

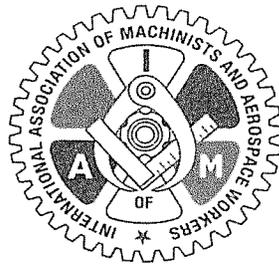
A G R E E M E N T

BETWEEN

G & H DIESEL SERVICE

AND THE

**INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS
AFL-CIO
DISTRICT LODGE 190, LOCAL LODGE 653**



EFFECTIVE AUGUST 1, 2020 THROUGH JULY 31, 2023

G & H DIESEL SERVICE
August 1, 2020 – July 31, 2023

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A G R E E M E N T

THIS AGREEMENT, made and entered into on this 1st day of August, 2020, is by and between **G & H DIESEL SERVICE**, hereinafter referred to as the Employer, and the **INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS**, District Lodge 190, Local Lodge No. 653, hereinafter referred to as the Union.

ARTICLE 1. RECOGNITION AND RESPONSIBILITY

1.01 Recognition: The Union is recognized as the sole collective bargaining agent for all those employees working in the classifications set forth in Article 2 at the Employer's operations located in Fresno, California.

1.02 Responsibility: The Employer agrees to perform all of the provisions entered into in this Agreement and any provisions and rulings and injunctions of the Board of Arbitration hereunder. The Union, in turn, agrees for and on behalf of itself and the individual members thereof, to perform each and every provision hereof and to stand responsible for the performance of its members, both as to the provisions hereof and the rulings and injunctions rendered by the said Arbitration Board.

1.03 Minimums and Notice: The wage rates specified herein are minimum. No employee shall have their wages reduced as a result of the signing of this Agreement. Likewise, nothing herein contained shall prohibit the Employer from paying a higher rate than the minimum.

1.04 Obtaining Required Licenses: If a license is required by state or federal law, the employee may be required to have such license; provided that any employee assigned to such work shall be given a reasonable time to obtain a license. The requirements of this Article may not be used as a basis for discharging an employee or otherwise discriminating against an employee who cannot reasonably obtain a license due to lack of educational or other qualifications. No employee may be discharged pursuant to this Article unless the Employer first files a grievance seeking such discharge and the Employer's grievance is sustained by a Board of Adjustment, which decision shall be final as to such grievance. Employer to pay for license fees. Employer shall pay for any time lost from work while an employee is obtaining a required license that is requested by Employer.

ARTICLE 2. WAGE RATES AND CLASSIFICATIONS

| <u>2.01</u> | <u>Classification</u> | <u>Rate of Pay:</u> | <u>8/1/20</u> | <u>8/1/21</u> | <u>8/1/22</u> |
|-------------|---|---------------------|---------------|---------------|---------------|
| | Journeyman Truck Mechanic, Journeyman Partsman, Tow Truck Driver, Secretary/Bookkeeper | | \$30.90 | \$31.40 | \$31.90 |

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2.02 Working Foremen: Working Foremen who use the tools of the trade shall receive not less than ten percent (10%) in excess of Journeyman rate.

2.03 Apprentices: Percentage of Journeyman rate:

| | |
|--------------------|------------------------|
| 1st 6 months | 60% of Journeyman rate |
| 2nd 6 months..... | 65% of Journeyman rate |
| 3rd 6 months | 70% of Journeyman rate |
| 4th 6 months | 75% of Journeyman rate |
| 5th 6 months | 80% of Journeyman rate |
| 6th 6 months | 85% of Journeyman rate |
| 7th 6 months | 90% of Journeyman rate |
| 8th 6 months | 95% of Journeyman rate |

ARTICLE 3. JOB DESCRIPTIONS

3.01 Journeyman Mechanics: Perform complete diagnosis of any mechanical, electrical or other failure of motor truck or its components; disassemble, overhaul, repair, adjust, assemble and re-assemble units such as engines, transmissions, differentials, clutches, brakes, electrical systems, fuel systems, etc. Use all tools of the trade, such as precision instruments, welding equipment, shop machines and power tools. Instruct others as required. It is understood that it is not necessary for an individual employee to be equally competent in all phases of the foregoing work, but they must be capable of performing all phases of the work assigned.

3.02 Journeyman Partsman: Under the supervision of the Shop Manager and Parts Manager, this position requires the individual to assist all customers, vendors, and shop employees in selecting required parts in a friendly, professional, and efficient manner. Along with being organized, this position requires time management skills and the ability to multi-task. Acknowledge all customers as they arrive in facility and serve them as efficiently as is possible. Answers phone calls in a timely and appropriate manner to provide the sale, price quotes and other information. Provides a high level of service to internal and external customers. Communicates with and supports other dealership personnel and departments. Pulls and fills orders from stock for orders via telephone and walk in customers. Participates in all training programs that are made available.

3.03 Tow Truck Driver: The duties of a tow truck operator consist of communicating with a dispatcher, driving to the scene of an accident or breakdown, connecting the vehicle to the tow truck, and transporting it to its destination. The driver is responsible for attaching the disabled vehicle to the tow truck. Depending on the type of tow truck, this may include using a chain, winch, steering locks, and other devices as well as affixing lights onto the towed vehicle. Drivers will interact with customers in a professional and courteous manner and provide any necessary assistance. Tow truck operators will need to be able to communicate well and will need to have a basic knowledge of heavy-duty trucks and truck parts. Tow truck drivers may need to perform small repairs on the scene of a breakdown such as changing tires, reconnecting parts, or jumpstarting the vehicle. Familiarity with automotive maintenance and repair is required.

3.04 Secretary/Bookkeeper: Type and proofread correspondence, forms, and other documents. Greet people in a professional and courteous manor and direct them to contacts or service areas. Determine and establish office procedures and routines. Answer telephone and relay telephone calls and messages. Answer electronic enquiries. Compile data, statistics, and other information.

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Order office supplies and maintain inventory. Open and distribute regular and electronic incoming mail and other material and coordinate the flow of information. Maintain confidentiality and security of personal, financial, and corporate information. Set up and maintain manual and computerized information filing systems.

3.05 Working Foreman: Shall be a point of reference for both employees and supervisors. Daily work alongside crew members while providing support and guidance in multiple tasks. Shall greet customers whether in person or on the phone in a professional and courteous manor. Consistently adhere to safety policies and procedures and immediately report and correct any situation that may threaten the safety of crew members. Monitor attendance of employees and provide accurate feedback to both employees and management on crew performance. Provide proper training to crew members, including the safe operation of all equipment, tools, and machinery. Maintain open communication with Shop Foreman and management on the progress of workflow and any changes that may occur. Ensure that safety briefings take place daily or as needed and proper equipment inspections are being conducted regularly. Respect all employees, managers, and customers and do not discriminate based on age, gender, race, ethnicity, or skill level.

3.06 Shop Foreman: Shall be a point of reference for all employees and supervisors. Daily work alongside crew members as needed while providing support and guidance in multiple tasks. Shall greet customers whether in person or on the phone in a professional and courteous manor. Consistently adhere to safety policies and procedures and immediately report and correct any situation that may threaten the safety of employees. Monitor attendance of employees and provide feedback to both employee and management on crew performance. Provide proper training to crew members, including the safe operation of all equipment, tools, and machinery. Maintain open communications with Working Foreman and management on the progress of workflow and any changes that may occur. Ensure that safety briefings take place daily or as needed and proper equipment inspections are being conducted regularly. Respect all employees, managers, and customers and do not discriminate based on age, gender, race, ethnicity, or skill level.

ARTICLE 4. HOURS AND OVERTIME

4.01 Starting Time: Eight (8) hours shall constitute a normal day's work, to be performed within a spread of not to exceed nine (9) consecutive hours; starting time of regular day shifts to be not later than 9:00 a.m. and not earlier than 7:00 a.m., with quitting time to be regulated accordingly. Any change in shifts or starting time shall be upon ten (10) days written notice to the Union by the Employer.

4.02 Overtime: The work week shall consist of five (5) consecutive days, Monday through Friday, or Tuesday through Saturday. All time worked in excess of forty (40) hours during the work week, Monday through Friday or Tuesday through Saturday, shall be paid at one and one-half (1.5) times the regular rate of pay for the employee involved provided said time exceeds forty (40) hours from Monday through Friday or Tuesday through Saturday. It is also agreed that employees assigned to regular scheduled work weeks of either Monday through Friday or Tuesday through Saturday will be rotated periodically as between such regularly scheduled weeks. Employees required to work on the sixth (6) day shall be paid time and one-half (1.5) for all work performed on such sixth (6) day. Employees required to work on the seventh (7) day shall be paid double time for all hours worked on such seventh (7) day.

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4.03 Shift Operations: Shifts starting at 3:00 p.m. or later shall be considered night shifts, and all employees covered by this Agreement who work on such shifts shall receive twenty-five cents (.25) per hour in excess of their regular rate of pay. In the event the Employer decides to establish a third shift, the premium rate applicable to such shift shall be established through negotiations between the parties hereto. During any temporary lack of work, shifts are to run independent of each other and work will be distributed as equally as possible by shifts. Seniority shall have consideration in manning of all night shifts.

4.04 Minimums: Employees who are called to work at the beginning or during a shift shall be guaranteed pay for a full half shift. When called to work after their regular day they shall be guaranteed a minimum of two (2) hours work or pay, therefore. All call-backs will be voluntary.

4.05 New Classifications: Should it become necessary for the Employer to employ employees to work under classifications not provided for in this Agreement, the rate of pay for such employees is to be determined by and between the Employer and the Union on the basis of the appropriate effective rates for employees in such classifications.

4.06 Reduced Work Week: In order to meet an emergency situation due to economic conditions, in lieu of a temporary layoff, Employer may reduce the work week to four (4) days per week for all employees for a period not to exceed sixty (60) days duration. Thereafter, the employees shall be placed on temporary layoff by seniority by classifications. The Employer shall post the rotation schedule two (2) days prior to the commencement of rotation. No employee shall lose more than eight (8) working days per calendar year due to such reduced work week schedule.

4.07 On-the-Job Injury: If an employee is injured on the job and is hospitalized or sent home with written authorization by a doctor approved by the Employer for the remainder of the regular work shift, such employee shall be paid to the end of the regular shift for the day the injury occurred, but in no event will they be paid beyond the end of the regular work shift. In the event of an industrial accident which requires further treatment, the Employer will offer compensating time on opposite shift at the employee's present hourly rate.

ARTICLE 5. JOURNEYMEN AND APPRENTICES

5.01 Journeymen: Journeymen shall have served as Apprentices or shall have otherwise acquired the knowledge, experience and ability to perform work assigned to them within a reasonable length of time and in a satisfactory manner.

5.02 Apprentices: The Employer will meet and abide by the requirements and standards of the Central Valley Automotive and Machinists Joint Apprenticeship Committee in hiring and dealing with Apprentices.

5.03 Apprentice Ratio: One (1) Apprentice may be employed in each shop where one (1) or more Journeymen are regularly employed and where there are sufficient facilities and continuity of employment for them to acquire a general knowledge of the trade during their apprenticeship. One (1) additional Apprentice may be employed for each additional three (3) Journeymen who are regularly employed. In reducing forces, the existing ratio must be maintained. Employees assigned to the classification of Working Foreman shall not be counted as Journeymen.

5.04 Apprentice Training: Apprentices shall work under the supervision of the Journeyman in

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charge of the job to which the Apprentice is assigned, and such Apprentice shall not work overtime except in the company of a Journeyman.

5.05 Outside Work: The Employer and the Union agree that any employee engaged in direct competition outside their regular working hours while on the payroll at G & H Diesel Service shall be subject to immediate discharge, and such discharge shall be subject to the grievance procedure. The Employer agrees that in the instances of discharge initiated by the Employer, that proof of violation of this provision will be provided by the Employer prior to discharge. The foregoing shall not apply while an employee is on layoff at the time such outside work is performed.

ARTICLE 6. UNION SECURITY AND SAVING CLAUSE

6.01 Union Security: Membership in the Union on or after the thirtieth (30) day following the beginning of employment of employees covered by this Agreement, or the effective date of this Agreement, or the date upon which this Agreement is executed, whichever is the later, shall be required as a condition of employment. Tender of the Union's periodic dues and initiation fees uniformly required as a condition of acquiring or retaining such membership shall, for the purpose of this Article, be considered membership in the Union.

6.02 Union Activity: No employee or group of employees shall be discharged or discriminated against because of any normal Union activity, and each shift may select a Shop Steward.

6.03 Notifications: The Employer will notify the Union of each new employee or rehire and the classification of such employee within ten (10) working days of the employee's date of hire or recall on a form supplied by the Union. Upon request by the Union, the Employer shall furnish a complete list of all employees covered by this Agreement, with their wage rates and classifications, but in no event oftener than once every thirty (30) days.

6.04 Saving Clause: Should any part hereof or any provisions herein contained be rendered or declared illegal or an unfair labor practice by reason of any existing or subsequently enacted legislation, or by decree of a court of competent jurisdiction, or by the decision of any authorized government agency, including the National Labor Relations Board, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof: provided, however, upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. The remaining parts or provisions shall remain in full force and effect.

ARTICLE 7. SENIORITY

7.01 Probationary Period: An employee's seniority shall be computed from the time of their employment by the Employer in any capacity, except that a new employee shall be on probation for Sixty (60) calendar days. After the probationary period, an employee shall be deemed to be efficient and competent and their seniority shall date from their date of hire.

7.02 Competency and Merit: The Employer shall have the unqualified right to judge the competency and merit of its employees. Competency and merit being equal, seniority shall prevail in the reduction and re-employment of forces.

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7.03 Layoffs and Rehires: In layoffs and rehires where the senior employee is qualified to perform the required task, seniority shall prevail.

7.04 Break in Seniority: An employee's seniority and employment with the Employer shall terminate if any of the following occurs:

- A. Voluntary quit or resignation
- B. Discharge for just cause.
- C. Layoff for twelve (12) consecutive months or more.
- D. Failure to report to work when recalled from layoff within five (5) working days after notice to return is sent by Certified Mail to the last address appearing on company records.
- E. Absence from work for three (3) working days without notifying the appropriate supervisor at their office at the company.
- F. Failure to report for work at the termination of a leave of absence granted by the Employer.

7.05 Laid off employees shall keep the Employer advised (in writing) of their correct mailing address. The Employer shall recall employees by registered letter addressed to their last known address or may contact by phone. An employee recalled after layoff shall notify the Employer immediately upon receipt of notice of recall as to whether or not they will return to work within five (5) days.

7.06 Exceptions may be made for illness or other legitimate reasons for not being able to report for work. When request is made for exception under this provision, it shall be presented in writing to the appropriate supervisor.

7.07 In the event of an unforeseen emergency which definitely precluded the employee from getting prior written permission for the absence from their supervisor, the employee shall inform the supervisor of the reason for their absence and must get permission for their continued absence - except in extreme emergencies - within one (1) hour from the time of the commencement of the shift from which they are absent. In the event that the stated reason for the absence is illness, the Employer may require reasonable proof of said illness.

7.08 Penalties for failure to conform to the absenteeism and tardiness requirements of prior notice and prior written permission as set forth above, or for any unexcused absence, shall be as follows:

- A. Upon a first occurrence, the employee shall be given a written reprimand, with a carbon copy thereof to the Union.
- B. Upon a second occurrence within a period of twelve (12) months from the first occurrence, the employee shall be subject to a penalty of two (2) days suspension from work.

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- C. Upon a third occurrence within a period of twelve (12) months from the second occurrence, the employee shall be subject to instant dismissal.
- D. Provided, however, that if there has been no second occurrence within twelve (12) calendar months of the first, the written reprimand shall be removed from the employee's file. Provided further, that if there has been no third occurrence within eighteen (18) calendar months of the second occurrence, the records of both the first and second occurrences shall be removed from the employee's file.

ARTICLE 8. VACATIONS

8.01 One Week: Employees who have been continuously employed by the Employer for one (1) year and who have worked not less than 1400 hours during the year, (credit for on-the-job accidents and temporary layoffs by the Employer shall be limited to 170 hours per year) shall be entitled to one (1) week of vacation with pay for forty (40) hours at their straight time day rate of pay in effect at the time the vacation is taken.

8.02 Two Weeks: Employees who have been continuously employed by the Employer for two (2) years or more and up to seven (7) years and who have worked not less than 1400 hours during the year, (credit for on-the-job accidents and temporary layoffs by the Employer shall be limited to 170 hours per year) shall be entitled to two (2) weeks of vacation with pay for eighty (80) hours at their straight time day rate of pay in effect at the time vacations are taken.

8.03 Three Weeks: Employees who have been continuously employed by the Employer for seven (7) years or more and who have worked not less than 1400 hours during the year, (credit for on-the-job accidents and temporary layoffs by the Employer shall be limited to 170 hours per year) shall be entitled to three (3) weeks of vacation with pay for one hundred-twenty (120) hours at their straight time day rate of pay in effect at the time vacations are taken.

8.04 Four Weeks: Employees who have been continuously employed by the Employer for fifteen (15) years or more and who have worked not less than 1400 hours during the year, (credit for on-the-job accidents and temporary layoffs by the Employer shall be limited to 170 hours per year) shall be entitled to four (4) weeks of vacation with pay for one hundred-sixty (160) hours at their straight time day rate of pay in effect at the time vacations are taken.

8.05 Proration of Vacation: Employees who are terminated by the Employer after six (6) months of continuous service shall receive, on termination, an amount of vacation pay prorated on the amount they would have received for a full year of service; but employees who voluntarily quit their job shall not be entitled to such proration of vacation pay unless their voluntary termination occurs after nine (9) months or more of continuous service. Employees with one (1) or more years of service shall receive prorated vacation benefits upon termination for any reason. Prorated vacation benefits shall be paid at the employee's straight time hourly rate in effect at the time of the termination, and such benefits shall be computed on the basis of one-twelfth (1/12) the vacation the employee would have earned had they completed the anniversary year for each full month of service from their last anniversary date.

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8.06 Vacation scheduling: Preference for vacation date shall be given to employees according to their seniority rating and job assignment as reasonably as possible. Employees shall indicate, not later than April 1st, their preference for a vacation on a notice posted by the Employer not later than March 1st of each year. The vacation schedule shall be posted no later than April 15th and may only be amended by agreement between the Employer and the employee involved. The Employer shall determine the vacation schedule, giving consideration where possible to employees entitled to three (3) or four (4) weeks of vacation, and shall be so arranged as to not interfere with the Employer's need to maintain to its satisfaction, a proper balance of employees on the job at any one time.

8.07 The Employer will pay vacation bank in full to Employees on their anniversary date. Vacation time off will be by mutual agreement.

8.08 When an Employee has scheduled a prepaid vacation day in conjunction with a holiday, the holiday work provision will be met as per Section 9.02.

8.09 Employees taking a full day off will count as a vacation day used.

8.10 It is understood and agreed that an Employee's vacation shall be taken prior to their next anniversary date, but in no instance shall vacation be back-to-back.

ARTICLE 9. PAID HOLIDAYS

9.01 The following ten (10) days shall be recognized as holidays:

- | | |
|---------------------|---------------------------|
| 1. New Year's Day | 6. Thanksgiving Day |
| 2. President's Day | 7. Day after Thanksgiving |
| 3. Memorial Day | 8. Day before Christmas |
| 4. Independence Day | 9. Christmas Day |
| 5. Labor Day | 10. Floating holiday |

9.02 Eligibility: An employee who has completed the probationary period and who works or is available for work on their regular scheduled work days immediately preceding and following the above holidays, shall be paid for eight (8) hours at their straight time rate of pay when no work is performed; provided, however, that the work requirement on the days before and after the holiday shall be waived if an employee's immediate supervisor excuses them from performing work on either or both of such days and in addition specifically tells them that they will receive holiday pay by immediate written and mailed confirmation, and with a copy thereof also given immediately to an appropriate company executive, Employees must receive prior written authorization for floating holiday from supervisor.

9.03 Work on a Holiday: If an employee, otherwise qualified, shall work on any holiday listed above, they shall receive one and one-half (1.5) times their straight time rate of pay for hours worked plus eight (8) hours of straight time pay for the holiday. If one of the paid holidays falls on a Sunday, the holiday shall be recognized and paid for on the following Monday. If one of the paid holidays falls on a Saturday, the holiday shall be recognized and paid for on the preceding Friday. Work performed on these holidays by employees who have been employed by the Employer for less than thirty (30) days shall be paid for at one and one-half (1.5) times their straight time hourly rate.

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9.04 Rearrangement of Holidays: Holidays may be rearranged by mutual agreement between the Employer and a majority vote of its employees, with notification to the Union in writing.

9.05 The Floating Holiday will be mutually agreed on by the Employer and a majority vote of the employees when the floating holiday will be observed. The Floating Holiday will not be taken in conjunction with other holidays.

ARTICLE 10. HEALTH AND WELFARE, DENTAL, VISION AND PENSION: \$25,000
Life Insurance policy, Prescription Drugs, Dental, Orthodontics and Vision Care

10.01 Active Plan: The Employer agrees to promptly execute a Health and Welfare Agreement (Health, Life, Dental, Orthodontic, Drug, Vision) in the standard format used by the AUTOMOTIVE INDUSTRIES WELFARE FUND ("Welfare Fund") providing for, among other things, the following:

Benefits: Health and Basic Life of \$2,500.
Additional Life Benefits of \$22,500.
Dental
Orthodontic
Prescription Drugs
Vision Care

10.02 Eligibility: All Employees will be eligible for benefits effective the first of the month following completion of their probation.

10.03 Contributions: Employer contributions will be payable at the rates and on the employees as provided in the Health and Welfare Agreement.

10.04 Effective September 1, 2020 the Employer will pay 80% of the premium per month. Any increase in health insurance premiums will be split 50% by the Employer and 50% by the Employees.

10.05 By signing the Health and Welfare Agreement the Employer agrees to be bound by the terms of it. The Welfare Fund's Trust Agreement and the rules of the Welfare Fund as all of them may be amended from time to time.

10.06 Health and Welfare coverage will cease at the end of month that an employee is employed when said employee voluntarily quits, is terminated for just cause, takes a leave of absence or retires.

10.07 If an employee is off work due to a regular disability (not on the job injury), the Employer will continue its share of the Health and Welfare premiums for a period of one additional month following disability. If the employee continues to be disabled, an additional two (2) months of payments are due.

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10.08 Employees who have passed the effective date of coverage but is no longer employed due to Layoff, FMLA, or Military Leave, the Employer will continue its share of the Health and Welfare premiums for a period of one additional month.

10.09 In the case of any inconsistency between the terms of the Health and Welfare Agreement and this collective bargaining agreement, the terms of the Health and Welfare Agreement shall prevail.

10.10 Pension: The Employer shall contribute to the IAM NATIONAL PENSION FUND, National Pension Plan, for each day or portion thereof for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement as follows:

Effective

| | |
|---------|---|
| 08/1/19 | \$28.80 per day - not to exceed \$144.00 per week |
| 09/1/20 | \$29.10 per day - not to exceed \$145.50 per week |
| 08/1/21 | \$29.40 per day - not to exceed \$147.00 per week |
| 08/1/22 | \$29.70 per day - not to exceed \$148.50 per week |

If the employee is paid only for a portion of day, contributions will be made by the Employer for the full day.

10.11 The Employer shall continue contributions based on a forty (40) hour work week while an employee is off work due to paid vacations, paid holidays, etc.

10.12 Contributions for a new full-time employee will begin at the completion of the employee's probationary period, but no later than sixty (60) calendar days after date of hire. Temporary employees may be excluded for a maximum period of ninety (90) calendar days.

10.13 The IAM Lodge and the Employer adopt and agree to be bound by, and hereby assent to, the Trust Agreement dated May 1, 1960, as amended, creating the IAM National Pension Fund and the Plan Rules adopted by the Trustees of the IAM National Pension Fund in establishing and administering the foregoing Benefit Plan, pursuant to the said Trust Agreement as currently in effect and as the Trust and Plan may be amended from time to time.

10.14 The parties acknowledge that the Trustees of the IAM National Pension Fund may terminate the participation of the employees and the Employer in the Plan if the successor collective bargaining agreement fails to renew the provisions of this Pension Article or reduces the Contribution Rate. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable.

10.15 This Article contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provision in this Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Trustees of the IAM National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the said Pension Fund.

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10.16 Severance Pay: An employee who voluntarily retires pursuant to the foregoing Pension Plan and who has completed fifteen (15) years of consecutive employment with the Employer shall receive severance pay at the point of termination of two hundred and fifty dollars (\$250).

ARTICLE 11. GRIEVANCE PROCEDURE

11.01 Step 1: Any grievance arising between an employee or group of employees of the Employer may first be taken up by the employee or group of employees affected with the immediate supervisor. The supervisor must give a written answer within one (1) working day.

11.02 Step 2: If the grievance was not settled satisfactorily in the preceding step, the written grievance shall be taken up by the Business Representative of the Union and the Employer or its representative. The Employer or its representative shall give a written answer within five (5) working days.

11.03 Step 3: A grievance not settled satisfactorily in preceding steps may be referred to arbitration by either party to this Agreement as hereinafter set out.

11.04 Step 4: One member of the Board of Arbitration shall be selected by the Union and one member selected by the Employer. The two members selected shall choose the third member from a list furnished by the California State Conciliation Service within ten (10) working days. The third member thus selected shall be the Chairperson of the Board and shall have no power to add to, subtract from, or modify any terms of the Agreement or its addenda. The Board of Arbitration shall be empowered to rule on all disputes presented to it as to the interpretation and/or application of the Agreement and its addenda, including the right to assess any penalties, such as back pay, reinstatement or damages. The cost of the Arbitrator will be borne equally by the Employer and the Union.

11.05 It is understood and agreed that all complaints or disputes arising from the application of the provisions of this Agreement must be submitted in writing by the complaining party to the other party to this Agreement within thirty (30) days from the occurrence of the incident giving rise to the dispute. Grievances not submitted in accordance with the provisions of this Article shall be considered untimely and therefore the right to grieve shall be lost.

ARTICLE 12. TOOLS - COVERALLS - DISCRIMINATION

12.01 Special Tools: All special and heavy duty tools, such as torque wrenches, test equipment, hydraulic equipment, spray equipment and pneumatic tools, required by the Employer shall be furnished by the Employer. Each employee covered by this Agreement shall be required to furnish a normal complement of hand tools, but this does not include expendable tools such as taps, drills, dies, hacksaw blades, cutting chisels, files and easyouts.

12.02 Power Tool Maintenance: The Employer agrees to maintain all employee's power tools that are inventoried and registered by serial number with the Employer. Any additional tools must be purchased new and be registered by serial number. The Employer has the right to replace with new comparable tool in lieu of repairing.

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12.03 Metric Tools: When needed, the Employer shall furnish one (1) set of metric tools for the shop.

12.04 Tool Insurance: The Employer shall be responsible for the replacement value of an employee's tools and toolbox stolen from the premises of the Employer by reason of illegal breaking and/or entering of such premises, or by reason of fire in the Employer's premises at any time. Each individual claim shall be subject to a two hundred and fifty dollar (\$250) deductible, to be assumed by the employee. It shall be the total responsibility of the employee when assuming employment to file with the Employer a complete inventory of all personally owned tools on the Employer's premises, subject to inventory by the Employer. Such inventory shall be kept up-to-date on a continuing basis as the employee adds to and/or subtracts from their toolbox. Failure to provide the Employer with an inventory of tools will relieve the Employer from the responsibility of paying for any loss claimed.

12.05 Coveralls: Employer to pay one hundred percent (100%) of the cost of coveralls or uniforms. Employees to have a clean change each work day.

12.06 Discrimination: Neither the Employer nor the Union shall discriminate in respect to employment by reason of race, age, sex, religion, color, national origin or ancestry.

ARTICLE 13. FUNERAL LEAVE

13.01 When a regular full-time employee on the active payroll is absent from work for the purpose of arranging for or attending the funeral of a member of their immediate family, as defined below, the Employer will pay them for eight (8) hours at their regular rate of pay for each day of such absence up to a maximum of three (3) scheduled work days, provided that:

- A. The employee notifies the Employer of the purpose of their absence not later than the first day of such absence, and
- B. Payment will be made for a day of absence only if such day is one of the three (3) days commencing with the day of such death or with the day immediately following the day of such death and is a day during which the employee would have worked had it not been for the absence, and
- C. No payment will be made for any day of absence which is later than the day of such funeral, except where the employee attends the funeral at a location outside a one hundred seventy-five (175) mile radius from Fresno, and
- D. It shall be necessary for the employee to make a written request for reimbursement, accompanied by a public notice of the demise or funeral, with the identification of the relationship, and
- E. Funeral pay does not apply if death occurs during an employee's paid vacation or while the employee is on leave of absence, layoff, sick leave, or probation.

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13.02 For the purpose of this Article, a member of the immediate family means the employees and their current spouse's children, mother, father, sister, brother, grandparents and stepparents (if employee or spouse was raised by said stepparents).

ARTICLE 14. STRIKE AND LOCKOUT

14.01 There shall be no strike called by the Union or lockout instituted by the Employer during the life of this Agreement. It is understood that each employee shall use their own prerogative to respect or not to respect a legal picket line sanctioned by the Central Labor Council, without fear of recourse or penalty on the part of the Union or on the part of the Employer.

ARTICLE 15. MANAGEMENT RIGHTS

15.01 All matters except those pertaining to rates of pay, hours, and conditions of employment as provided in this Agreement, shall be considered the prerogative of the Employer. Management of the plant and the direction of the working force, including, but not limited to, the right to direct, plan, control plant operations and set production schedules; to accept, reject, and perform any and all types of work; to terminate or discharge employees for justifiable causes and to relieve employees from duty because of lack of work or for other legitimate reasons, and the management of the properties, is exclusively vested in the Employer; provided, however, that any action taken under this Article shall not conflict with the express terms of this Agreement.

ARTICLE 16. SUBCONTRACTING

16.01 The Employer retains the right to subcontract work it has subcontracted in the past, and to subcontract work it is not equipped to do.

ARTICLE 17. PAYROLL DEDUCTIONS

A. Upon receipt of a signed authorization from the employee involved, the Employer shall deduct from the employee's pay the initiation and/or reinstatement fees and dues payable by him to the Union during the period provided for in said authorization. The amount will be certified by the Financial Secretary of the Local Lodge.

B. Deductions shall be made on account of initiation and/or reinstatement fees and dues payable from the first pay of the employee after receipt of the authorization. Deduction shall be made on account of Union dues from the first paycheck of the employee after receipt of the authorization, and monthly thereafter from the first pay of the employee in each month.

C. Deductions provided in this section shall be remitted to the Financial Secretary of the Union no later than the tenth day of the month in which the deduction was made, and shall include all deductions made in the previous month. The Employer shall furnish the Financial Secretary of the Union, monthly, with a record of those for whom deductions have been made, and the amount of the deduction.

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D. The parties agree that the Union will supply the appropriate Form to authorize Union dues deduction.

ARTICLE 18. DRUG TESTING

17.01 The Employer shall have the right to conduct, at its expense, the testing of Employees for alcohol or drug abuse, provided that:

- (a) The Employer may conduct random (unannounced) drug testing once a year of all Employees. The Employer agrees that the M.R.O. (Medical Review Officer) will present positive test results to the tested employee prior to releasing the results to the company.
- (b) The Employer may test an Employee if the Employer has reasonable cause to believe, based on the Employee's conduct at the Employer's premises or during work time, that the Employee, during work or at the Employer's premises, has impaired faculties or is under the influence of alcohol or illegal narcotic (excluding drugs prescribed with the permission of a physician). Third party report shall not form the basis for reasonable cause.
- (c) Any Employee (i) sustaining an occupational injury or (ii) involved in an industrial accident causing property damage in excess of \$1000.00 or causing an occupational injury to another Employee or third person or (iii) involved in a physical altercation on Company property shall be subject to testing under this program on the request of the Employer. "Occupational injury" is defined as an injury to an Employee or third person which requires medical treatment beyond first aid.
- (d) The Employer shall only test for alcohol or illegal narcotics (excluding drugs prescribed with permission of a physician).
- (e) All testing shall be at the full expense of the Employer and the Employee shall remain "on-the-clock" while being tested.
- (f) The Employer shall only conduct urinalysis testing.
- (g) All testing shall be conducted by a State licensed Laboratory; and the extracting of urine samples must be done by or under supervision of said laboratory.
- (h) If the Employee tests positive, the Employer shall allow the Employee, if the Employee so requests, to have the urine sample tested, by whatever means the Employee designates, by a second independent Laboratory, at the Employer's expense.
- (i) The Employer shall observe all applicable laws as to the confidentiality of the medical information obtained through the procedures described herein.
- (j) The first time an Employee tests positive on the Employer's test, and on the second test (if one is requested by the Employee), the Employee shall have the option of undergoing a recognized treatment program and taking a leave as

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described in Section 1025, seq., of the California Labor code in lieu of being disciplined.

- (k) If the Employee for whom the Employer has had tested refuses to undergo the testing as described herein, if an Employee refuses to undergo treatment, or if an Employee tests positive a second time within a one (1) year period after having undergone treatment, the Employer reserves the right to take disciplinary action, up to and including discharge, against the employee.

18.02 To the extent the above provisions conflict with any applicable law, the rights and provision herein shall be performed in accordance with applicable law.

ARTICLE 19. SICK LEAVE

19.01 All employees will bank three (3) days (24 hours) of sick leave as of July 1, 2016.

19.02 Employees that have any unused sick leave will be paid out the balance of their yearly allotment in the next pay period following June 30th of that year.

19.03 Employees may take paid sick leave without required proof of illness.

19.04 Any discrepancy arising from this policy will be settled through the grievance process per Article 11. Grievance Procedure.

ARTICLE 20. DURATION OF AGREEMENT

20.01 This Agreement shall be in full force and effect from August 1, 2020, through July 31, 2023.

20.02 Should either party desire to modify this Agreement at the expiration date of this Agreement, written notice must be given to the other party at least sixty (60) days prior to July 31, 2023, together with a written text of desired changes. If such notice is not given, this Agreement shall remain in full force and effect for one (1) year from August 1, 2023, and shall expire July 31, 2024.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this 17 day of September, 2020.

G & H DIESEL SERVICE

By: [Signature]

Title: General Manager

Date: 09/17/2020

cghdl

**INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS
DISTRICT LODGE 190, LOCAL LODGE 653**

By: [Signature]

Title: Union Rep.

Date: 09/17/2020

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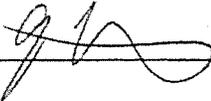
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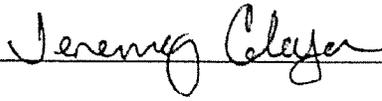
LETTER OF UNDERSTANDING

G & H Diesel Service wants a signed statement from all employees stating that they will not perform any side work related to trucks, construction equipment or farm equipment while employed at G & H Diesel Service.

G & H DIESEL SERVICE

**INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS
DISTRICT LODGE 190, LOCAL LODGE 653**

By: 
Title: General Manager
Date: 09/17/2020

By: 
Title: Union Rep.
Date: 09/17/2020

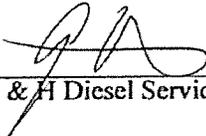
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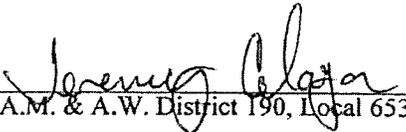
MEMORANDUM OF UNDERSTANDING

Health & Welfare Opt Out Option

Effective September 1, 2014, the parties agree to allow Class 1 and Class 2 employees to opt out of the Automotive Industries Health & Welfare Plan as per the Automotive Industries Welfare Fund Rules and as amended from time to time by the Trust.

Employee must sign a document stating that they understand that they are canceling their medical benefits and/or all ancillaries and life insurance as provided by the Fund.

By: 
G & H Diesel Service

By: 
I.A.M. & A.W. District 190, Local 653

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I.A.M. & A.W. LOCAL LODGE 653
AUTOMOTIVE INDUSTRIES WELFARE FUND

Effective _____, I voluntarily elect to opt out of the medical and all ancillaries benefits available from Automotive Industries Welfare Fund through my employer's Collective Bargaining Agreement.

I understand that the only opportunity to re-enroll (opt in) in Automotive Industries Welfare Fund benefits will be provided only by a Cobra Qualifying Event.

Employee Signature

Company Representative

Employee – Print Name

SS No. XXX-XX-_____