AGREEMENT

BETWEEN

Hulcher Services, Inc.

And



Laborers' International Union of North America and LIUNA Local 773

Effective November 1, 2023 through October 31, 2026

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EMERGENCY RAILROAD DERAILMENT AND SALVAGE AGREEMENT

This Agreement, made and entered into by and between Hulcher Services, Incorporated, hereinafter referred to as the Employer, and Laborers' International Union of North America and LIUNA Local 773, AFL-CIO, hereinafter referred to as the Union.

Article I - Application of the Agreement and Definition of Employees

Section 1.

This Agreement shall apply to and cover all work coming within the geographical jurisdiction of the Union, which includes, but is not limited to the following:

- A. All railroad wrecking service;
- B. Salvage and transfer on mainlines, sidings and service lines;
- C. The replacement of components and adjustments in alignment or grades of an existing railroad track;
- D. All emergency work, such as snow removal, flood damage and damages occurring on derailments, including all cleanup and repair in connection there with which may be performed by the Employer or preformed under its own name or a subsidiary, or in the name of another, such as a corporation or company or enterprise or any combination thereof, including a joint venture;
- E. All work under the jurisdiction of the Union performed at the Employer's dispatch bases and yards.

This Agreement shall supersede all other Agreements between the parties or between the Employer and any Local of the Union for any work covered herein and described above in the geographic area covered by this Agreement and in such other geographic areas as the Union and the Employer may agree upon.

Section 2.

Classifications and Definitions of employees covered by this Agreement.

- A. **FULL-TIME EMPLOYEE:** A full-time employee is one who is guaranteed a minimum of forty {40} hours per week, as set forth in Article VIII, Section 1.
- B. **PART-TIME HOURLY EMPLOYEE**: A part-time hourly employee is an employee who is hired hourly on a day-today or job-to-job basis.

- C. APPRENTICE OPERATOR (APO1): An apprentice operator is a full-time laborer who has entered the Employer's Apprentice Operator Program which consists of three {3} steps of advancement. Step I is normally six {6} months of service, Step 2 is normally three {3} months of service and Step 3 is normally three {3} months of service.
- D. **EMPLOYEE**: For purposes of this Agreement, "employee" shall mean full-time laborers, including apprentice operators, {see Item C above}, and part-time hourly laborers.

Article II - Union Security

Section 1.

The Employer recognizes Laborers' Local 773 of the Laborers' International Union of North America, AFL-CIO, as the exclusive representative of all its employees performing work under and within the scope of this Agreement.

Section 2.

All new hires shall be considered probationary employees for a period of ninety {90} calendar days from the date of hire {regardless of the number of hours and days worked measured there from}, and as such probationary employees shall not be protected by, subject to, or have the right to invoke the grievance / arbitration procedure of the parties' collective bargaining Agreement in conjunction with any discipline the Employer may impose, up to and including discharge. That is, said probationary employees shall be considered "at-will employees" for purposes of discipline and / or retention of employment for the ninety {90} days following their respective dates of hire, but for all other purposes shall be subject to the term, conditions, protections, and rights afforded by the collective bargaining Agreement.

Section 3.

All employees covered by this Agreement, as a condition of continued employment, shall, commencing on the fifteenth {15th} calendar day following the beginning of such employment, or the effective date of this Agreement, whichever is later, and for the duration of the Agreement, maintain membership in the Union. This provision shall not apply in any State where such a requirement for continued employment is prohibited by law; provided however, that where an Agency Shop is lawful in a State, conformity therewith shall be a condition of employment on the fifteenth {15th} day following the beginning of such employment or the effective date of this Agreement, whichever is the later.

Section 4.

The Employer agrees to deduct from each employee the uniform current initiation fees and monthly dues. The uniform current initiation fees shall be deducted at the rate of twenty-five dollars {\$25} per pay period until said fee is paid, and the uniform monthly dues will be deducted at the first of the first full pay period of each month, and forwarded to the Union by the

fifteenth {15th} of the month, provided the Employer has received from each employee on whose account such deductions are made, a written assignment, which shall be irrevocable for on {1} year, or the termination date of this Agreement, whichever occurs first, said Check off Authorization to be in the form approved by the National Labor Relations Board. In the event an employee is laid off or not working during the period for dues deductions, the employee must make self-payment of monthly Union dues to Laborers' Local 773 by the fifteenth {15th} of the month following the month due to maintain membership in good standing in order to be eligible for continued employment or recall by the Employer.

Article - III Job Notification

The Employer agrees to notify Laborers' Local 773 of jobs obtained by the Employer, describing the location, size and extent of work to be done and the proposed starting date prior to the commencement of work, except in case of emergency work. There shall be a written notice given to the Union of that work that was performed.

Article IV - Steward and Union Representatives

Section 1.

The Employer shall furnish the Union with the names and Social Security numbers of all employees when employed.

Section 2.

The Union will select one {1} of its members, who shall be recognized as Job Steward, and notify the Employer in writing within for forty-eight {48} hours as to this employee's name. The Stewards shall perform their duties the same as any other worker and shall not be discharged for Union activities, nor shall they be harassed nor discriminated against for holding this position. The Steward shall be allowed a reasonable amount of time during working hours to perform the work of the Union, but shall not abuse this privilege and shall not charge Union business calls to Employers telephone.

Section 3.

A Steward may not be discharged without forty-eight {48} hour's previous notice to the Union.

Section 4.

The official Representative of the Union shall have access to any job at any time.

Article V - Working Rules and Safety

Section 1.

The starting and quitting time shall be determined by the emergency situation, and location for reporting of employees shall be agreed upon between the Union and the Employer. There shall be no loss of time to employees for traveling from one point of work to another on the project during working hours and they shall be paid from time of notification until the job is finished. Transportation to and from jobs away from Division Headquarters will be furnished by the Employer. The Employer will pay the employee at the applicable rate for time on duty to and from job sites.

Section 2.

The Employer will furnish seven {7} complete uniforms to all full-time and part-time employees every two {2} years of employment, providing the employee turns in one {1} unusable set for each new set received.

A new employee will be required to provide safety boots and will be reimbursed up to the Maximum allowance, after completing six {6} months of full-time service, or one thousand {1,000} hours of part-time service. Safety boots will be provided thereafter by the Employer, up to the maximum allowance, as an unusable pair is turned in for each new pair received, not to exceed two {2} pair per year of employment. The following allowance will be paid twice {2} per year.

The maximum allowance for the term of this Agreement will be one hundred seventy five dollars (\$175.00) per pair.

Section 3.

The Employer shall have the right to make and revise, from time to time, safety and work site rules which are not inconsistent with the above or any other terms of this Agreement, or with existing laws. The Union agrees to cooperate in the enforcement of safety and work site rules.

Section 4.

The Employer agrees to feed the employees within the first eight {8} hours on wrecks and within every eight {8} hours thereafter. It is the intent of the Employer that all Division Managers maintain due diligence in keeping the employees properly fed at all wreck sites and the Employer understands and agrees that laborers' working on the ground require greater food consumption than other employees.

Section 5.

On special projects or temporary transfers, no employee will be required to be away from home for more than seventeen {17} consecutive days.

Article VI - Hiring Procedure

Section 1.

It is recognized that because of the specialized nature of railroad emergency derailment and salvage work, it is necessary that the Employer have experienced and qualified employees, and that both parties shall cooperate to the end that all the employees hired hereunder shall be capable of performing such work in an experienced and safe manner.

The Employer shall give the Union the opportunity to refer new employees for full-time work if these positions cannot be filled with present part-time employees.

Section 2.

The selection of applicants for referral shall not be based on or in any way affected by Union membership, by-laws, rules, regulations, constitutional provisions, or any other aspect or obligation of Union membership, policy or requirement.

Section 3.

The Union and the Employer agree that there shall be no discrimination against any employee or applicant for reasons of race, religion, age, color, sex, or national origin.

Section 4.

The need for, determination and designation of foreman is the responsibility of the Employer.

Section 5.

The Employer shall be the judge as to the competency of any applicant or employee, and shall have right to discharge employees for just cause, subject to the Grievance Procedure.

Section 6.

The number of persons to be employed is at the discretion of the Employer, and the fact that certain classifications and rates are established does not mean that the Employer must employ persons for any one {1} or all such classifications, or to operate any particular piece of equipment that happen to be on the work site unless the Employer has need for such equipment.

Section 7.

The Employer shall be the judge of the number of pieces of equipment that a grounds person may operate in any one {1} day or shift.

Section 8.

The Employer shall be the judge as to the need of the grounds persons in the use of any piece of equipment.

Section 9.

The Employer shall not be hindered or prevented in using any type or quantity of machinery, tools or equipment.

Section 10.

There shall be no limit on production of grounds persons or restriction on full use of proper tools or equipment and there shall not be any task or piece work.

Section 11.

The employer agrees to give all new Collective Bargaining Unit members fifteen (15) minutes of paid time to meet with their Union Representative for "Union Orientation". Union orientation shall take place within fifteen (15) days of date of hire, and will not be considered time worked. Union Orientation shall be mandatory and take place via: telephone conference call, Zoom, or any other form of communication acceptable to the employer, employee, and Union.

The employer will distribute all new hire employees a "New Hire Union Orientation Packet" The New Hire Packet will be provided by the Union.

The union shall be allowed to place one (1) of its own bulletin board at a mutually agreeable site at each location that the Employer owns or leases. These bulletin boards shall be for the sole exclusive use of the Union.

Section 12.

Employees that currently do not have a CDL and obtain and maintain a valid Commercial Drivers License (CDL) are eligible for a one time stipend. Eligible employees will receive a stipend of one thousand dollars (\$1,000.00). The stipend will be payable upon the completion of one (1) year service following the date of obtaining the CDL. The stipend will be paid out in a lump sum in the pay period immediately following the employee's CDL anniversary date, subject to the employee maintaining a valid CDL. Failure to maintain a valid CDL will result in the forfeiture of the stipend until such time as the CDL is renewed. Employees must provide proof of their valid CDL to the employer and notify the company upon any change of status regarding their CDL.

Article VII - Discipline

Section 1. Definition.

Subject to the Grievance and Arbitration Procedure, the Union agrees to subscribe to the written Employer Personnel Policy as it pertains to the conduct of all Company employees to the extent that it does not conflict with or in any manner modify any portion of this Agreement.

The Employer agrees with the tenets of corrective and progressive discipline. Disciplinary action shall include only the following:

- {1} oral warning
- {2} written warning
- {3} five (5) days suspension without pay
- {4} discharge

Section 2. Just Cause.

The Employer agrees that disciplinary action shall only be imposed for just cause and shall be imposed as soon as practical after Employer learns of the occurrence giving rise to the need for disciplinary action and after Employer has a reasonable opportunity to investigate the facts and arrange a meeting with the employee and the Steward.

Section 3. Limitation.

The requirement to use progressive disciplinary action does not prohibit Employer from using a severe measure, including discharge, when the offense indicates that a substantial shortcoming or action of an employee renders the continuation of employment of the employee is some way detrimental to Employer. Such disciplinary actions shall include, but are not limited to:

- The possession of lethal weapons {including persons licensed by a State to carry a handgun} is strictly prohibited on Company property, including Company and private vehicles;
- Theft of Company or customer property or money, including the intentional misuse of credit cards;
- {3} Deliberate destruction or defacing of Company or customer's property;
- Assaulting, threatening, intimidating, coercing, or interfering with customers, supervisors or employees;

- {5} Fighting on the job;
- Possession or consumption of a controlled substance or alcohol on the Company's premises at any time, or reporting to work under the influence of intoxicants or mind-altering drugs;
- {7} Refusing to take a drug test;
- Falsification of any Company documents or requested information, including employment applications;
- {9} Job abandonment;
- {10} Reckless endangerment of self or others;
- {11} Gross insubordination.

Section 4. Use of Prior Warnings.

Any written warnings or suspensions shall not be considered in imposing a disciplinary penalty for a current offense when more that six {6} months have elapsed from the written warning or suspension; provided however, that an arbitrator or judge reviewing the merits of a discharge case shall review the employee's entire personnel file.

Section 5. Written Notice.

Both the employee and the Union shall be notified of disciplinary action; such notification shall be in writing and reflect the specific nature of the offense and directions to the employee for future behavior. Employees shall receive notice within five {5} days after meeting with the Employer.

Article VIII - Hours of Work, Wage Rates and Overtime

Section 1.

Full-time employees shall be guaranteed forty {40} hours per week, Monday through Friday, with one {1} hour off each day for lunch. The Employer and the Union agree with the concept of variable starting and quitting times which may be established at the Employer's individual Divisions. The parties agree that earliest starting time will be 6:00 a.m. and the latest quitting time will be 5:00 p.m.

Section 2.

All hours worked on any regular work day prior to the regular starting time and/or after the regular quitting time, or in excess of eight {8} hours in any one {1} day, or in excess of forty

 $\{40\}$ hours in any one $\{1\}$ week, and Sundays, shall be paid at least one and one-half $\{1 \frac{1}{2}\}$ times the regular straight-time rate, as that rate is defined in Article VIII, Sections 4 and 5 herein, except as provided in Section 6 of this Article.

Section 3. New Hires.

New hires {Laborers} wage rate will be eighty percent of the negotiated rates for the first six hundred {600} hours of employment. After completion of the six hundred {600} hours, beginning with the next pay period, the new hires' wage rate will be the full rate.

Section 4.

The first-year increases are retroactive to November 1, 2023. Employees who are employed at the time of ratification will receive back pay for all hours worked since that date.

Shop / Customer Wage Rates during Shop Hours

	11-01-2023	<u>11-01-</u> 2024	<u>11-01-2025</u>
Laborers':	\$22.27	\$23.67	\$25.05

Apprentice Operator I: Eighty percent {80%} of Operator Rate

The employer may increase wages at anytime based on experience and or operational needs.

Holidays worked in the shop shall be two and one half times the Shop Rate

Customer Overtime Rate {including Shop OT hours}

11-01-2023	<u>11-01-2024</u>	11-01-2025	
\$34.09	\$36.23	\$38.38	
Laborers'			

Apprentice Operator I: Eighty percent {80%} of Operator Rate

Section 5.

Employees required to wear Level A, Level B, Level C, or Level D Modified protective clothing will be paid and hourly premium of:

Level A:	\$2.00 per hour
Level B:	\$1.50 per hour
Level C:	\$1.35 per hour
Level D:	\$1.05 per hour

In excess of the applicable rate for the work being performed.

All hours worked related to hot zone will receive HazMat rates and the Employer shall supply all HazMat equipment.

Section 6

If the Employer assigns an employee away from the employee's home base on Saturday or Sunday and the employee is available for work, the employee shall receive not less than six {6} hours straight-time pay or, in the case of a holiday, nine {9} hours straight-time pay, for each calendar day so assigned, or paid for hours worked at the applicable rate, whichever is greater.

Section 7.

When an employee is authorized by the Employer to stay in a motel, the Employer will pay for the motel room expense.

Section 8.

If travel time from job site to hotel to job site exceeds two {2} hours round trip, the employee is to receive one {1} hour of pay at the appropriate rate.

Section 9.

The following communication allowances shall be paid each year of this Agreement on the anniversary date. Part-time Laborers' would receive this allowance after six hundred {600} hours of service per Contract year.

The maximum allowance for the term of this Agreement will be three hundred and no/100 dollars (\$300.00) annually. The allowance will be paid in the amount of twenty-five dollars (\$25.00) a month to the employee.

Article IX - Holidays

Section 1.

Customer work performed on:

New Year's Day Labor Day

Good Friday Thanksgiving Day

Easter Sunday Day after Thanksgiving

Memorial Day December 24 (if it falls on Monday through Friday)

July Fourth Christmas Day

Shall be paid at two and one half times the employee's shop rate.

If any holiday falls on Sunday, other than Easter and December 24, it shall be observed on Monday.

Section 2.

Non-customer work performed on the holidays named in Section 1 of this Article shall be paid for at two and one half times the employee's applicable regular straight-time rate as that rate is defined in Article VIII, Section 3.

Section 3.

If a holiday falls on Monday through Friday and there is no work, the full-time employees will have the day off and will be paid therefore at the employee's applicable regular straight-time rate, as that rate is defined in Article VIII, Section 3 or 4, providing the employee is available, and works the regularly scheduled day immediately preceding and following such holiday, unless the employee is excused by the Employer. If the employee's position works such holiday, the employee must fulfill such assignment.

Article X - Personal Leave, Stress Leave and Vacation

Section 1. Full-Time Employees Personal Leave.

Full-time employees shall be granted six {6} days of personal leave per year. It is recognized that because of the special nature of the work, it is necessary the Employer have available experienced and qualified employees. Therefore, employees will refrain from all taking the same days off. These six {6} day of personal leave will not be cumulative from year to year. Paid personal days will be in addition to, and not in lieu of, the Stress Leave Program. Once personal leave is scheduled it shall not be cancelled by the Employer except in the case of emergency or the Employer does not have adequate personnel to respond to the emergency.

Stress Leave

The Employer guarantees a minimum twelve (12) {off-call} stress leave days per year. The Employer schedules said leave and agrees, when scheduled Monday through Friday, the employee is compensated. It is the Employer's intention to maintain the current Stress Leave Program with a minimum guarantee of twelve {12} stress leave days.

Bereavement Leave.

Full time employees shall be granted up to three {3} bereavement days per year for absences resulting from the death of an immediate family member. This includes the following:

- Employee's spouse, parent, child or sibling
- Employee's spouse's parent, child or sibling
- Employee's child's spouse
- Employee's grandparents or grandchildren

Section 2. Vacations: Full-Time Employees.

Vacations to full-time employees shall be granted on the following basis:

- One {1} or more years of employment one {1} week of paid vacation.
- Three {3} or more years of employment two {2} weeks of paid vacation.
- Five {5} or more years of employment three {3} weeks of paid vacation.
- Ten {10} or more years of employment four {4} weeks of paid vacation.
- Twenty {20} or more years of employment five {5} weeks of paid vacation.

Section 3. Part-Time Hourly Employees.

Part-time employees shall be granted two and one-half {2 1/2} days of paid vacation and two and one-half {2 1/2} days of paid personal leave if they work at least six hundred {600} hours within a twelve {12} month period. Also, part-time employees shall be entitled to an additional two and one-half {2 1/2} days of paid vacation and two and one-half {2 1/2} days of paid personal leave if they work a total of one thousand two hundred {1,200} hours within a twelve {12} month period. Part-time employee's hours, for the purpose of accrual for eligibility of Personal Leave and Vacation shall begin immediately on their date of hire. At the employee's first anniversary with the Company, they will be eligible for Personal Days and Vacation as defined previously if they have met the above hours of work. For the purpose of this benefit, all hours worked apply.

Article XI - Reporting Time Pay

Section 1.

After an employee has been hired and ordered to report to work at the regular starting time, and no work is provided for the employee on the day that the employee has so reported, the employee shall receive two {2} hours of pay at the rate applicable for that day. If the employee has been working regularly and the Employer has failed to notify the employee not to report for work before leaving the employee's residence, the employee shall be entitled to two {2} hours of reporting time pay at the applicable rate for that day.

Section 2.

Each employee shall furnish the Employer with a current telephone number or other contact at the start of employment and advise the Employer of any subsequent change in such contact.

Section 3.

Any employee who reports to work at the Employer's request, and for whom any work is provided, and who actually commences to perform such work, regardless of the time that the employee works, shall receive not less that four {4} hours of pay for said day at the applicable rate for that day, except as provided in Section 5 hereof.

Section 4.

Any employee who reports to work at the Employer's request and who works more that four {4} hours in any one {1} day shall receive not less that six {6} hours of pay for said day at the applicable rates for that day, except as provided in Section 5 hereof.

Section 5.

Any call which starts on one {1} day and continues into the next day shall be paid the minimum at the applicable rate, as though it had all been performed on the same day.

Section 6.

It is expressly provided however, that if the employee leaves the job site without notification to Employer, or when an employee refuses to work, no pay for time not actually worked shall be required.

Article XII – Pay

Employees are to be paid by mail at their Division Headquarters weekly, or if an employee desires, by direct deposit to their designated bank, not later that twelve {12} working days after the end of their pay period. Employees shall be provided with an itemized statement showing hours worked, wages paid and itemized deductions. Failure to pay employees as designated shall entitle the affected employee to an additional eight {8} hours pay for each twenty-four {24} hours the employee remains unpaid. The Arbitration Clause contained in this Agreement shall cease to be operative and it shall not be considered a violation of this Agreement to take any economic action, including strike to enforce the pay provisions of this Agreement.

Article XIII - Work Stoppages

Except as provided for in Article XII, Appendix A and Appendix B of the Agreement, there shall be, during the term of this Agreement and as to any work covered hereby, no slow down, no stoppage of work, no strike, and no lockout over the interpretation or application of this Agreement, it being the good faith and intention of the parties hereto that by execution of this Agreement, industrial peace shall be brought about and maintained; that the parties shall cooperate to the end that work may be done efficiently and without interruption.

Article XIV - Grievances and Arbitration

Step 1.

Employees, through their Steward, shall present their grievances orally to their immediate foreman within ten {10} working days from the occurrence of the event giving rise to the grievances, and the foreman shall attempt to adjust the grievances as soon as practicable after such grievances have been submitted, not exceed four {4} working days.

Step 2.

If a grievance is not satisfactorily adjusted in Step 1, the Steward, the employee with the grievance and a representative of Laborers' Local 773 shall reduce the grievance to writing and present it to the superintendent within five $\{5\}$ working days after receipt of the foreman's answer in Step 1. The superintendent shall, in writing, answer within five $\{5\}$ working days.

Step 3.

If the grievance is not satisfactorily adjusted in Step 2, the Union Regional Office and a representative of the Employer shall make every attempt to adjust said grievance within five {5} working days.

Step 4.

If the grievance is not satisfactorily adjusted in Step 3, the Union shall have the right to request arbitration by serving notice on the Employer in writing within ten {10} working days. Upon receipt of written notice of request for arbitration, a joint request will be made within an additional ten {10} working days to a Federal Mediation and Conciliation Service to submit a list of five {5} arbitrators. After the receipt of said list, the parties here to shall strike names alternately from said list until one {1} remains. The remaining name shall be appointed the impartial arbitrator. The arbitrator shall consider only employee grievances arising under the application of this Agreement.

It is understood and agreed that the impartial arbitrator may be selected without applying all the provisions of this Article upon mutual consent of the parties.

The sole function of the impartial arbitrator shall be to interpret the meaning of the Articles of this Agreement and the arbitrator shall have no power to add to, subtract from, or modify in any way the terms of this Agreement. The arbitrator shall have no authority to consider more than one {1} grievance, unless the parties mutually agree to the contrary. The arbitrator shall consider only employee grievances arising under the application of this Agreement.

The decision of the arbitrator, which shall be in writing, shall be final and binding on all parties concerned and the fee and expenses of the impartial arbitrator shall be borne equally between the Union and the Employer, and all other expenses shall be borne by the party incurring them.

During the operation of the grievance procedure outlined in this Article, there shall be no lockout, slow down, or work stoppage or any other interference with the work. The time limitations may be extended by mutual agreement of the parties.

Article XV - Annuity

The Employer shall continue to contribute for full-time employees, up to forty {40} hours per week to the Central Laborers' Annuity Fund in Jacksonville, Illinois. Current part-time employees will be eligible for Annuity contributions after completion of six hundred {600} hours from the Contract date. New part-time employees will be eligible for Annuity contributions after completion of six hundred {600} hours. After completion of the six hundred {600} hours, contributions will begin with the following pay period. {See Appendix A}.

The Union reserves the right to take any portion of the negotiated wage increase and add such amount to the fringe benefits.

Article XVI - Health Insurance

Section 1.

The Employer agrees to participate in the Railroad Maintenance and Industrial Health and Welfare Fund, Springfield, Illinois.

Section 2. Full-Time Employees

Effective January 1, 2024 the Employer agrees to pay eight dollars (\$8.00) per hour for forty {40} hours per week for coverage under Plan D.

Effective January 1, 2025 the employer's contribution will increase to eight dollars thirty cents (\$8.30) per hour, for forty (40) hours per week.

Effective January 1, 2026, the employer agrees to pay the per hour to the Health & Welfare Fund from the Railroad Maintenance and Industrial Health and Welfare Fund, Springfield, IL for forty (40) hours per week consistent with Fund requirements and other collective bargaining agreements that utilize the same fund plan.

Section 3. Part-Time Employees

Effective January 1, 2024 the Employer agrees to pay eight dollars (\$8.00) per hour for up to forty {40} hours per week for coverage under Plan D.

Effective January 1, 2025 the employer's contribution will increase to eight dollars and thirty cents (\$8.30) per hour up to forty (40) hours per week.

Effective January 1, 2026, the employer agrees to pay the per hour to the Railroad Maintenance and Industrial Health & Welfare Fund for forty (40) hours per week consistent with Fund requirements and other collective bargaining agreements that utilize the same fund plan.

After the employee has worked one thousand two hundred hours {1,200} {all hours} in their first year of employment, or any subsequent year of employment. Part-time employees and their eligible dependents will qualify for eligibility for benefits dependent upon satisfying the Plan's Eligibility Rules. Employer contributions for part-time employees will increase at the same rates as that for full time employees.

The Union reserves the right to take any portion of the negotiated wage increase and add such amount to the fringe benefits.

Article XVII - Promotions and Force Reduction on a Division Basis

Section 1.

When considering employees for promotion to full-time laborer status, the Employer shall base the promotion of a particular employee upon the employee's division seniority. When considering an employee for promotion to the Apprentice Operator's Program, if the job qualifications of two {2} or more employees are equal, the Employer shall promote the employee with the longest period of service with the Employer at the Division Base.

Section 2.

When making force reductions or laying off employees, the Employer will lay off the employees with the shortest period of service with the Employer at that Division Base.

Section 3.

For the purpose of Article XVII, "period of service" shall be defined as the total number of hours worked by the employee for the Employer.

Section 4.

The Employer and the Union agree that any employee promoted to full-time, or when work force reductions or layoffs occur, the full-time employee must have a valid CDL.

Article XVIII - Drug/Substance Abuse

The Union agrees to subscribe to Hulcher Services, Incorporated's Substance Abuse Policy which is in Compliance with The Department of Transportation's Federal Highway Administration 49 CFR Parts 382 and 40, updated September 13, 2002, and future mutually

agreed to revisions, provided the Employer administers the policy equally to all Company personnel regardless of whether or not the employee is covered by the Collective Bargaining Agreement.

Article XIX - Savings Clause

It is the intent of the Employer and the Union to comply fully with all State and Federal laws. If it is found by competent authority that any section of this Agreement is in conflict with any section of this Agreement is in conflict with any State of Federal Law, then such section shall be void and both parties agree to immediately meet and renegotiate such section to conform to the law. All other Articles and Sections of this Agreement shall remain in full force and effect.

Article XXI - Term of Agreement

This Agreement shall be effective November 1, 2023 and shall remain in full force and effect through and including October 31, 2026, and thereafter from year to year, unless either party serves written notice of its desire for revisions upon the other, at least sixty {60} days prior to the anniversary dates hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Appendix "A" - Annuity Fund

Section 1. Annuity Fund

The Employer agrees to make payments to the Central Laborers' Annuity Fund and to be bound by the Central Laborers' Pension Fund Trust Agreements, including any amendments or changes thereto, and the Employer accepts as Trustees those Trustees selected in the manner provided is said Trust Agreement. The rate to be paid to the Annuity Fund shall be according to the following scale:

November 1, 2023- \$0.40/hr November 1, 2024- \$0.50/hr

November 1, 2025-\$0.60/hr

Section 2.

- A. For the purpose of this Article, Annuity contributions shall be paid for each full-time employee for each hour worked for which the employee receives pay, or is entitled to receive pay in accordance with this Agreement up to a maximum of forty {40} hours per week. However, current part-time employees will be eligible for Annuity contributions after completion of six hundred {600} hours from the contract date. New part-time employees will be eligible for Annuity contributions after completion of six hundred {600} hours. After completion of the six hundred {600} hours, contributions will begin with the following pay period.
- B. Payments made to the Pension Fund Office shall be made by the Employer no later than the 15th of the month following the month for which payments are required.
- C. Contributions shall be paid in accordance with the Agreement for each applicable employee in a job classification covered by this Agreement.
- D. The Employer hereby irrevocably designates as its representatives on the Board of Trustees such Trustees as are now serving or who will in the future serve as Employer Trustees, together with their successors. The Employer further agrees to be bound by all actions taken by the Board of Trustees pursuant to the Trust Agreement as heretofore and hereafter amended.
- E. All contributions shall be made at such time and in such manner, as the Trustees require. The Trustees shall have the authority to have an accountant audit the records of the Employer, as set forth in Article IV, Section 8 of the Trust Agreement, upon reasonable notice for the purpose of determining the accuracy of the Employer's contributions to the Fund.
- F. If an Employer fails to make contributions within fifteen {15} days after the date required by the Trustees, the Union and/or the Trustees shall have the right to take whatever steps are necessary to secure compliance with this Agreement, any other provision hereof to the contrary notwithstanding, and the Employer shall be liable for all

costs for collection of the payments due, together with reasonable attorney's fees, and other such costs or charges as may be assessed by the Trustees pursuant to the Trust Agreement.

G. The Annuity Fund adopted by the Trustees of said Fund shall at all time conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the Fund as a deduction for income tax purposes.

Appendix "B" - Health & Welfare Fund

Section 1. Railroad Maintenance and Industrial Health and Welfare Fund

The Employer agrees to make payments to and be bound by the Trust Agreement of the Railroad Maintenance and Industrial Health and Welfare Fund, including any amendments or changes thereto, except increase in contributions, and the Employer accepts as Trustees those Trustees selected in the manner provided in said Fund Trust Agreement.

Section 2.

A.

Effective January 1, 2024, the Employer agrees to pay eight dollars (\$8.00) per hour for up to forty {40} hours per week for coverage under Plan D.

Effective January 1, 2025, the employer's contribution will increase to eight dollars and thirty cents (\$8.30) per hour up to forty (40) hours per week.

Effective January 1, 2026, the employer agrees to pay the per hour to the Health & Welfare Fund from the Railroad Maintenance and Industrial Health and Welfare Fund, Springfield, IL for forty (40) hours per week consistent with Fund requirements and other collective bargaining agreements that utilize the same fund plan.

- B. Payments made to the Railroad Maintenance and Industrial Health and Welfare Fund Office shall be made by the Employer no later than the 15th of the month following the month for which payments are required.
- C. Contributions shall be paid in accordance with the Agreement for each applicable employee in a job classification covered by this Agreement.
- D. The Employer hereby irrevocably designates as its representatives on the Board of Trustees such Trustees as are now serving or who will in the future serve as Employer Trustees, together with their successors. The Employer further agrees to be bound by all actions taken by the Board of Trustees pursuant to the Trust Agreement as heretofore and hereafter amended.
- E. All contributions shall be made at such time and in such manner, as the Trustees require. The Trustees shall have the authority to have an accountant audit the records of the Employer, upon reasonable notice, for the purpose of determining the accuracy of the Employer's Contributions to the Fund.
- F. If an Employer fails to make contributions within fifteen {15} days after the date required by the Trustees, the Union and/or the Trustees shall have the right to take whatever steps are necessary to secure compliance with this Agreement, any other provision hereof to the contrary notwithstanding, and the Employer shall be liable for all costs for collection of the payments due, together with reasonable attorney's fees, and

other such costs or charges as may be assessed by the Trustees pursuant to the Trust Agreement.

G. The Annuity Fund adopted by the Trustees of said Fund shall at all time conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the Fund as a deduction for income tax purposes.

IN WITNESS WHEREOF, the parties have executed this Letter of Understanding.

HULCHER SERVICES, INC.	LABORERS' LOCAL 773		Į.	
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Name: Dora L. Crenshaw				
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Date: 1/8/2024				34