

MATERIAL HANDLER AGREEMENT

Between

LOCAL UNION NO. 11
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
OF LOS ANGELES COUNTY, CALIFORNIA

And

LOS ANGELES COUNTY CHAPTER
NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION

EFFECTIVE DATE

JANUARY 31, 2022 THROUGH JANUARY 28, 2024

AGREEMENT

Agreement by and between the Los Angeles County Chapter, NECA and Local Union 11, IBEW.

It shall apply to all firms who sign a Letter of Assent to be bound by this agreement.

As used hereinafter in this agreement, the term "Chapter" shall mean the Los Angeles County Chapter, NECA, and the term "Union" shall mean Local Union 11, IBEW.

The term "Employer" shall mean an individual firm who has been recognized by an assent to this agreement.

The word "Workers", as used hereinafter, shall mean workers covered by the terms of this agreement.

SCOPE OF WORK

Material Handlers employed under the terms of this agreement shall be permitted to do the following types of work: Handling and delivering to any work area on the job site, as designated below, materials, equipment and tools used in the Employer's electrical contracting business.

Material Handler may deliver material, equipment and/or tools to the job site as directed for delivery to the gang boxes, warehouse or compound areas, or designated drop areas. Areas designated as drop areas shall be gang boxes, column locations, elevator lobbies, etc. (not the exact point of installation).

The test for determining whether the movement of a particular piece of equipment may be performed by a material handler is whether the movement of the equipment would normally require special handling, equipment or rigging. The movement of equipment which required special handling, equipment or rigging shall be handled by the Journeymen of the craft to which the work has been assigned. For the purpose of this agreement, fork lifts, hand-trucks, dollies, etc., are not special equipment, and the use of these or similar apparatus by Material Handlers in the movement of equipment to the drop area is permitted under this agreement.

Material Handlers may uncrate, unpackage, etc., and remove all waste or surplus material and equipment that is no longer needed at a job site. This includes the removal of materials and/or equipment that is no longer needed at a job site. This includes the removal of materials and/or equipment no longer needed on the job site during demolition, provided the materials and/or equipment have been deenergized and will not salvage for future use.

Notwithstanding the foregoing, an Employer, a journeyman, or an apprentice may perform the work described above.

BASIC PRINCIPLES

The Chapter and the Union have a common and sympathetic interest in the Electrical Industry. Therefore, a working system and harmonious relations are necessary to improve the relationship between the Chapter, the Union and the public. Progress in industry demands a mutuality of confidence between the Chapter and the Union. All will benefit by continuous peace and by adjusting any difference by rational, common-sense methods.

In accordance with the Federal Government Executive Orders, the Fair Employment Practices Act of the State of California, and other applicable laws, the parties to this Agreement are obligated not to discriminate against Employee or applicant for employment because of race, religion, color, age, sex, creed, national origin or disability.

The Employers recognize the Union as the sole collective bargaining agency between itself and the employees covered under this agreement.

Now, therefore, in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

MUTUAL POLICIES

It is the understandable right of every contractor to build a strong organization.

Both parties to this agreement shall comply with the provisions of this agreement. Employees will not be removed from the job because of job site disputes and all disputes shall be resolved by the grievance procedure contained in Article I, Section 1.05 through 1.10 for a final and binding settlement.

When the contractor secures a contract, that contract is his property to direct, operate and supervise as he sees best. The contractor shall have the ownership, direction and supervision of the job; the Union shall furnish the workers employed on the job. The Union or its representatives shall have the representational direction of the workers employed on the job.

ARTICLE I EFFECTIVE DATE -- CHANGES -- GRIEVANCES -- DISPUTES

Section 1.01. This agreement shall take effect January 31, 2022, and shall remain in effect until January 28, 2024, unless otherwise specifically provided for herein. It shall continue in effect from year to year thereafter, from January 29th through January 28th of each year, unless changed or terminated in the way later provided herein.

Section 1.02. (a) Either party desiring to change or terminate this agreement must notify the other, in writing, at least 90 days prior to the anniversary date.

(b) Whenever notice is given for changes, the nature of the changes desired must be specified in the notice.

(c) The existing provisions of the agreement shall remain in full force and effect until a conclusion is reached in the matter of proposed changes.

(d) In the event that either party has given a timely notice of proposed changes and an agreement has not been reached by the anniversary date to renew, modify or extend this agreement, or to submit the unresolved issues to the American Arbitration Association, either party may serve the other a ten (10) day written notice terminating this

agreement. The terms and conditions of this agreement shall remain in full force and effect until the expiration of the ten (10) day period.

(e) By mutual agreement only, the parties may jointly submit the unresolved issues to the American Arbitration Association for adjudication. The arbitrator's decision shall be final and binding on all parties hereto.

Section 1.03. This agreement shall be subject to change or supplement at any time by mutual consent of the parties hereto. Any such change or supplement agreed upon shall be reduced to writing, signed by the parties hereto, and submitted to the International Office of the IBEW for approval, the same as this agreement.

Section 1.04. There shall be no stoppage of work either by strike or lockout because of any proposed changes in this agreement or dispute over matters relating to this agreement. All such matters must be handled as stated herein.

Section 1.05. There shall be a Labor-Management Committee of three (3) representing the Union and three (3) representing the Employers. It shall meet regularly at such stated times as it may decide. However, it shall also meet within 48 hours when notice is given by either party. It shall select its own Chairman and Secretary.

Section 1.06. All grievances or questions in dispute shall be adjusted by the duly authorized representatives of each of the parties to this agreement. In the event that these two are unable to adjust any matter within 48 hours, they shall refer the same to the Labor-Management Committee.

Section 1.07. All matters coming before the Labor-Management Committee shall be decided by majority vote. Four members of the Committee, two from each of the parties hereto, shall be a quorum for the transaction of business, but each party shall have the right to cast the full vote of its membership and it shall be counted as though all were present and voting

Section 1.08. Should this Labor-Management Committee fail to agree or to adjust any matter, such shall then be referred to the Expedited Arbitration for adjudication. The arbitrator's decision shall be final and binding upon both parties hereto.

Section 1.09. When any matter in dispute has been referred to conciliation or arbitration for adjustment, the provisions and conditions prevailing prior to the time such matters arose shall not be changed or abrogated until agreement has been reached or a ruling has been made.

Section 1.10. (a) No complaint, dispute or grievance shall be considered unless written notice is delivered by the aggrieved party to the Union and Chapter within ten (10) working days from the date on which the alleged complaint, dispute or grievance first occurred, except in cases involving fringe benefit payments.

(b) The stages of the grievance procedure will be as follows, unless a variance is mutually agreed upon by both parties to this agreement. All grievances must be heard within thirty (30) calendar days by the Sub-Committee, starting from the date the parties are formally notified of

the grievance. The results of the Sub-Committee hearing will be mailed within (2) calendar weeks of the hearing, either party wishing to appeal the decisions of the Sub-Committee must do so within ten (10) calendar days upon receipt of the Sub-Committee decision.

All matters coming before the Full Labor Management Committee must be heard within thirty (30) calendar days from the date the parties formally receive notification.

Should the Full Labor-Management Committee fail to agree on the resolution of any grievance it shall then be referred to Expedited Arbitration for resolution within thirty (30) calendar days from the time Full Labor Management deadlocks on the issues.

**ARTICLE II
EMPLOYER RIGHTS - UNION RIGHTS
EMPLOYER QUALIFICATIONS**

Section 2.01. Certain qualifications, knowledge, experience and financial responsibility are required of everyone desiring to be a signatory party to this agreement. Therefore, an Employer who signs this agreement is a person, firm, partnership or corporation whose principal business is electrical contracting and who possesses the following qualifications and presents documented evidence substantiating them prior to becoming signatory hereto:

(a) Maintaining a legal place of business which means an office, shop or premises where the Employer or his representative can be reached by telephone, and where he receives his mail, conducts the ordinary tasks of operating his business and maintains employee payroll records.

(b) Furnishes a copy of a valid C-10 license for the State of California in the name of the signatory party or firm.

(c) Employs at least one (1) Journeyman from the Hiring Hall who is not financially connected with the firm.

(d) Posts the One Hundred Dollar (\$100.00) Payroll & Fringe Benefits Guarantee Deposit provided herein.

(e) Agrees to comply with all Fringe Benefit Trust provisions.

(f) The Contractor shall notify the dispatch area in which a job is located prior to starting any electrical job, the location, starting time and estimated number of men required for the job. This notification will be by "Fax" or mail.

Holders of currently active C-1 O licenses in the State of California shall not be allowed to work under the terms of this agreement until submitting written evidence that such license has been or is in the process of being inactivated in accordance with the inactivation rules set forth by the California Contractors' State License Board.

MANAGEMENT RIGHTS

Section 2.02. The Union understands the Employer is responsible to perform the work required by the owner. The Employer shall therefore have no restrictions, except those specifically provided for in the collective bargaining agreement in planning, directing, and controlling the operation of all his work, in deciding the number and kind of employees, to properly perform the work, in hiring and laying off employees, in transferring employees from job to job within the Local Union's geographical jurisdiction, in requiring all employees to observe the Employer's and/or owner's rules and regulations not inconsistent with this agreement, in requiring all employees to observe all safety regulations, and in discharging employees for proper cause.

Section 2.03. Both parties to this agreement recognize that it is in the interest of both the industry and the public to improve productivity consistent with high safety standards and quality work, and there shall be no restriction against the use of contractor furnished machinery, tools or labor-saving devices.

Contractor shall provide evidence that the vehicle and the operator are covered by liability and property damage insurance during the period the employee will be required to drive the vehicle.

Any applicant referred to a contractor will have been previously certified to have met the requirements of the Immigration Reform and Control Act of 1986. Records to be on file at the office of NECA.

Section 2.04. The employer shall have the right to determine the competency and qualifications of its employees and the right to discharge such employees for any just and sufficient cause. The Union may institute a grievance procedure under the terms of this agreement if it feels any employee has been unjustly discharged.

SOCIAL SECURITY -- UNEMPLOYMENT AND DISABILITY INSURANCE -- WORKERS' COMPENSATION

Section 2.05. For all employees covered by this agreement the employer shall carry Workers' Compensation Insurance with a company authorized to do business in the state, Social Security and such other protection insurance as may be required by the laws of this state, and shall furnish satisfactory proof of such to the Union; he shall also make contributions to the California Department of Employment. He shall also observe all applicable provisions of the Safety Orders issued by the State of California.

RECOGNITION

Section 2.06. (a) The employer recognizes the Union as the sole and exclusive representative of all its employees performing work within the jurisdiction of the Union for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment.

(b) The employer understands that the Local Union's jurisdiction - both trade and territorial - is not a subject for negotiations but rather is determined solely within the IBEW

by the International President and, therefore, agrees to recognize and be bound by such determinations.

FAVORED NATIONS CLAUSE

Section 2.07. The Union agrees that if, during the life of this agreement, it grants to any other Employer in the Electrical Contracting Industry on work covered by this agreement, any better terms or conditions than those set forth in this agreement, such better terms or conditions shall be made available to the Employer under this agreement and the Union shall immediately notify the Employer of any such concession.

In order to be competitive in the market and to meet the special needs of Employers on particular jobs, the Union may provide special consideration to Employers who request such treatment and who demonstrate, to the Union's satisfaction, a specific marketing need with regard to a particular job. Any special terms, conditions, modifications, or amendments so provided by the Union, shall be implemented with regard to the particular job for which they were requested.

Such special terms, conditions, modifications, or amendments shall be made available to all signatory Employers with regard to the particular job in question, but shall not constitute an action subject to the favored nations clause in the Agreement. For informational purposes only, the Chapter shall be made aware prior to implementation of any special terms, conditions, modifications or amendments provided by the Union.

This provision does not apply to the fringe benefits and other contributions as provided for in this agreement. The fringe benefits and contributions can only be adjusted by mutual consent of the parties.

UNION SECURITY

Section 2.09. (a) When the Employer requires employees to perform the work included within the scope of this agreement, the Employer agrees to notify the Union of the number of employees and classifications required. When the Union is requested to furnish workers, the Union agrees to supply the Employer with the most competent workers available within forty-eight (48) hours in accordance with the legally approved dispatching systems currently in effect. The Employer shall not discriminate against employees in regard to hire or tenure of employment by reason of Union membership.

(b) If the registration list is exhausted and the Local Union is unable to refer applicants for employment to the Employer within 48 hours from the time of receiving the Employer's request, Saturdays, Sundays, and holidays excepted, the Employer shall be free to secure applicants without using the Referral Procedure but, such applicants, if hired, shall have the status of "temporary employees."

(c) The Employer shall notify the Business Manager promptly of the names and Social Security numbers of such "temporary employees" and shall replace such "temporary employees" as soon as registered applicants for employment are available under the Referral Procedure

Section 2.10. This agreement does not deny the right of the Union to render assistance to other labor organizations by approving the honoring of sanctioned picket lines by its individual members. However, the Union shall not encourage any of its members to refuse to cross or work behind any picket line until same has been sanctioned by the Los Angeles Building and Construction Trades Council. There shall be no interruption in work until the picket line authorization has been verified by the Business Agent.

Section 2.11. When workmen are properly removed from the job by the Union in accordance with the terms of this agreement, or when they are leaving the job due to honoring sanctioned picket lines, the Union shall direct the workmen on such job to carefully put away all tools, equipment or any other property of the contractor in a safe manner.

Section 2.12. The Employer shall not loan or cause to be loaned any workman in his employ to any other Employer without first securing permission of the Business Manager's office of the Local Union and then only when applicants possessing the required skills are not available through the Referral Procedure.

ACCESS TO JOBS

Section 2.14. The representative of the Union shall be allowed access to any job or shop at any reasonable time, where workmen are employed under the terms of this agreement. Any necessary clearance are to be arranged by the contractor prior to beginning work on the project. The representative shall report to the supervision on the site prior to meeting with the employees.

REBATES·SUBLETTING WORK

Section 2.18. No Employer, or workman or their agents shall give or accept directly or indirectly, any rebate of wages. No Employer shall directly or indirectly, or by any subterfuge, sublet or contract with any workmen, any or all of the labor services required by such contract of such Employer. Any Employer found violating these provisions shall be subject to having his agreement terminated upon written notice thereof being given by the Union.

UNION LABEL

Section 2.19. Products, equipment, or material bearing a union label will be used where reasonably and readily available.

PAYROLL DATA AND LABOR CONDITIONS

Section 2.20. Upon request of the Business Manager of the Union, the Employer shall furnish complete data as to the workmen employed under the terms of this Agreement, together with expenses and wages paid each such employee.

Section 2.21. All employees covered by the terms of this Agreement shall be required to become and remain members of the Union as a condition of employment from and after the eighth (8th) day following the date of their employment, or the effective date of this

Agreement, whichever is later.

Section 2.22. Employees covered by this Agreement, except those meeting the requirements of "Employer" as defined herein, shall not contract for any electrical work, or perform any electrical work for other than his present employer, without the approval of the parties.

Section 2.23. Only working conditions written into this Agreement shall be followed and observed by the employees and the employers.

Section 2.24. When workers are employed on a job in accordance with this Agreement, they shall be allowed to continue on said job until it is completed or they are removed by the Employer, except as herein provided.

CAUSE FOR CANCELLATION

Section 2.25. (a) The Local Union is a part of the International Brotherhood of Electrical Workers, and any violation or annulment by an individual Employer of the approved agreement of this or any other Local Union of the IBEW, other than violations of paragraph 2 of this section, will be sufficient cause for the cancellation of this agreement by the Local Union, after a finding has been made by the International President of the Union that such a violation or annulment has occurred.

(b) The subletting, assigning or transfer by an individual Employer of any work in connection with electrical work to any person, firm or corporation not recognizing the IBEW, or one of its local unions as the collective bargaining representative of his/her employees on any electrical work in the jurisdiction of this or any other local union to be performed at the site of the construction, alteration, painting, or repair of a building, structure or other work, will be deemed a material breach of this agreement.

(c) All charges of violations of Paragraph 2 of this section shall be considered as a dispute and shall be processed in accordance with the provisions of this Agreement covering the procedure for the handling of grievances and the final and binding resolution of disputes.

Section 2.26. Any Employer meeting the requirements as set forth herein, including Letter of Assent, does hereby agree to be bound by any other IBEW Local Union Agreement within whose geographical jurisdiction he/she may be performing electrical construction work covered by this Agreement, provided such is legal under applicable state and federal law.

Section 2.27. The obligations of this Agreement shall not be affected by the nature or form of doing business by any Employer party hereto; and the obligations herein shall also extend to any person, firm or corporation under control or common control with any signatory, and which entity engages in any work covered by this Agreement, or any work under the State Contractors License of the signatory or otherwise.

SIGNS ON TRUCKS

Section 2.28. Each contractor signatory to an IBEW Agreement shall have legible identification cards, seals, decals or stickers of not less than 12 inches by 18 inches or 220 square inches in area with letters not less than 3 inches high, and visible from the outside on each side of regular, commercial trucks. Signs shall be permanent type and remain as such. Magnetic, or hang-on signs, are not permitted on trucks. Identification signs shall also be displayed on all jobs, wherever permissible by contract or local laws.

ARTICLE III HOURS -- WAGES -- WORKING CONDITIONS

Section 3.01. Eight (8) consecutive work hours with thirty (30) minutes for a meal period shall constitute a work day and forty (40) hours within five consecutive days (Monday through Friday or Tuesday through Saturday) shall constitute a work week.

All hours worked over eight (8) in one (1) day or forty (40) in one week shall be paid at one and one-half times the regular rate of pay. Any Employees reporting to work less than nine (9) hours from their previous quitting time shall be paid for such time and one-half the straight time rate of pay.

WAGES

Section 3.02. The wages and fringe benefits for the term of this contract shall be:

<i>Effective January 31, 2022</i>	Wage	Health	LMCC	NEBF
Starting Rate	\$16.50	\$7.46	\$0.05	3%
After 12 mos.***	\$18.75	\$7.46	\$0.05	3%
After 24 mos.	\$20.50	\$7.46	\$0.05	3%

<i>Effective January 30, 2023</i>	Wage	Health	LMCC	NEBF
Starting Rate	\$18.00	\$7.46	\$0.05	3%
After 12 mos.***	\$19.50	\$7.46	\$0.05	3%
After 24 mos.	\$22.00	\$7.46	\$0.05	3%

*** Beginning rate for employees called out by name.

Employees may be called-by-name from the book. In such cases, the "After 12 months" rate shall be their minimum starting rate, as indicated above, even if they have less than 12 months in the industry.

OVERTIME & HOLIDAYS

Section 3.03. (a) The overtime rate shall be double the straight time rate of pay on Sunday, the following holidays, and after twelve (12) hours' work on any job:

Memorial Day (last Monday in May)
Fourth of July
Labor Day
Veterans Day (November 11)
Thanksgiving Day
Day After Thanksgiving
Christmas Day
New Year's Day

(b) If any of these days fall on Sunday, the following Monday shall be considered the holiday. If Christmas or New Year's falls on Saturday, the Friday preceding will be considered the holiday.

(c) The regular work day before Christmas and the regular work day before New Year's will normally be a non-scheduled work day. If, however, it is necessary due to job scheduling to work on these days, the straight time rate of pay will be applicable.

(d) No work shall be performed on Labor Day, except in case of emergency and then only after permission is granted by the Business Manager of the Union.

PAID PARKING

Section 3.04. In all areas of Los Angeles County, where free parking is not available within 500 yards of the job or project at the start of the shift, the contractor shall reimburse employees weekly at the lowest rate available within said 500 yard area, provided the employee presents a signed and dated receipt for each parking expenditure.

ARTICLE IV GENERAL PROVISIONS

Section 4.01. (a) Wages and all authorized expenses shall be paid weekly not later than quitting time on Wednesday. The payroll workweek shall start at 12:01 AM. Monday and end 12:00 midnight Sunday. Not more than three (3) days' wages and expenses may be withheld. Under exceptional conditions, extensions up to a five (5) day maximum withholding period may be granted by the Labor-Management Committee. When there is a holiday in the payweek, the Employer shall have one additional day of grace to prepare his payroll and deliver the pay checks to the workmen.

Any workman laid off or discharged by the Employer shall be paid all his wages immediately. In the event he is not paid off, waiting time at the regular rate shall be charged until payment is made.

When workers on jobs are laid off or terminated after quitting time on Friday, or on a Saturday, Sunday or holiday, they shall be paid in full no later than quitting time the next succeeding regular business day following termination.

When employment is terminated, for whatever reason, the employee shall return to a Union Dispatch Office, and register "Out of Work," before accepting any other work assignment.

On being terminated, all workmen shall immediately be given a written Termination Notice, on which shall be shown the contractor's company name, the workman's name and Social Security number, the reason for termination, the name of the workman's immediate supervisor and the signature of the person effecting the termination. One copy each of the Termination Notice shall be sent to the Los Angeles NECA Chapter Office and the appropriate IBEW Local Union Dispatch Area, and one copy shall be retained by the contractor.

Any and all disputes relating to wage payments must be filed in the Business Manager's office within ten (10) calendar days after the regular payroll period in question.

All pay given to workmen shall be accompanied by either a check stub or voucher showing the total hours worked, amounts withheld and the company name, address, phone number and home office city.

Only new sanitary liners and hard hats will be furnished by employers.

SHOW-UP PAY

Section 4.02. (a) Any employee being laid off, permanently or temporarily, after having worked less than four (4) hours shall receive pay for four (4) hours, and if laid off after working more than four (4) hours, but less than eight hours, he shall receive pay for eight (8) hours. This provision is inapplicable when operations cannot continue due to threats to persons or property, or when recommended by civil authorities.

(b) In case of layoffs, the employee shall be notified one (1) hour in advance of regular quitting time, and be paid in full and released one-half (1 /2) hour in advance of regular quitting time.

(c) Employees who are late or fail to report for work on a given day, without notifying the Employer in a timely manner, will not be entitled to show up pay if terminated. Termination pay shall be available by the end of the shift on the next succeeding regular business day. Notification in a timely manner shall mean within two (2) hours after starting time.

Section 4.03. When men are directed to report to a job and do not start work due to weather conditions, lack of material, or other causes beyond their control, they shall receive a minimum of two (2) hours' pay at the applicable rate unless notified one hour before starting time. The employee must have given a current phone number to supervision prior to the event in order for this section to apply.

TRAVELING TIME

Section 4.04. The Employer shall pay traveling time and furnish transportation from shop to job, job to job, and job to shop. On all jobs requiring employees to remain away from home overnight, the Employer shall also furnish board, lodging and all other necessary expenses. The parties to this agreement may establish special conditions for work in remote areas of the county and on existing project agreements.

SHOP LOCATION

Section 4.05. When an employer has no permanent shop located in the jurisdiction of the Union, the location of his shop shall be considered the city in which the job is located.

DRINKING WATER

Section 4.06. The contractor shall assure that potable water is available to employees at the job site.

USE OF AUTOMOBILES

Section 4.07. No workman shall use any vehicle in a manner detrimental to the best interest of other workmen, nor shall he use his vehicle to transport the Employer's tools or materials. The Employer shall provide transportation for tools and materials.

ARTICLE VI HEALTH PLAN

Section 6.01. Individual Employers shall contribute and forward monthly to the IBEW/NECA Health Trust Fund the amount stated in section 3.02 for each covered hour for which the Employer is obligated to pay to the employees in this bargaining unit, with a completed payroll report prescribed by the Trustees. The payment and payroll report shall be mailed to reach the Trustees or their designated agent not later than fifteen (15) calendar days following the end of each calendar month.

Section 6.02. A Board of Trustees for the Health Trust Fund is hereby established and shall consist of an equal number of members selected by the Union and the Chapter. The Board of Trustees is hereby authorized to establish and implement such Trust Fund, Health Fund Trust Agreement and reporting forms as they consider necessary to the finalization of the Health Fund.

Section 6.03. All disbursements shall be in accordance with the Trust Agreement. The cost of implementing and the administration of the Health Fund and Trust, including legal fees, bonding of Trustees, postage, printing, etc., shall be borne by and from the Health Trust Fund.

Section 6.04. This Health Fund Plan, including employer contributions, shall be irrevocable except by mutual consent of the parties to this Collective Bargaining Agreement. Mutual consent, as used herein, is defined as: A three-fourths (3/4) majority vote of the total employees covered by the Plan, and a like vote of the Employers, with subsequent conformity to Section 1.03 of Article I. The provisions of the plan trust and documents shall have control as to plan benefits and rights not specifically addressed herein.

Section 6.05. Any signatory contractor that defaults in making contributions to the Health Trust Fund shall be liable for all collection and litigation expenses, including reasonable attorney's fees, court costs, liquidated damages and audit fees and expenses, as well as interest at the legal rate.

Section 6.06. This Health Plan and Trust Document will comply with and conform to all applicable laws.

Section 6.07. Contributions to the Health Plan shall be due and payable on or before the tenth (10th) day of each month covering hours worked by each employee through the last payroll period in the prior calendar month. Each contractor shall file a monthly report with the Health Fund in the form established by the Fund, and such report shall be filed regardless of whether a contractor has employed any employees in the month covered by the report.

TIME OF CONTRIBUTIONS AN MONTHLY REPORTS, DELINQUENCY OR FAILURE TO MAKE CONTRIBUTIONS OR TO FILE REPORTS

Section 6.08. Any contractor who fails to report or to make contributions due to any foregoing Fund before the fifteenth (15th) day of the month in which it is due, or who issues a non-sufficient check shall be considered delinquent and, therefore, obligated and liable and subject to the following:

Each delinquent contractor shall pay to the Fund involved liquidated damages in the amount of seven percent (7%) of the indebtedness or ten dollars (\$10.00) for each month of delinquency, whichever is the greater.

The Trustees of the Fund involved shall, within sixty (60) days after a contractor is delinquent, instruct legal counsel to institute legal action to enforce collection. A delinquent contractor shall pay all collection and litigation expenses, including reasonable attorney's fees, court costs, liquidated damages, audit fees and expenses, as well as interest and other expenses incurred in the enforcing of collection from such contractor, and each contractor shall make applicable books and records available for such purpose. Collection actions may be brought by the Trustees of the Fund in the name of any assignee, or agent as determined by the Trustees.

A delinquent contractor shall be liable to any employee affected by such delinquency for a sum equal to the value of the benefits lost to the employee by reason of delinquency of such contractor. A delinquent contractor shall be liable to reimburse any Fund for the cost or value of any benefits which may be made available by the Trustees to any employee affected by the failure of the delinquent contractor to contribute or to report to the Health Fund or to any other Fund.

Individual Employers who fail to remit as provided above shall be additionally subject to having this 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 Local Secretary - Treasurer.

A Contractor may be absolved of any or all of the foregoing liabilities if he/she satisfies the Trustees that he/she failed to pay any contributions or to report because of honest mistake, clerical error, or other reasons satisfactory to the Board of Trustees.

Whenever a contractor claims that his/her failure to make the required contributions was

due to honest mistake or clerical error, and requests relief for that reason, it shall be considered provided the contractor agrees in writing to an audit of his/her records by an auditor appointed by the Board of Trustees. If the audit reveals to the Trustees that such failure to pay was not due to honest mistake or clerical error, then the contractor shall pay the cost of the audit; otherwise, the Trust Fund will pay for the cost of the audit. Any contractor shall be entitled to credit for or refund of money paid to the Trust Fund by reason of clerical error or mistake and the Trustees are authorized to refund such monies. The acceptance of any contributions from any contractor shall not release or discharge him/her from the obligations to contribute for all hours worked under this Agreement for which no contribution has actually been received notwithstanding any statement, restriction or qualification appearing on any check from any contractor.

The following Trust Agreements are binding on all contractors employing persons covered by this Agreement:

1. Health Trust Agreement, Training Trust Agreement, Payroll and Fringe Benefits Guarantee Trust Fund Agreement, The Labor-Management Cooperation Committee.
2. Each Contractor party hereto agrees to be bound by all of the obligations imposed upon the individual contractor by said Agreement. Each contractor making contributions to each of said Funds hereby agrees that by so doing, and hereby does irrevocably designate and appoint the Employer-designated Trustees mentioned in each of said Trust Agreements, as Trustees authorized to act in his behalf pursuant to said Trust Agreement, and irrevocably ratifies the designation, selection, appointment, removal and substitution of Trustees as provided in each of said Trust Agreements. Each contractor becoming a party to this Agreement authorizes the Trustees functioning under said Trust Agreements and the parties hereto to obtain rulings before any court or agency concerning any tax or other aspect of this Agreement, or any of the foregoing Trust Agreements, and to comply with the filing or reporting requirements of any applicable law, in behalf of all persons covered thereby.

Section 6.09. It is contemplated and understood that the Health Plan created hereunder, and any trust which may be established in connection therewith, shall at all times:

(a) Be and remain a qualified plan, payments to which are deductible to the contractors, and not current income to the employees, under the United States Internal Revenue Act of 1954, the Revenue and Taxation Code of the State of California, and the Bank and Corporation Tax Law of the State of California.

(b) Be and remain such that it complies with the provisions of the California Retirement Systems Act (if applicable), the Labor-Management Relations Act of 1947, as amended, the Federal Welfare and Pension Plans Disclosure Act, and this Agreement, and as they may be amended from time to time, together with any other applicable valid State Laws or rules or regulations.

(c) Be and remain such that contributions to the Health Plan shall not be a part of the "regular rate" at which any employee is employed, according to the terms of the United States Fair Labor Standards Act and the Regulations and Interpretations of it, and shall not be subject to deductions for state or federal income tax purposes, or under or for the purposes of the California Unemployment and Disability Insurance Act, the Federal Unemployment Tax Act, the

Social Security Act, or the Federal Insurance Contributions Act, or any similar legislation.

(d) To this end, the parties agree that they will, from time to time, promptly adopt such amendments or take such other steps as to make the provisions of the Health Plan and its administration clearly conform to these laws, rules and regulations including, if necessary, amendments with retroactive effect as the circumstances may require.

(e) It is further understood that the contractor's sole obligation hereunder, and under each Plan and Trust, shall be to make such contributions as are required hereunder, and that benefits payable under the Health Fund and Trusts shall be determined on a money purchase basis, or on any other basis that is actuarially sound in relation to the required contributions.

Section 6.10. A delinquent contractor shall be cited before the Labor Management Committee in accord with Article VI, Section 6.11 by the Trustees or their designated representative, or any authorized party to the Agreement under the following circumstances:

1. Issuing a check with insufficient funds in payment of wages, fringe benefits or other contributions as required by the terms and conditions of this agreement.
2. Failure to transmit a contribution report from when due.
3. Refusing to permit audit entry upon the request of the trustees of any trust.
4. Failure to pay wages or contributions as disclosed by an audit performed at the request of the trustees of any trust.

(a) Notice of hearing shall be sent at least ten (10) days prior to the scheduled hearing date.

(b) Notice shall be sent to the Employer at the address appearing on this Agreement or any Letter of Assent, or on the list of the Secretary of the Labor Management Committee, which address shall be the recognized address for the giving of notice. The signatory parties hereto agree that service of the charges, the notice of hearing before the Labor-Management Committee shall be deemed to have been properly served upon the party cited if it is sent by Certified Mail, return receipt requested, to said Employers recognized address. The signatory parties hereto agree that the recognized address shall be the last known address of the person cited, and the person cited agrees that service at the recognized address will be deemed sufficient both for notice of hearing and of the decision of the Labor-Management Committee.

It shall be the affirmative duty of each signatory party hereto to keep the Local Union advised of said person's last address if said address is different from that appearing on this Agreement or any Letter of Assent. The signatory parties hereto waive any claim that they were not served properly if service as described above was made in accord with this Section.

Section 6.11. The procedures of the Labor-Management Committee, with regard to the failure to pay contributions or refusal to permit audit entry upon request of the Trustees of any Trust are set forth in Article VI, Section 6.10.

Section 6.12. The Labor-Management Committee shall have the right not only to determine whether there has been a violation of this Agreement, but shall also have the right to devise an appropriate remedy consistent with the interpretation and applicable of this Agreement, including allowance of attorney's fees, cost of enforcement and interest from the date of decision, if court proceedings are required to enforce the decision. In addition, the Labor-Management Committee shall have the right to determine whether a party cited before these bodies has been properly cited and whether the provisions for notice have been complied with. The Labor-Management Committee shall have the further right to determine whether a party is signatory to this Agreement, whether any particular dispute is subject to the grievance procedure of this Agreement; and shall have the right to determine any and all defenses and contentions, legal or otherwise, raised by any person. Upon the rendering of the decision by the Labor-Management Committee, the Chairman and Secretary may execute any written award on behalf of all the members of the Committee.

Section 6.13. The Labor-Management Committee may delegate any or all of its powers and duties to the Labor-Management Subcommittee which body shall have authority to hear and determine grievances with the same force and effect of the Labor Management Committee. Any decision of the Labor-Management Subcommittee may be appealed to the Labor-Management Committee within ten (10) days of rendition of the Arbitration Award, but where contributions are found due, the full sum of the award must be posted prior to appeal. If no appeal is taken, or if the requisite deposit is not given, the decision of the Labor-Management Committee shall be final and binding at the end of ten (10) days.

ARTICLE VII

PAYROLL AND FRINGE BENEFITS GUARANTEE TRUST FUND

Section 7 .01. Each Electrical contractor employing workmen under the terms of this Agreement shall deposit One Hundred Dollars (\$100.00), free of interest, for a payroll and fringe benefits guarantee (including Credit Union Fund if applicable) up to Fifty Thousand Dollars (\$50,000.00) of payroll, but not over that amount, with the Trustees who shall function under a Trust Agreement to be agreed upon between the parties. If at any time, the interest accrued in the Payroll and Fringe Benefits Guarantee Trust Fund is depleted, each signatory contractor shall make an additional deposit into such fund of any amount up to One Hundred Dollars (\$100.00), making a total of Two Hundred Dollars (\$200.00) maximum. Notice of such additional deposit shall be given by the Labor-Management Committee.

Net payroll checks shall be paid by the Electrical Industry Payroll and Fringe Benefits Guarantee Trust Fund to be agreed upon between the parties. Net payroll checks shall be paid by the Electrical Industry Payroll and Fringe Benefits Guarantee Trust Fund in a total amount not to exceed Two Thousand Two Hundred and Fifty Dollars (\$2,250.00) maximum per employee.

A contractor who makes the payroll and fringe benefits deposit, and pays wages and fringe benefits to employees covered by this agreement, shall be absolved from all responsibilities with respect thereto. This payroll and fringe benefits deposit is in no respect a bond covering the contractor's payroll and fringe benefits obligation, but only an emergency fund to relieve employees' financial strain caused by issuing of bad checks or failure of contractors to meet payroll, or failure of contractors to make fringe benefit contributions as provided in this agreement. If the contractor defaults in the foregoing, his/her liability shall be as set forth in the Trust Agreement but shall, in any event, include the following:

(1) The contractor shall be liable for cost of enforcing collection, including but not limited to court costs, attorney fee, loss of earnings of an employee not paid, fringe benefits lost to an employee and any other expenses as determined by the Trustees to be the fault of such delinquent contractor.

(2) The Trustees are authorized to institute whatever federal or state, civil or criminal actions as are necessary to enforce collection. Upon collection of defaulted payroll, or bad check, employees must reimburse the Payroll and Fringe Benefits . Guarantee Trust Fund. Employees shall cooperate in every manner in regard to the collection of defaulted payroll, as requested by the Trustees.

(3) The contractor must, within five (5) calendar days after notice from the Business Manager of Local Union No.11, IBEW, make good any defaulted wages to his/her employees.

(4) On the first default of payroll payments and/or fringe benefit payments the defaulting contractor shall, upon notice from the Trustees, furnish a surety or cash bond in an amount of Five Thousand Dollars (\$5,000) as guarantee that wage payments and fringe benefits payments will be regularly made. On the second default of payroll and/or fringe benefit payments, the defaulting contractor shall furnish a bond or equivalent of at least Ten Thousand Dollars (\$10,000). The amount of bond may also be set by the Trustees by using the following formula:

Four (4) times the weekly wages and fringe benefits for all of said contractor's employees covered by this agreement.

However, the amount of bond required in this instance shall not be less than Ten Thousand Dollars (\$10,000). Failure to furnish the above-referred-to bond shall constitute cause for immediate cancellation of the Collective Bargaining Agreement at the option of the Local Union and the processing of all legal procedures necessary to enforce collection of defaulted amount, plus collection costs and interest involved. It shall not be a violation of this Agreement for the Union to refuse to permit persons covered by this Agreement to work on said job or project until all such wages and/or fringe benefits have been paid.

(5) Whenever a contractor has definite knowledge that he is taking over a contract for a job that has been partially completed by another contractor, he/she shall notify the Local Union, in writing, in the area before starting work.

(6) It is understood and agreed that this Payroll and Fringe Benefits

Guarantee Trust Fund is considered a joint fund covering both the Inside and Outside Agreements and groups of workmen. Consequently, contractors who are engaged in both Inside and Outside work shall make only one payroll and fringe benefits deposit to this Trust.

Rules, regulations and operations of the Payroll and Fringe Benefits Guarantee Trust Fund are as set forth in the Trust Agreement.

DRUG AND ALCOHOL POLICY

Section 7.02. The dangers and costs which alcohol and other chemical abuses can create in the electrical contracting industry in terms of safety and productivity are significant. The parties to this agreement resolve to combat chemical abuse in any form and agree that to be effective, programs to eliminate substance impairment should contain a strong rehabilitation component. The parties recognize the employer's right to adopt and implement a drug and alcohol policy subject to all applicable laws and regulations, procedural safeguards, scientific principles, and legitimate interests of privacy and confidentiality. When drug and alcohol testing is performed all testing shall be conducted in accordance with the procedures outlined in the aforementioned policy.

Where such testing is required, the employer shall pay for the test, and shall compensate the employee for his time, except where the employee tests positive, in which case the employee shall not be compensated for his/her time.

Section 7.03. Effective January 31, 2022, material handlers are included in the program. By March 1, 2022, all existing material handlers shall have their initial drug screening prior to being placed in the random pool.

ARTICLE VIII INSURANCE

Section 8.01. Electrical contractors shall post in every truck and on every job the name of their Worker's Compensation and Disability Insurance Carriers, and a list of doctors and medical facilities available in case of job injury. A Certified First Aid Kit shall be mandatory on every job and/or truck and shall include a resuscitator or comparable substitute.

ARTICLE IX

National Employees Benefit Fund

Section 6.01. 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 Agreement.

ARTICLE X Labor-Management Cooperation Committee

Section 10.06 All Employers subject to the terms of this agreement shall contribute, the amount specified by Article III Section 3.02, for each hour worked for the purpose of maintaining the Local 11, I.B.E.W.- Los Angeles County Chapter, N.E.C.A. Labor-Management Cooperation Committee. This sum shall be forwarded monthly to the Trust.

Section 10.07. A Board of Trustees for the Labor-Management Cooperation Committee is hereby established and shall consist of an equal number of members selected by the Union and the Chapter. The Board of Trustees is hereby authorized to establish and implement such Trust Fund, Trust Fund Agreement, and reporting forms as they consider necessary to administer the plan.

ARTICLE XI DUES DEDUCT

Section 11:09 The Employer agrees to deduct and forward to the Financial Secretary of the Local Union upon receipt of voluntary authorization the working dues from the pay of bargaining unit employee, currently at 1.5% of gross pay. This amount shall be paid to the local union by remitting said amount along with other contributions to the existing "Lock Box" account.

ARTICLE XII SEPARABILITY AND GENERAL SAVINGS CLAUSE

Section 12.01. Should any provision of this agreement be declared illegal by any court of competent jurisdiction. such provisions shall immediately become null and void, leaving

the remainder of the agreement in full force and effect and the parties shall, thereupon, seek to negotiate substitute provisions which are in conformity with the applicable laws.

Section 12.02. If any portion of this agreement may not be put into effect because of applicable Legislation, Executive Orders or Regulations, then such portions, or any part thereof, shall become effective at such time, in such amounts, and for such periods, as will be permitted by law at any time during the life of this agreement and any extension thereof.

Whenever the masculine gender is used in this Agreement, the female gender is also intended.