absence and terminate his employment with the Company.

(a) If any employee applies for unemployment compensation at any other time other than after layoff or discharge, he shall terminate his employment with the Company.

7:7 Any employee who is called upon to be absent from duty due to a death in his immediate family shall be excused, without pay, for a reasonable time, not to exceed three (3) days, in order to permit him to make arrangements for and to attend the funeral. "Immediate family", as used in this paragraph, means the employee's father, mother, son, daughter, brother, sister, husband, wife, grandmother, grandfather, and mother and father of the current spouse, step father, step mother, step son or step daughter. Upon prior notice, verification may be required by the Company. If more time is needed the employee may be permitted to utilize available vacation time.

ARTICLE VIII WAGES

8:1 The minimum wages to be paid employees of the Company covered by this Agreement shall be as set forth in Appendix A.

8:2

(a) Six-month wage steps shall be granted when the employee has worked at least nine hundred and fifty (950) hours and six (6) months since the last wage increase and the employee continues to make satisfactory progress in completing the Company's Line Clearance training program requirements. The Company agrees to make the line clearance training requirements available in the time specified for the Step.

(b) After six months at the 18-Month Climber Trainee rate, the Trainee shall be promoted to the Climber classification and wage rate upon successfully passing all the requirements of the Company Line Clearance Tree Trimmer Certification Program.

8:3 Definitions.

- a) Vegetation Control Technician (VC). The Company shall make Pre-inspection training available at least annually. Training shall be paid by the Company and offered equitably to all VC 3 employees. If a VC 3 employee applies and fails the Pre-inspection testing and desires to be tested a second time or more, the Company may require the employee to use employee's own time to retest. The Company agrees to apply this requirement equitably amongst all VC 3 employees. If any employee uses his/her own time, such time off will be considered an excused absence. The employee shall have the choice to apply their Floating Personal Days towards this testing day.
- b) Working Foreman: An employee who is in charge of a crew not more than five men including himself, engaged in line clearance work. (In the application of Article X, the Company need not consider the application for promotion to this classification from any employee having less than one year of experience in the Climber classification.)
- c) Journeyman Tree Trimmer is defined as: A person who has completed a minimum of 18 months of related training and on-the-job experience, is familiar with the special techniques and hazards involved in line clearance tree trimming operations and upon successfully passing all the requirements of the Company Line Clearance Tree Trimmer Certification Program.
- d) A line clearance tree trimmer trainee is a worker regularly assigned to a line clearance tree trimming crew who in the course of such training, has demonstrated the ability to perform the assigned duties safely at that level of training.
- e) A Specialized Tree Equipment Operator is one who is operating specialized tree equipment such as a right-of-way mower, Jarraff, etc.

8:4 Employees may elect to have their paycheck directly deposited into a bank account, or mailed (using the United States Postal Service regular First Class Mail) to them. The parties hereto strongly encourage employees to be paid by direct deposit.

If reports are received by Monday, all direct deposits will be placed electronically to the employee's bank no later than Friday (for the prior week's work). For employees that do not desire direct deposit, a good faith effort will be made to put paychecks in the U.S. Mail by Wednesday (for the prior week's work). For employees that choose direct deposit, a good faith effort will be made to put pay stubs in the U.S. Mail by Wednesday (for the prior week's work). The Employer may provide pay stubs electronically.

8:5 An employee shall be paid at the wage rate established for his/her classification. When an employee is temporarily assigned to work in a classification higher than his regular classification for four (4) hours or more during the day, he shall be paid no less than the minimum rate established for such classification for all time worked in the assigned classification.

When an employee is temporarily assigned to work in a classification higher than his regular classification for emergency call out work, he shall be paid no less than the minimum rate established for such classification for all time worked in the assigned classification.

8:6 When Climbers are hired, due consideration shall be given to their previous experience in work similar to that covered by this Agreement and they may be credited for the equivalent value of such experience in the Climber's wage schedule, as determined by the Company.

8:7 Company and Union may agree to additional classifications and/or revisions of existing classifications and wages with respect thereto during the term of this Agreement. When Company and Union reach agreement on the wage rate for the new classification and/or revised classification, it shall be retroactive to the date when the classification was first established or revised.

8:8 Company expects that in each step of the Climber Trainee Program, an employee performs certain job requirements for advancement. Company will evaluate, record and document the employee's job performance. The employee must also successfully complete any written examination associated with each step. The employee shall be advanced in the Trainee Program, once the employee as successfully completed all associated requirements (time in position, performance, driving, observance of safety rules, and testing).

The wage progression of an employee who is absent on a leave of absence without pay will be delayed by a period of time equivalent to such leave of absence.

ARTICLE IX PROMOTION AND TRANSFER

9:1 Employees may file requests, in writing, for promotion to the Working Foreman classification or for a transfer to a new location in their present classification with the Office of the Company. Whenever a vacancy occurs, the Company will, before filling such vacancy, first give consideration to such requests and the following factors being sufficient give preference on the basis of seniority.

(a) Company shall give consideration to applications for promotion and transfer to vacancies on the basis of seniority, ability, licenses, disciplinary history within the previous nine (9) months and qualifications.

9:2 Requests for promotion or transfer shall expire at the end of six (6) months from the time of receipt by Company unless the Company has within the six (6) month period, received a request for extension. If such request for promotion or transfer is offered and the employee refuses, the request becomes null and void and he/she shall resubmit his/her request no sooner than six (6) months after the original request.

9:3 Company may either promote a lower classification or transfer an employee in the same classification, if a job is not filled under Section 9:1.

9:4 Whenever a temporary vacancy occurs in any job classification, the Company may fill it by appointment. If practicable, the Company shall fill such vacancy with the senior qualified employee in the next lower classification within the headquarters. Temporary vacancies shall be those vacancies caused by the absence of an employee due to industrial injury, leave of absence, vacation or sick leave and additional jobs which the Company contemplates will be of ninety (90) days' duration or less.

9:5 Whenever the Company establishes a new headquarters or additional crews, employees within that geographical division shall be notified a sufficient time in advance to enable them to file a request for transfer or promotion to the new headquarters or crew. The Supervisor in the geographical area will notify the area Business Representative of new crew locations.

9:6 Employees who accept a promotion to a new headquarters will indicate in writing that he understands that acceptance of the promotion establishes him in a new permanent headquarters without lodging.

ARTICLE X DEMOTION AND LAYOFF

10:1 In the event reduction of forces or curtailment of operation shall occur, employees shall be laid off in the reverse order of their Company seniority in the area in which they are working at the time of the reduction. The application of this Section to an employee working temporarily in an area shall apply only to the extent that it affects him/her in his/her regular area.

10:2 An employee who has six (6) months or more of continuous Company service and whose job is being eliminated, may request to displace an employee with less seniority than his/her own in the following sequence:

- (a) the employee in the same classification in the District who has the least seniority;
- (b) the employee in the lower classification in the District who has the least seniority;
- (c) no employee may displace another employee who has greater Company seniority than his/her own.

10:3 If Company cannot effect a displacement in accordance with Section 10:2 or if an employee requests not to take a demotion as provided in Section 10:2(b), an employee who has one (1) year or more continuous service with the Company may elect to displace an employee with less seniority than his/her own in the following sequence:

(a) the employee in the same classification in the area *working for the same customer* who has the least seniority;

(b) no employee may displace another employee who has greater seniority than his/her own, except as provided in Article 10:3(c) below;

(c) Foremen and Climbers who possess a current commercial driver's license, and airbrake endorsement when required by the Company, may displace the next *senior employee in their classification (*this senior employee shall be the least senior of those employees in the same classification by District) who has no commercial driver's license and/or airbrake endorsement, if the vehicle of the crew being displaced requires an airbrake endorsement. In the event a Foreman is displaced subject to this Article, he/she shall be reclassified to the top climber classification. Foremen and climbers shall maintain all demotion and layoff rights to those crews consisting of vehicles they are licensed to operate.

10:4 The Company shall give employees whose jobs are eliminated as much notice as possible. Employees desiring to exercise the provisions of Section 10:2 or 10:3 shall give the Company notice of at least five (5) workdays.

10:5 If in the application of the provisions of this Article an employee in a classification which, in the normal line of progression, is higher than an Trainee classification can effect a displacement in such classification, the former shall not take such Trainee classification but shall be given the rate of classification next higher thereto.

ARTICLE XI HOLIDAYS

11:1 Effective January 1, 2020 through December 31, 2021, employees with six (6) months seniority who have met the working attendance requirement (see below), shall be entitled to have the following holidays off with eight (8) hours pay when they fall on a workday. Effective January 1, 2022, these holidays will no longer be paid, unless worked.

New Year's Day (January 1)
Independence Day (July 4)
Labor Day (1st Monday in September)
Thanksgiving Day (4th Thursday in November)
Christmas Day (December 25)

The working attendance requirement is defined as an employee who works every day he/she is scheduled to work during the week each holiday falls including the workday before and the workday after each holiday.

An employee may be excused from the working requirement if the employee contacts their Supervisor at least ninety (90) minutes before their scheduled workday and has a verified doctor's excuse when they return to work. If attempts to reach the Supervisor are unsuccessful, the employee shall contact the Company office, subject to the above conditions.

11:2 When any of the above holidays falls on a Sunday, the Monday following shall be observed as the holiday.

11:3 When any of the holidays falls on a Saturday, another agreed to day will be observed as the holiday.

11:4 Notwithstanding Section 11:1, employee may be required to work on the above designated holidays which fall on their workdays.

11:5 Effective January 1st of each year, employees will be eligible for forty (40) hours of floating personal days. These floating days may be used to pay for time off on one of the recognized holidays not already covered under Section 11.1, for purposes of sick leave or for personal absence with advance permission from a Supervisor. New employees will be eligible for forty (40) hours upon completion of ninety (90) days of service.

ARTICLE XII VACATIONS

12:1 Employees will be eligible for unpaid vacation based upon the following schedule:

After 1 year:	5 days
After 2 years:	10 days
After 10 years:	15 days

12:2 An employee shall be allowed up to three (3) excused absence days per year, to be taken one (1) day at a time, for emergency situations. An employee must use a floating personal day, if they have it, to compensate for the emergency day off. In either case, the employee shall notify their Supervisor prior to the scheduled workday. If the attempt to contact the Supervisor is unsuccessful, the employee shall notify the Company Office at least ninety (90) minutes prior to the start of the scheduled workday. The employee must provide documentation to substantiate the emergency or attest to the reason.

12:3 Vacation arrangements must be scheduled with the employee's immediate supervisor. Vacation shall not be cumulative from year to year but must be taken in the year in which it is due. In case of conflict over scheduling of employee's vacation periods, seniority shall be the determining factor (except as specified below). If vacation is pre-approved in writing by the supervisor no less than 30 days or more than 60 days prior to the dates (s) requested off, such vacation can't be revoked and seniority would not be the determining factor.

12:4 Employees will be permitted their choice of vacation time on a seniority basis. If it can do so without interfering with the work in progress, Company shall permit vacation at any time during the calendar year.

**ARTICLE XIII
SAFETY**

13:1 The Company and the Union recognize that there is a common interest in safety on the job and agree to cooperate in the development and promotion of this common interest.

13:2 Company reserves the right to draft reasonable safety rules for employees and to insist on the observance of such rules. A copy of the rules will be furnished to the Union.

13:3 Company shall hold safety first aid meetings for all employees at least once a month. The meetings shall be held at pre-designated locations during regular work hours, and shall be no less than one-half (1/2) hour in duration.

Each crew shall have daily tailboard briefings on-the-job which shall outline the safe and proper methods of performing the day's work.

All trucks must be equipped with a proper first aid kit which must be kept fully stocked.

13:4 Upon request of the Union, Company shall meet with the Union at such times and places as may mutually be agreed upon. At such meetings, the Union may submit suggestions to Company concerning the revision and enforcement of safety rules.

13:5 The Electrical Safety Orders of the state where employed shall apply when employees are working in proximity of energized conductors.

13:6 The Company shall report to the Union any lost-time industrial injury which has been reported to Company. Said notice shall be furnished to the Union at the same time the Company reports the injury to its Workmen's Compensation Insurance carrier. In the event the Company is self-insured for purposes of Workmen's Compensation, then such notice shall be given to the Union within five (5) days after the injury has been reported to the Company.

13:7 Employees will be required on their own time to attend first aid and CPR training. Employees will be required to obtain and maintain a current card or certificate of completion of first aid and CPR training. Company will pay for the materials involved in the first aid and CPR training, upon employees' proof of completion and receipt for materials purchased by the employee. Company and Union will cooperate in assisting employees in this program.

**ARTICLE XIV
MISCELLANEOUS**

14:1 Private tree work shall be subject to Company policy.

14:2 The Company shall furnish all necessary tools and equipment. Employees will be responsible for the tools and equipment issued to them providing the Company provides a safe place for storage. Employees may be required to pay for tools lost or damaged due to gross negligence.

14:3 Whenever two regular Foremen are assigned to work one truck, the junior Foreman in seniority at that assembly point shall be assigned and receive Top Climber wages for the time worked.

Whenever, two regular Foremen are assigned to a three-man crew, the Junior Foreman in seniority will have the option to take vacation or PTO in lieu of demotion to Top Climber.

14:4 If an employee becomes injured on the job to the extent that he cannot perform the work of his classification, Company may give such employee light work, when available, within his ability to perform for which he shall be compensated at the rate of pay established for such work.

14:5 Employees shall report to work dressed in suitable attire to perform their duties and shall be neat and clean in appearance.

14:6 Company requires all Foremen, Climbers and Trainees to have and maintain a Commercial Drivers License as a condition of employment. All Foremen, Climbers and Trainees will receive an additional \$.10 per hour above their pay classification for maintaining a Commercial Drivers License. The Company will provide a truck for testing purposes. All Foremen and Top Climbers shall receive an additional \$.13 an hour above their classification pay for maintaining a Commercial Drivers License with airbrake endorsement (this is equal to \$270.40 per year if the employee is compensated for every straight-time hour within a year).

14:7 Employees shall be required sign all written performance notices to acknowledge receipt and the employee shall be furnished a copy of the notice.

14:8 Training: During the term of this Agreement IBEW Local #1245 and Capax Group, Inc. shall establish a training fund and program for Line Clearance Workers. Such program may include other jurisdictions of the IBEW within California and other contractors. Any contribution into this Fund shall be taken from the wage rates or NEAP contributions contained in this collective bargaining Agreement effective June 1, 2020.

ARTICLE XV GRIEVANCE PROCEDURE

15:1 A grievance is hereby defined as a claim of a violation of any specific provisions of this Agreement. No grievance shall be considered unless it has first been presented within fifteen (15) working days of the alleged occurrence or the date the employee or Union should have reasonably become aware of the incident which is the basis for the grievance. Grievances will be considered and adjusted by conference as follows:

15.2 As the initial step in the adjustment of a grievance, it shall be presented to the General Foreman by the Union Shop Steward or in the absence of a Shop Steward, by an authorized Union Representative within the time limit set forth above. Upon mutual agreement the parties shall meet to discuss the grievance; otherwise, the parties shall discuss the grievance by telephone. The General Foreman shall make his/her reply to the person presenting the grievance within seven (7) calendar days of receipt of the grievance or of the meeting, if held. The General Foreman and the Shop Steward or Business Representative shall state the reasons in writing as to why they have been unable to resolve the grievance at this level, when and if, it becomes necessary to refer to the next step of the grievance procedure.

15.3 If a grievance is not settled satisfactorily under Section 15:2, it shall be presented in writing by the Union to the Supervisor within fifteen (15) calendar days, following receipt of the General Foreman's reply, setting forth the following:

- (a) A statement of the nature of the grievance and the facts upon which it is based,
- (b) The Section or sections of this Agreement relied upon as being applicable thereto,
- (c) The specific remedy or correction which is desired and a list of employees to whom the remedy is requested.

Upon mutual agreement the parties shall meet to discuss the grievance; otherwise, the parties shall discuss the grievance by telephone. The Supervisor shall reply in writing within fifteen (15) calendar days after the receipt or the grievance meeting setting forth the Company's position on the grievance. The Supervisor and the Business Representative shall state the reasons in writing as to why they have been unable to resolve the grievance at this level, when and if, it becomes necessary to refer to the next step of the grievance procedure.

15:4 If a satisfactory settlement cannot be reached under Section 15:3, it shall be referred to the Union Business Manager or Representative and the Company's Regional Manager or Representative in writing within three (3) working days. The grievance meeting shall be held within thirty (30) days of the submission by the Union of the matter in question. The Company Representative shall give a written answer to the grievance within ten (10) working days of the grievance meeting.

15:5 If no satisfactory settlement is arrived at under Section 15:4, either party may within twenty-one (21) calendar days of the Company's response, request in writing that the grievance be referred to arbitration.

15:6 After a grievance has been appealed to arbitration, representatives of each party shall meet for the purpose of attempting to agree upon a neutral arbitrator. In the event the parties are unable to agree, the moving party shall request the Federal Mediation and Conciliation Service to submit a list of at least seven (7) arbitrators who are members of the National Academy of Arbitrators. A name shall be selected from the list agreeable to both parties. The expense of the Arbitrator shall be borne equally by both parties. The Arbitrator shall, without delay, hear the evidence and render his decision in writing, which shall be final and binding upon both parties.

Either party may call any employee as a witness in any proceeding before the Arbitrator. If the employee is on duty, the Company agrees to release such employee from duty so he/she may appear as a witness. Each shall bear the expense of its own witnesses.

The Arbitrator shall have no right to add to, subtract from, alter, amend or modify any of the terms of this Agreement.

**ARTICLE XVI
HEALTH & WELFARE**

16:1 The parties signatory hereto shall enter into a Health and Welfare Plan for which there is a Trust Agreement, known as the Line Construction Benefit Fund, for the purpose of providing insurance benefits for eligible employees and/or their dependents.

Effective the first of the month following the signature date of this Agreement, the Employer shall pay to the Line Construction Benefit Fund the sum of \$6.50 for each hour worked. Hours worked shall be deemed to include straight-time hours worked, overtime hours worked, and report time not worked.

Remittance shall be forwarded to the place designated by the parties hereto on or before the fifteenth (15th) day of each month for each hour worked in
y payroll periods ending during the preceding month, together with a monthly payroll report on a form to be furnished to the Employer.

It is understood and intended by the parties to this Agreement that the purpose of this clause is to establish an Employer financed Health and Welfare Trust and that contributions thereto shall not be deemed to be wages to which any employee shall have any right other than the right to have such contributions paid over to the Trust fund in accordance herewith.

Failure of an individual Employer to make all payments provided for, including liquidated damages for late payments, within the time specified, shall be a breach of this Agreement and will further require action by the Trustees as set forth in the Trust Agreement.

Any increase in the required contributions set forth above will be paid equally (50% by the Employer and 50% by the Employee). The amount paid by the Employee will come from their NEAP contribution.

16:2 **HRA:** Effective the first of the month following the signature date of this Agreement, the Employer also agrees to pay into the Line Construction Benefit Fund \$1.00 per hour through the term of this Agreement. HRA is calculated on all hours worked for all working classifications covered by this Agreement. These contributions shall be used to provide Health Reimbursements Accounts(s) under the Line Construction Benefit Fund Plan of Benefits.

**ARTICLE XVII
NEBF**

It is agreed that in accord with the Employees Benefit Agreement of the National Electrical Benefit Fund ("NEBF"), as entered into between the National Electrical Contractors Association and the International Brotherhood of Electrical Workers on September 3, 1946, as amended, and now delineated as the Restated Employees Benefit Agreement and Trust, that unless authorized otherwise by the NEBF the individual employer will forward monthly to the NEBF's designated local collection agent an amount equal to 3% of the gross monthly labor payroll paid to, or accrued by, the employees in this bargaining unit, and a completed payroll report prescribed by the NEBF. The payment shall be made by check or draft and shall constitute a debt due and owing to the NEBF on the last day of each calendar month, which may be recovered by suit initiated by the NEBF or its assignee. The payment and the payroll report shall be mailed to reach the office

of the appropriate local collection agent not later than fifteen (15) calendar days following the end of each calendar month.

The individual Employer hereby accepts, and agrees to be bound by, the Restated Employees Benefit Agreement and Trust.

An individual Employer who fails to remit as provided above shall be additionally subject to having his agreement terminated upon seventy-two (72) hours' notice in writing being served by the Union, provided the individual Employer fails to show satisfactory proof that the required payments have been paid to the appropriate local collection agent.

The failure of an individual employer to comply with the applicable provisions of the Restated Employees Benefit Agreement and Trust shall also constitute a breach of this labor agreement.

ARTICLE XVIII NEAP

It is agreed that in accord with the IBEW-District Ten-NECA Individual Equity Retirement Plan Agreement entered into between the National Electrical Contractors Association, Inc., and the International Brotherhood of Electrical Workers on December 11, 1973, as amended, and now delineated as the National Electrical Annuity Plan Agreement and Trust, that unless authorized otherwise by the National Electrical Annuity Plan ("NEAP"), effective the first of the month following the signature date of this Agreement the individual employer will forward monthly to NEAP's designated collection agent an amount equal to the specific contribution amounts set forth on the attached Exhibit A with a minimum contribution amount of twenty-five cents (\$0.25) (the contribution obligation) together with a completed payroll report prescribed by the NEAP. The payment shall be made by check or draft and shall constitute a debt due and owing to NEAP on the last day of each calendar month, which may be recovered by suit initiated by NEAP or its assignee. The payment and the payroll report shall be mailed to reach NEAP not later than 15 calendar days following the end of each calendar month.

The individual employer hereby accepts, and agrees to be bound by, the National Electrical Annuity Plan Agreement and Trust.

An individual employer who fails to remit as provided above shall be additionally subject to having his agreement terminated upon 72 hours notice in writing being served by the Union, provided the individual employer fails to show satisfactory proof that the required payments have been paid to the appropriate collection agent.

The failure of an individual employer to comply with the applicable provisions of the National Electrical Annuity Plan Agreement and Trust shall also constitute a breach of his labor agreement.

The required NEAP contribution is to be paid on all hours worked.

**ARTICLE XIX
JURY DUTY**

19:1 Any employee who may be called for jury duty shall be permitted to be absent for a maximum of three (3) weeks.

**ARTICLE XX
MOST FAVORED NATION**

20:1 If the Union grants to any other employer, doing the same type of work covered by this Agreement in any geographical area covered by this Agreement, a contract with any wages and/or fringe benefits less favorable to the employees covered under such an agreement than any wage and fringe benefits applicable to employees covered under the instant Agreement, the Company or its successors or assigns, may at the Employer's option, incorporate into the instant Agreement any of the wages and/or fringe benefits provided for in such other contract without regard to any geographic limitations contained in such other contract. Said incorporation of more favorable terms into the instant Agreement may be done at any time by the Employer informing the Union in writing of said incorporation, and may, at the sole discretion of the Employer, be applied to any or all of the employees covered under this Agreement regardless of geographic location.

If the Union negotiates with any other employer, doing the same type of work covered by this Agreement in any geographical area covered by this Agreement, a contract with any wages and/or fringe benefits more favorable to the employees covered under said agreement than any wage and/or fringe benefits applicable to employees covered under the instant Agreement, the Company or its successors and assigns shall, upon written demand by the Union, bargain in good faith regarding increasing the wages and/or fringe benefits in the instant Agreement to the amount of any of the wages and/or fringe benefits contained in such other agreement, without regard to any geographic limitation contained in such other agreement. All provisions of this Agreement and any extensions or amendments thereto, shall remain in full force and effect throughout any bargaining pursuant to this Article.

In order to facilitate the operation of this Article, the Union agrees to furnish the Employer with copies of all collective bargaining agreements and any addendums in any geographic area covered by this Agreement between the Union and other employers which are or hereafter may become effective during the term of this Agreement.

ARTICLE XXI - SICK LEAVE

21.1 Employees shall be permitted to use their Floating Personal Days for purposes of Sick Leave.

21.2 The following shall govern the use of paid sick leave:

a. Sick Leave may be used for the diagnosis, care or treatment of an existing health condition or preventive care for an employee or their family member. Family member is defined as the employees' child (biological, adopted or foster child), parent, step-parent, spouse, registered domestic partner, grandparent, grandchild or sibling.

b. Sick Leave may also be used by an employee who is a victim of domestic violence, sexual assault, or stalking for taking time off from work to attend to any of the following:

(1) To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.

(2) To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.

(3) To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.

(4) To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

c. If the need for sick leave is foreseeable, the employee shall provide as much advance notice as is possible. If the need for sick leave is not foreseeable, the employee must provide notice to the General Foreperson at least one (1) hour prior to the start of the scheduled shift.

d. The use of sick leave shall be for a minimum of the entire work day.

e. Sick leave shall not carry over from one calendar year to the next. The Company agrees to buy back unused sick days at the end of the calendar year. Sick leave will not be paid out upon separation from employment.

21.3 As of the effective date of this Agreement, the parties recognize the State of California and certain political subdivisions of the State of California have enacted a statute or ordinance mandating paid sick leave for employees within its jurisdiction. Both parties to this Agreement hereby agree to waive the requirements of the existing statute, ordinance, rule, law or regulation including, but not limited to, Article 1.5 (commencing with Section 245 (H) and all local ordinances, including, but not limited to those cities of Berkley, Emeryville, Oakland, and San Francisco. Any employer who is signatory to this Agreement shall not be required to comply with said statute, ordinance, rule, law or regulation, and any employee covered by this Agreement shall not have any right or cause of action against any signatory employer or IBEW Local 1245 for violation of said statute, ordinance, rule, law or regulation.

During the time this Agreement is in effect, if any city, county or political subdivision of the State of California enacts a statute, ordinance, rule, law or regulation mandating paid sick leave for employees within its jurisdiction, both parties to this Agreement hereby agree to waive the requirements of the statute, ordinance, rule, law or regulation.

If, during the term of this Agreement, the Federal Government or the State of California adopt a requirement that increases the amount of sick leave an Employer must provide, this Agreement shall be reopened sixty days prior to the effective date of the Federal or State requirement and any wage increases or benefit improvements scheduled to commence thereafter shall be suspended until such time as the parties reach an agreement.

ARTICLE XXII TERM

22:1 This Agreement shall take effect as of May 6, 2020 and shall continue in full force and effect until midnight, May 31, 2022 and it shall continue thereafter from year to year unless written notice of termination shall be given by either party to the other sixty (60) days prior to the end of the then current term.

22:2 If either the Company or the Union desires to amend this Agreement, it shall give notice to the other party sixty (60) days prior to the end of the then current term, in which event the parties shall commence negotiations on any proposed amendment as soon as practicable after such notice has been given. Failure of the parties to agree on such proposed amendment shall not cause termination of this Agreement unless either party has given notice of termination as provided in Section 22:1.

Notwithstanding the provisions of Section 22.1, either the Company or the Union may forthwith terminate this Agreement in the event that the other breaches its obligations set forth in Section 1:3 hereof.
22:3 Any provision of this contract which may be found by a court of competent jurisdiction to be in conflict with any Federal or State, regulation or executive order, shall be suspended and inoperative to the extent of and for the duration of such conflict.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written, acting by and through their duly authorized officers.

Capax Group, Inc.

LOCAL UNION 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL
WORKERS, AFL-CIO


By: Rachel McIntyre
President


By: Tom Dalzell
Business Manager

Date: 05-06-20

Date: 7 May 2020



IN WITNESS WHEREOF, the parties have executed this Letter of Agreement as of the day and year first above written, acting by and through their duly authorized officers.

Capax Group, Inc.

**LOCAL UNION 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL
WORKERS, AFL-CIO**


By: Rachel McIntyre
President


By: Tom Dalzell
Business Manager

Date: 05-06-20

Date: 7 May 2020

APPENDIX A
Capax Group, Inc. and IBEW Local 1245

JOB CLASSIFICATIONS	% Of JT	Effective 1/1/2020		Effective 5/31/2020		Effective 5/30/2021		Eff. 1/1/2022
		Wage Rate	NEAP	Wage Rate	NEAP	Wage Rate	NEAP	
Foreperson with CDL	112%	\$39.66	\$7.84	\$40.37	\$8.82	\$41.09	\$9.79	\$10.56
Foreperson without CDL	107%	\$37.89	\$7.84	\$38.57	\$8.82	\$39.26	\$9.79	\$10.56
Journeyman Tree Trimmer	100%	\$35.41	\$7.84	\$36.05	\$8.82	\$36.69	\$9.79	\$10.56
Trimmer Trainees								
After 12 Months	90%	\$31.87	\$6.91	\$32.44	\$7.75	\$33.02	\$8.66	\$9.43
6 to 12 Months	80%	\$28.33	\$5.98	\$28.84	\$6.76	\$29.35	\$7.53	\$8.30
Start	70%	\$24.79	\$5.05	\$25.23	\$5.73	\$25.68	\$6.40	\$7.17
Ground person after 6 Months	65%	\$23.02	\$.87	\$23.43	\$1.10	\$23.85	\$1.32	\$2.09
Ground person Start	60%	\$21.25	\$.50	\$21.63	\$.50	\$22.01	\$.50	\$.50
Specialized Tree Equipment Operator (Journeyman Tree Trimmer)	107%	\$37.89	\$7.84	\$38.57	\$8.82	\$39.26	\$9.79	\$10.56
Specialized Tree Equipment Operator (Not a Journeyman Tree Trimmer)	90%	\$31.87	\$6.91	\$32.44	\$7.79	\$33.02	\$8.66	\$9.43
Brush Crew Foreperson	70%	\$24.79	\$5.05	\$25.23	\$5.73	\$25.68	\$6.40	\$7.17
VC Tech 1	60%	\$21.25	\$.50	\$21.63	\$.50	\$23.85	\$.50	\$.50
VC Tech 2	65%	\$23.02	\$.87	\$23.43	\$1.10	\$23.85	\$1.32	\$2.09
VC Tech 3	70%	\$24.79	\$3.19	\$25.23	\$3.67	\$25.68	\$4.14	\$4.91
VC Tech 4 (Grandfathered)	75%	\$26.56	\$3.19	\$27.04	\$3.67	\$27.52	\$4.19	\$4.91

LETTER OF AGREEMENT

The following is an addendum to the collective bargaining agreement entered into by and between Capax Group, Inc. (hereinafter referred to as the "Employer") and Local Union No. 1245 of the International Brotherhood of Electrical Workers (hereinafter referred to as the "Union") effective through May 31, 2022.

Whereas, the parties hereto have entered into a collective bargaining agreement effective through May 31, 2022; and

Whereas, during the negotiations for the collective bargaining agreement the parties reached certain additional understandings and agreements;

Now, therefore, said agreements are set forth herein.

Agreement

1. Regarding the provisions of Section 13.7, during the term of the collective bargaining agreement the Employer agrees to pay employees at the applicable rate of pay for the time spent in First Aid/CPR Training for employees working on the property of Pacific Gas and Electric Company.

2. Employees on the Employer's payroll as of December 31, 2017 qualified for the previous VC4 "Specialist" classification shall be grandfathered and shall be allowed to retain their existing higher rate of pay. They will also be granted the general wage increases provided in the collective bargaining Agreement. In order to keep the higher wage rate, the VC4 must maintain the QAC. Employees who fail to maintain the QAC will be reduced to the VC Tech 3 pay rate. The following language will be applicable to such grandfathered employees:

Vegetation Specialist shall be allowed one (1) Company paid day off of work every 12 months in order to attend QAC certification related courses/training in order to comply with QAC continuing education units (CEU's). Additional needed days off of work related to CEU's within each calendar year shall be unpaid, but considered as excused time off of work.

In the event that seventy-five percent (75%) of employees at any given headquarters request Company paid time off to attend QAC testing and/or QAC CEU training, the employees shall agree to an alternative work week (Article 4.1) in order to allow that the employees shall actually work a forty (40) hour straight time work week (i.e., if 75% or more of the employees at a headquarters elect to attend training on Wednesday of a 4-day, 10-hour per day workweek schedule of Monday through Thursday, then the employees will work Friday at straight time in order that they actually work a 40 hour straight time work week).

Besides Company paid time off as cited above, Vegetation Control Technicians and Vegetation Specialists shall be responsible for any and all QAC related costs (i.e., testing fees, CEU upkeep fees, etc.)

4. During the negotiations for the collective bargaining agreement taking effect in 2020, the parties agreed to eliminate paid vacations. They also agreed that the Employer would pay off unused (as of Dec 31) vacation earned in 2019 at the employee's final regular 2019 pay rate. The payments will be made by January 31, 2020.

IN WITNESS WHEREOF, the parties have executed this Letter of Agreement as of the day and year first above written, acting by and through their duly authorized officers.

Capax Group, Inc.

**LOCAL UNION 1245, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL
WORKERS, AFL-CIO**

By: Rachel McIntyre
President

By: Tom Dalzell
Business Manager

Date: _____

Date: _____