PROJECT LABOR AGREEMENT

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NIF
The National Ignition Facility

CONVENTIONAL FACILITIES

November 13, 1996
Executed January 8, 1997

[LLC logo]
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UNITED ASSOCIATION SIDE LETTER ON FABRICATION

SHEET METAL WORKERS SIDE LETTER ON FABRICATION
This Project Labor Agreement (hereinafter, the "Agreement") is entered into this 8th day of JANUARY, 1997, by and between Parsons Constructors, Inc., its successors or assigns (hereinafter "Project Contractor") and The Building and Construction Trades Department, AFL-CIO (hereinafter "Department"), its affiliated National and International Unions who become signatory hereto, the State Building and Construction Trades Council AFL-CIO, the Building and Construction Trades Council of Alameda County and the Council's affiliated Local Unions (hereinafter, collectively called the "Union(s)" or "Local Union(s)"), with respect to the new-construction work within the scope of this Agreement for the construction of the National Ignition Facility ("NIF") Conventional Facilities Project, known as the "Project."

It is understood by the parties to this Agreement that if this Agreement is acceptable to the NIF Project, it will become the policy of NIF that the construction work covered by this Agreement shall be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement. Therefore, the Unions agree that other Contractors may execute the Agreement for purposes of covering such work. The Project Contractor shall monitor the compliance with this Agreement by all Contractors, who through their execution of this Agreement, or a Letter of Assent or other document binding them to this Agreement, together with their subcontractors, at whatever tier, shall have become bound hereto.

The term "Contractor" shall include all construction contractors and subcontractors of whatever tier engaged in on-site construction work within the scope of this Agreement, including the Project Contractor when it performs construction work within the scope of this Agreement. Where specific reference to Parsons Constructors, Inc. alone is intended, the term "Project Contractor" is used.

The Unions, the Project Contractor and all signatory Contractors agree to abide by the terms and conditions contained in this Agreement. This Agreement represents the complete understanding of the parties, and no Contractor is or will be required to sign any other agreement with a signatory Union as a condition of performing work within the scope of this Agreement. No practice, understanding or agreement between a Contractor and a Union party which is not specifically set forth in this Agreement will be binding on any other party unless endorsed in writing by the Project Contractor.

The Unions agree that this Agreement will be made available to, and will fully apply to, any successful bidder for Project work who becomes a signatory hereto, without regard to whether that successful bidder performs work at other sites on either a union or a nonunion basis,
and without regard to whether employees of such bidder are or are not members of any union. This Agreement shall not apply to the work of any contractor which is performed at any location other than the project site as defined in this Agreement.

ARTICLE I
PURPOSE

The National Ignition Facility at the Lawrence Livermore Laboratory will permit the United States to monitor and test the viability and reliability of the Country’s nuclear arsenal through the largest and most powerful laser facility in the world. Its construction is necessary to the fulfillment of a national defense priority and the United States’ commitment to means other than live nuclear testing to insure the operating effectiveness of the Country’s nuclear weapons. Construction of the NIF Conventional Facilities will require the most sophisticated and exacting methods and skills. Construction activities will occur in a security-sensitive environment and in coordination with other activities that are vital to the overall completion of this Project.

Requirements for timely completion of the work without interruption or delay and for at-budget completion are therefore vital to the Nation’s defense readiness and the peacetime maintenance of a reliable and safe arsenal of nuclear weapons. It is further recognized that this project will enhance the nation’s technological readiness to meet the scientific challenges of the twenty-first century. The parties acknowledge that it is essential for the construction work to be done in an efficient, economical manner in order to secure optimum productivity and to avoid any delays in the Project.

In recognition of the special needs of this Project and to maintain a spirit of harmony, labor-management peace and stability during the term of this Project Labor Agreement, the parties agree to establish effective and binding methods for the settlement of all misunderstandings, disputes or grievances which may arise; and in recognition of such methods and procedures, the Unions agree not to engage in any strikes, slowdowns or interruptions of work and the Contractor agrees not to engage in any lockout.

Further, the parties recognize and understand the need to provide the basis for implementation of a cost effective workers’ compensation system which, together with the cooperation and joint effort of all parties to provide the highest degree of safety for all employed on the Project, will assure improved working conditions for all employees; improved delivery of medical care for work related injuries and diseases; a reduction in the time and expense necessary to process and resolve disputes involving the payment of workers’ compensation benefits; and significant savings for the Owner, its customers and the residents of its service area. It is the intention of the parties to follow the letter and the spirit of the provisions of the California Labor Code permitting the implementation of revised dispute resolution and medical care procedures for the delivery of workers’ compensation benefits and medical coverage as permitted by revised Section 3201.5 of the Labor Code.
The parties are committed to providing open access to bidding opportunities for all contractors and to assuring an adequate supply of craft workers possessing the requisite skills and training in order to provide the public a project of the highest quality.

ARTICLE II
SCOPE OF AGREEMENT

This Agreement, hereinafter the "Project Labor Agreement" or "Agreement," shall apply and be limited to all National Ignition Facility ("NIF") "Conventional Facilities" new construction work as defined in Section 1 of this Article performed at the NIF site by those contractors which have contracts awarded directly to them by LLNL and all such work performed by their contractors of whatever tier on or after the effective date of this Agreement.

Section 1. Such covered work may generally be described as the base building construction of a 325,000 square foot Laser and Target Building, the attached 40,000 square foot Diagnostics Building and adjacent 25,000 square foot Optics Assembly Building comprising the "NIF Conventional Facilities."

It is understood by the parties that this Agreement may be applied to any other construction work later determined to be performed at the site and contracted by LLNL to construction subcontractors. This Agreement does not cover Special Equipment or the construction activities related or incidental to the Special Equipment except that this Agreement shall be made available and may be applied to any on-site construction associated with Special Equipment at the election of the manufacturer or the installing contractor and the Unions agree this Agreement may be applied to that work.

It is further understood and agreed by the parties that NIF will, in its discretion, assign certain construction, alteration, and installation work to its "labor only" contractor and that such work will not be covered by this Agreement.

It is understood by the parties that the Owner may at any time and at its sole discretion determine to build segments of the Project under this Agreement not currently proposed, or to modify or not to build any one or more of the particular segments proposed to be covered.

Section 2. Items specifically excluded from the scope of this Agreement include the following:

(a) Work associated with the fabrication, delivery and installation of Special Equipment provided under contract with the manufacturers.

(b) Work of non-manual employees, including but not limited to, superintendents, supervisors, staff engineers, inspectors, quality control and quality assurance personnel, timekeepers, mail carriers, clerks, office workers, including messengers, guards, safety personnel, emergency
medical and first aid technicians, and other professional, engineering, administrative, supervisory
and management employees.

(c) Equipment and machinery controlled and operated by the Owner.

(d) All off-site design, fabrication, manufacture and handling of materials, equipment or
machinery.

(e) All employees of the Project Contractor, Construction Manager, design team or any
other consultant of LLNL not performing manual labor within the scope of this Agreement.

(f) Any work performed on or near or leading to or onto the site of work covered by this
Agreement and undertaken by state, county, city or other governmental bodies, or their contractors;
or by public utilities or their contractors; or by the Owner; or by its contractors (for work which is
not part of the scope of this Agreement).

(g) Off-site maintenance of leased equipment and on-site supervision of such work.

(h) Work by employees of a manufacturer or vendor necessary to maintain such
manufacturer's or vendor's warranty or guarantee.

(i) Laboratory for specialty testing or inspections.

(j) Supplemental labor services contracted by the Owner in connection with this Project.

(k) All work by employees of the University of California or the Lawrence Livermore
National Laboratory, Sandia National Laboratories, Los Alamos National Laboratory and the
University of Rochester.

Section 3. (a) The Owner, the Project Contractor, Construction Manager or Contractors, as
appropriate, have the absolute right to award contracts or subcontracts on this Project
notwithstanding the existence or nonexistence of any Agreements between such Contractor and any
Union party provided only that such Contractor is willing, ready and able to execute and comply
with this Project Labor Agreement or a Letter of Assent (in the form attached as Exhibit B), should
such Contractor be awarded work covered by this Agreement.

(b) It is agreed that all subcontractors of a Contractor, of whatever tier, who have been
awarded contracts for work covered by this Agreement on or after the effective date of this
Agreement shall be required to accept and to be bound by the terms and conditions of this Project
Labor Agreement, and shall evidence their acceptance by the execution of the Agreement or a Letter
of Assent, prior to the commencement of work. A copy of the Agreement or Letter of Assent
executed by the Contractor shall be available for review by the Union.
Section 4. (a) The provisions of this Project Labor Agreement (including the Schedule A's, which are the local Collective Bargaining Agreements covering the corresponding covered work between a bona fide contractor group or representative and the signatory Unions having jurisdiction over the work on the Project) shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area or National Agreements which may conflict with or differ from the terms of this Agreement. Where a subject covered by the provisions of this Agreement is also covered by a Schedule A, the provisions of this Agreement shall prevail. Where a subject is covered by the provisions of a Schedule A and is not covered by this Agreement, the provisions of the Schedule A shall prevail.

(b) Any dispute as to the applicable source between this Agreement and any Schedule A for determining the wages, hours and working conditions of employees on the Project shall be resolved by an arbitrator selected under the procedures established in Article VIII. It is understood that this Agreement, together with the referenced Schedule A's, constitute a self-contained, stand-alone agreement and that by virtue of having become bound to this Project Labor Agreement the Contractor will not be obligated to sign any other local, area or national agreement as a condition of performing work within the scope of this Agreement.

Section 5. This Agreement shall only be binding on the signatory parties hereto and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such party.

Section 6. This Agreement shall be limited to the new construction work within the scope of this Agreement, as set forth in Section 1 of this Article, for which bids have been received on and after the effective date of this Agreement, including site preparation work, utilities, field survey work and soil and material testing work. Nothing contained herein shall be construed to prohibit, restrict, or interfere with the performance of any other operation, work or function awarded to any contractor before the effective date of this Agreement or which may be performed or contracted by the Owner for its own account or for the Special Equipment installation for the NIF on the property or in and around the construction site.

Section 7. It is understood that the liability of the Contractor and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the Owner or the Project Contractor or any Contractor.

Section 8. None of the provisions of this Agreement shall be construed to prohibit or restrict The University of California or Lawrence Livermore National Laboratory or their employees from performing work not covered by this Agreement on or around the construction site. As areas of covered work are accepted by the Owner, the Agreement shall have no further force or effect on such items or areas except where the Contractor is directed by the Owner to engage in repairs or punch-list modifications.
Section 9. It is understood that the Owner, at its sole option, may terminate, delay or suspend any and all portions of the covered work at any time.

ARTICLE III
LABOR/MANAGEMENT COOPERATION
JOINT ADMINISTRATIVE COMMITTEE

Section 1. The parties to this Agreement will form a Project Labor Agreement Joint Administrative Committee consisting of equal numbers of Union and Contractor representatives selected by the Unions and the Project Contractor. The Committee shall be jointly chaired by a representative of the Project Contractor and a representative of the Unions appointed by the Building and Construction Trades Department. The purpose of the Committee shall be to promote harmonious and stable labor/management relations on this Project, to insure effective and constructive communications between the labor and management parties, and to advance the proficiency of the workers in the industry. The Owner or its designated representative(s) may attend as an observer at any meeting of the Joint Administrative Committee.

Section 2. The Committee shall meet at least monthly, or more often, if special circumstances warrant, at the call of the Joint Chairs to discuss the administration of the Agreement, the progress of the Project, labor/management problems that may arise, safety, and any other matters consistent with this Agreement. The Project Contractor shall be responsible for the scheduling of the meetings, the preparation of the agenda topics for the meeting with input from the Unions and Contractors and preparation and distribution of meeting minutes. Notice of the date, time, place of the meetings shall be given to the Committee members seven (7) days prior to the meeting.

ARTICLE IV
UNION RECOGNITION AND EMPLOYMENT

Section 1. The Contractor recognizes the Unions as the sole and exclusive bargaining representatives of all craft employees within their respective jurisdictions working on the Project within the scope of this Agreement.

Section 2. The Contractor shall have the right to determine the competency of all employees, the number of employees required, subject to the Schedule A manning provisions, provided such provisions will not operate to limit the full use of employees, and shall have the sole responsibility for selecting employees to be laid off, consistent with Article V, Section 3 below.

Section 3. For Local Unions now having a job referral system as contained in Schedule A, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as it may be modified by this Article. Such job referral system will be operated in a non-discriminatory manner and in full compliance with federal, state, and local laws and regulations.
which require equal employment opportunities and nondiscrimination, and referrals shall not be affected in any way by the rules, regulations, by-laws, constitutional provisions or any other aspects or obligations of union membership, policies or requirements. All of the foregoing hiring procedures, including related practices affecting apprenticeship and training, will be operated so as to facilitate the ability of the contractors to meet all federal and state equal employment opportunity/affirmative action obligations. The Contractor may reject any referral for any reason.

Section 4. In the event that Local Unions are unable to fill any requisitions for employees within 48 hours after such requisition is made by the Contractor (Saturdays, Sundays, and holidays excepted), the Contractor may employ applicants from any other available source. The Contractor shall inform the Union of the name and social security number of any applicants hired from other sources and refer the applicant to the Local Union for dispatch to the Project.

Section 5. The Local Unions shall not knowingly refer an employee currently employed by any Contractor working under this Agreement to any other Contractor. This Section shall not prevent union referral to a Contractor of an employee who resigns his employment with another Contractor and who is thereafter called by name.

Section 6. The Local Unions will exert their utmost efforts to recruit sufficient numbers of skilled craft workers to fulfill the manpower requirements of the Contractor, including calls to local unions in other areas when its referral lists have been exhausted. The parties to this Agreement support the development of increased numbers of skilled construction workers from the residents of the area of the Project to meet the needs of this Project and the requirements of the industry generally. Toward that end, the Unions agree to encourage the referral and utilization, to the extent permitted by law and the hiring hall procedures, of qualified residents as journeymen, apprentices and trainees on this Project and entrance into such apprenticeship and training programs as may be operated by the signatory Local Unions.

Section 7. In the event that a signatory Local Union does not have a job referral system as set forth in Section 3 above, the Contractor shall give the Union equal opportunity to refer applicants. The Contractor shall notify the Union of employees hired from any source other than referral by the Union.

Section 8. In the event the Local Unions either fail, or are unable, to refer qualified minority or female applicants in percentages equaling the Contractor’s affirmative action goals under Executive Order 11246, the Contractor may employ qualified minority or female applicants from any other available source. The Contractor shall inform the Union of the name and social security number of any applicants hired from other sources and refer the applicant to the Local Union for dispatch to the Project.

Section 9. All employees shall be required to comply with the Union security provisions of the applicable Schedule A for the period during which they are performing on-site Project work, to the extent, as required by law, of rendering payment of the applicable monthly dues uniformly required
for Union membership in the Local Union which is signatory to this Agreement.

Section 10. To assist the Union parties in the administration of the Agreement, the Contractor shall deduct in each pay period from the wages of each employee who authorizes it in writing pursuant to a lawful wage assignment authorization, four cents ($0.04) per hour for each hour worked or paid and shall remit each month two cents ($0.02) per hour so deducted to the Building and Construction Trades Council of California and the remaining two cents ($0.02) per hour so deducted to the Alameda Building and Construction Trades Council.

Section 11. The parties recognize the Owner's interest in providing opportunities to participate on the Project to minority- and women-owned business enterprises as well as other enterprises which may not have previously had a relationship with the Unions signatory to this Agreement. To ensure that such enterprises will have an opportunity to employ their "key" employees on this Project, the parties agree that in those situations where a Contractor is not a party to the current collective bargaining agreement with the signatory Union having jurisdiction over the affected work is a successful bidder, the Contractor may request by name, and the Local Union will honor, referral of persons who have applied to the Local Union for Project work and who meet the following qualifications:

1. Possess any license required by state or federal law for the Project work to be performed;
2. Have worked a total of at least 1,000 hours in the construction craft, for the Contractor, during the prior 3 years;
3. Were on the Contractor's active payroll for at least 60 out of the 180 calendar days prior to the contract award;
4. Have the ability to perform safely the basic functions of the applicable trade.

The Union will refer to such Contractor one journeyperson employee from the hiring-hall out-of-work list for the affected trade or craft, and will then refer one of such Contractor's "key" employees as a journeyperson and shall repeat the process, one and one, until such Contractor's crew requirements are met or until such Contractor has hired ten (10) "key" employees, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the hiring hall out-of-work list(s).

Section 12. Except as provided in Article V, Section 3, individual seniority will not be recognized or applied to employees working on the Project.

Section 13. The selection of craft foremen and general foremen and the number of foremen required shall be entirely the responsibility of the Contractor, except that all crews of 3 or more workers shall include a working foreman and no craft foremen shall be required to supervise more
than ten (10) craft employees. Craft workers covered by this Agreement will, in the normal day-to-day operations, take their direction and supervision from their foreman, except that authorized representatives of the Contractor may give incidental instructions to the workers in the absence of the foreman or in special circumstances when immediate direction is necessary.

ARTICLE V
UNION REPRESENTATION AND STEWARDS

Section 1. Authorized representatives of the Union shall have access to the Project, provided that they do not interfere with the work of the employees and further provided that such representatives fully comply with posted visitor and security and safety rules of the LLNL and the Project. It is understood that because of the high security restrictions of the LLNL site, the scope of the Project, and the type of work being undertaken on the Project site, visitors may be limited to certain times, or areas, or to being accompanied at all times while on the Project site; with this in mind, however, the Contractor recognizes the right of access set forth in this Section and such access will not be unreasonably withheld from an authorized representative of the Union. Access to the site will be requested through the Project Contractor.

Section 2. (a) Each signatory Local Union shall have the right to designate a working journeyman as a steward for each shift, and shall notify the Contractor in writing of the identity of the designated steward prior to the assumption of such person's duties as steward. Such designated steward shall not exercise any supervisory functions. There will be no nonworking stewards. Stewards will receive the regular rate of their respective crafts.

(b) In addition to his/her work as an employee, the steward shall have the right to receive, but not solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee’s appropriate supervisor. Each steward shall be concerned with the employees of the steward’s Contractor and not with the employees of any other Contractor. The Contractor will not discriminate against the steward in the proper performance of his union duties.

(c) The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 3. The Contractor agrees to notify the appropriate Union twenty-four (24) hours prior to the layoff of a steward, except in the case of disciplinary discharge for just cause. If a steward is protected against such layoff by the provisions of any Schedule A, such provisions shall be recognized to the extent that the steward possesses the necessary qualifications to perform the work remaining. In any case in which a steward is discharged or disciplined for just cause, the appropriate Union shall be notified immediately by the Contractor.
Section 4. On work where the personnel of the Owner or Special Equipment contractors may be working in close proximity to the construction activities of the Contractor, the Union agrees that the Union representatives, stewards and individual workers will not interfere with their personnel, or with personnel employed by any other employer not a party to this Agreement.

ARTICLE VI
MANAGEMENT'S RIGHTS

Section 1. The Contractor retains the full and exclusive authority for the management of its operations. Except as expressly limited by other provisions of this Agreement, the Contractor retains the right to direct the workforce, including the hiring, promotion, transfer, layoff, discipline or discharge for just cause of its employees; the selection of foremen; the assignment and scheduling of work; the promulgation of reasonable work rules; and, the requirement of overtime work, the determination of when it will be worked and the number and identity of employees engaged in such work. No rules, customs, or practices which limit or restrict productivity, efficiency or the individual or joint working efforts of employees shall be permitted or observed. The Contractor may utilize any safe methods or techniques of construction.

Section 2. There shall be no limitation or restriction by a signatory Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools, or other labor-saving devices. The onsite installation or application of all items shall be performed by the craft having jurisdiction over such work except as to any such items excluded from coverage by Article II, Section 2. It is recognized that installation of specialty items which may be furnished by the Owner may be performed by employees employed under this Agreement who may be directed by other personnel in a supervisory role, or, in limited circumstances requiring special knowledge of the particular item(s), may be performed by employees of the vendor or other companies where necessary to protect a manufacturer's warranty or the employees working under this Agreement lack the required skills to perform the work.

Section 3. The use of new technology, equipment, machinery, tools or labor-saving devices and methods of performing work may be initiated by the Contractor from time to time during the Project. The Union agrees that it will not in any way restrict the implementation of such new devices or work methods. If there is any disagreement between the Contractor and the Union concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Contractor, and the Union shall have the right to grieve and arbitrate the dispute as set forth in Article VIII of this Agreement.

Section 4. The Contractor reserves the right to designate supervisors or non-craft employees, i.e., employees not covered by this Agreement or its Schedule A's to monitor and service electrical pumps, compressors and generators, in emergency situations, and to turn off and turn on lighting and power to operate and maintain existing facilities, under the control of the LLNL.
ARTICLE VII
WORK STOPPAGES AND LOCKOUTS

Section 1. There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns or
other disruptive activity for any reason (including disputes relating to the negotiation or
renegotiation of the local collective bargaining agreements which serve as the basis for the Schedule A's) by the Union(s) or employees at the LLNL site or against any Contractor covered under this
Agreement and there shall be no lockout by the Contractor. Failure of any Union or employee to
cross any picket line established by any Union, signatory or nonsignatory to the Agreement, or by
any other organization or individual at or in proximity to the Project construction site is a violation
of this Article.

Section 2. The Contractor may discharge any employee violating Section 1, above, and any such
employee will not be eligible for rehire under this Agreement for a period of 180 days. The Project
Contractor and the Union shall take all steps necessary to obtain compliance with this Article and
neither shall be held liable for conduct for which it is not responsible.

Section 3. (a) If the Contractor contends that any Union has violated this Article, Article IX, Section
4 or Article XVIII, Section 3, it will notify in writing the International President(s) of the Union(s)
involved, advising him of the fact, with copies of such notice to the Local Union(s) involved, to the
Building and Construction Trades Council of Alameda County, AFL-CIO, and to the Building and
Construction Trades Department, AFL-CIO. The International President or Presidents will
immediately instruct, order and use the best efforts of his office to cause the Local Union(s) to cease
any violation of this Article. An International Union complying with this obligation shall not be
liable for unauthorized acts of its Local Union.

(b) If the Union contends that any Contractor has violated this Article, it will notify in
writing the Contractor and the Project Contractor setting forth the facts which the Union contends
violate the Agreement. It is agreed by the parties that the term "lockout" for purposes of this
Agreement does not include discharge, termination or layoff of employees by the Contractor, nor
does it include the Contractor's decision to terminate or suspend work on the Project or any portion
thereof for any reason, provided the affected Union(s) is given thirty (30) days' notice. This
provision will not affect the Contractor's right to suspend or terminate work on any portion of the
Project for operational or special circumstances.

Section 4. There shall be no strikes, picketing, work stoppages, slowdowns or other disruptive
activity affecting the project site during the term of this Agreement. Any Union or Local Union
which initiates or participates in a work stoppage in violation of this Article, or which recognizes
or supports the work stoppage of another Union or Local Union which is in violation of this Article,
agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 5(b).
Section 5. Any party, including the Owner, whom the parties agree is a party in interest for purposes of this Article, or the Project Contractor, may institute the following procedure, in lieu of or in addition to any other contractual procedure or any action at law or equity, when a breach of Section 1, above, Section 4 of Article IX, or Section 2 of Article XVIII is alleged:

(a) A party invoking this procedure shall notify John Kagel, whom the parties agree shall be the permanent arbitrator under this procedure. In the event that the permanent arbitrator is unavailable at any time, he/she shall appoint an alternate. Notice to the arbitrator shall be by the most expeditious means available, with notices to the party alleged to be in violation, to the Building Trades Department, AFL-CIO, and the Building and Construction Trades Council of Alameda County, AFL-CIO, if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by telegram, facsimile, hand delivery or overnight mail but will be deemed effective upon receipt.

(b) Upon receipt of said notice, the arbitrator named above or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after the notice to the International President(s) required by Section 3, above.

(c) The arbitrator shall notify the parties of the place and time chosen for the hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed 24 hours unless otherwise agreed upon by all parties. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

(d) The sole issue at the hearing shall be whether or not a violation of Section 1, above, Section 4 of Article IX, or Section 2 of Article XVIII, has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, except as expressly provided by Section 5(h) of this Article, which issue is reserved for court proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any party desires an opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such Award shall be served on all parties by hand or registered mail upon issuance.

(e) Such award shall be final and binding on all parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the arbitrator's Award as issued under Section 5(d) of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive
any party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all parties by hand or by delivery to their last known address by registered mail.

(f) Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the parties to whom they accrue.

(g) The parties shall bear equally the arbitrator's fees and expenses.

(h) If the Arbitrator determines that a violation of Section 1, above, Section 4 of Article IX, or Section 2 of Article XVIII, has occurred in accordance with Section 5(d) above, the Union(s) shall, within eight (8) hours of receipt of the Award, direct all of the employees they represent on the Project to immediately return to work. If the trade involved does not return to work by the beginning of the next regularly scheduled shift following receipt of the Arbitrator's Award, and the Union(s) has not complied with Section 2 of this Article, then the Union(s) shall pay the sum of ten thousand dollars ($10,000.00) as liquidated damages to the Owner, and shall pay an additional ten thousand dollars ($10,000.00) per shift for each shift thereafter on which the trade has not returned to work. If the Arbitrator determines that a lockout has occurred in violation of Section 1, he shall be empowered to award back pay to the employees who were locked out and the Contractor shall pay the sum of ten thousand dollars ($10,000.00) as liquidated damages to the Owner and shall pay an additional ten thousand dollars ($10,000.00) per shift for each shift that the Contractor continues to lock out the employees. The Arbitrator shall retain jurisdiction to determine compliance with this Section and Section 2 of this Article.

Section 6. Procedures contained in Article VIII shall not be applicable to any alleged violation of this Article, with the single exception that any employee discharged for violation of Section 1, above, may resort to the procedures of Article VIII to determine only if he was, in fact, engaged in that violation.

Section 7. The Project Contractor is a party in interest in all proceedings arising under this Article and Articles VIII and IX and shall be sent contemporaneous copies of all notifications required under these Articles, and, at its option, may initiate or participate as a full party in any proceeding initiated under these Articles.

ARTICLE VIII
DISPUTES AND GRIEVANCES

Section 1.(a) This Agreement is intended to provide close cooperation between management and labor. The Project Contractor and the Building and Construction Trades Council of Alameda County, AFL-CIO, shall each assign a representative to this Project for the purpose of assisting the
Department, the International and Local Unions, together with the Contractor, to complete the construction of the Project economically, efficiently, continuously and without interruption, delays or work stoppages.

(b) The Project Contractor, Contractors, Unions, and employees collectively and individually realize the importance to all parties to maintain continuous and uninterrupted performance of the work of the Project, and agree to resolve disputes in accordance with the arbitration provisions set forth in this Article.

Section 2. Any question arising out of and during the term of this Agreement involving its interpretation and application (other than trade jurisdictional disputes or alleged violations of Article VII, Section 1, or Article IX, Section 4) shall be considered a grievance and subject to resolution under the following procedures.

Step 1.(a) When any employee subject to the provisions of this Agreement feels he is aggrieved by a violation of this Agreement, he shall, through his Local Union business representative or job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. The business representative of the Local Union or the job steward and the work site representative of the involved Contractor shall meet off-site and endeavor to adjust the matter within five (5) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within five (5) working days thereafter, pursue Step 2 of the grievance procedure provided the grievance is reduced to writing, setting forth the relevant information concerning the alleged grievance, including a short description thereof, the date on which the grievance occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedental, except as to the parties directly involved, unless endorsed by the Project Contractor within five (5) days after resolution has been reached.

(b) Should the Local Union(s) or Project Contractor or any other Contractor have a dispute with the other party and, if after conferring within twenty (20) working days after the disputing party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and be referred to the Project Labor Agreement Joint Administrative Committee ("JAC") under Article III for adjustment.

Step 2. The Business Manager of the involved Local Union or his designee, together with the International Union representative of that Union, the site representative of the involved Contractor, and the labor relations representative of the Project Contractor shall meet off-site within fourteen (14) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within fourteen (14) calendar days after the initial meeting at Step 2.
Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2 or by the JAC in the case of a Local Union or Contractor dispute, either party may request in writing within fourteen (14) calendar days after the initial Step 2 meeting or the meeting of the JAC, that the grievance be submitted to an arbitrator selected from a permanent panel of three (3) arbitrators preselected by the parties to this Agreement. If the panel has not been agreed upon by the parties, arbitrator selection shall be made pursuant to the rules of the American Arbitration Association, which shall also govern the conduct of the arbitration hearing. The decision of the arbitrator shall be final and binding on all parties and the fee and expenses of such arbitration shall be borne equally by the parties.

(b) Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

Section 3. No adjustment or decision may provide retroactivity exceeding sixty (60) days prior to the date of the filing of a written grievance. The arbitrator shall have no power to assign liability or assess costs against the Owner.

Section 4. The Project Contractor shall be notified by the involved Contractor of all actions at Steps 2 and 3 and shall, upon its request, be permitted to participate fully in all proceedings at these steps.

ARTICLE IX
JURISDICTIONAL DISPUTES

Section 1. Work shall be assigned by the Contractor in accordance with the Procedural Rules of the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (hereinafter the “Plan”), and shall be based upon the appropriate agreements of record, decisions of record and previously provided local written agreements between or among the Unions. Such assignments shall be disclosed by the Contractor at a pre-job conference held in accordance with industry practice, which pre-job conference will include a representative of the Project Contractor.

Section 2. (a) The parties agree that all jurisdictional disputes over division of work will be settled in accordance with the procedural rules and regulations of the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry, effective June 1, 1984, or any successor plan. All Contractors on this Project agree to assign work and be bound to the terms and conditions of the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry, and all signatory Unions agree that the assignments of the Contractors shall be followed until the dispute is resolved in accordance with this section.
(b) Any award or resolution made pursuant to this procedure shall be final and binding on the disputing Unions and the involved Contractor under this Agreement only, and may be enforced in any court of competent jurisdiction in accordance with the Plan. Such award or resolution shall not establish a precedent on any construction work not covered by this Agreement. In all disputes under this Article, the Project Contractor shall be considered a party in interest, with a full right of participation.

Section 3. In making any determination hereunder, there shall be no authority to assign work to a double or composite crew, that is, to more employees than the minimum required to perform the work involved; nor to assign the work to employees who are not qualified to perform the work involved. The aforesaid determination shall decide only to whom the disputed work belongs.

Section 4. There will be no strikes, work stoppages, slowdowns, or other disruptive activity arising out of any jurisdictional dispute. Pending the resolution of the dispute, the work shall proceed as assigned by the Contractor. The award or resolution shall be confirmed in writing to the involved parties. There shall be no strike, work stoppage or interruption in protest of any such award or any resolution.

ARTICLE X
WAGES AND BENEFITS

Section 1. All employees covered by this Agreement shall be classified in accordance with work performed and paid hourly wage rates for those classifications in compliance with the Davis-Bacon prevailing wage determination at the time the particular contract is awarded. The rates paid workers shall thereafter be adjusted annually on September 1 to the Davis-Bacon prevailing wage determination in effect on that date, except that the annual adjustment for the employees represented by the Boilermakers shall be made on December 1. Where the Contractor determines that a higher wage rate is necessary to attract and retain workers, the Contractor may, in its discretion, increase the hourly wages paid to the employees in the affected classification(s). Where a Contractor determines that such an adjustment is necessary, the affected Union and the Joint Administrative Committee will be given 5 days' advance notice of the Contractor's intent to modify the wage. Nothing in this provision will require any contractor to increase its wage rates or entitle the Contractor to claim additional compensation from the Owner for an increase it elects to make. If the prevailing wage laws are repealed during the term of this Agreement, the Contractor shall pay the wage rates established under the Schedule A's, except as otherwise provided in this Agreement.

Section 2. All employees covered by this Agreement may be paid by check and shall be paid no later than the end of the work shift Friday. No more than three (3) days' wages may be withheld. Any employee who is discharged or laid off shall be entitled to receive all accrued wages immediately upon discharge or layoff. Notification of layoff shall be at the Contractor's discretion but not given later than the end of the work shift on the date the layoff is to be effective. Such
notification may be verbal. The Contractor shall notify the appropriate Steward(s) of all layoffs not less than four (4) hours before the end of the shift on the date the layoff is to be effective.

Section 3. The Contractor will pay contributions to the established employee benefits funds in the amounts designated in the applicable Davis-Bacon prevailing wage determination and make all employee-authorized deductions in the amounts designated in the appropriate Schedule A; provided, however, that the Contractor and the Union agree that only such bona fide employee benefits as accrue to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship, training funds, etc., but not including industry advancement or promotion funds) shall be included in this requirement and required to be paid by the Contractor on this Project. Where the trustees of a recognized employee benefit fund require an increase in contributions to maintain benefits, the Contractor agrees to allocate an amount from the employee wages to make the increased contributions provided that the necessary allocation does not cause the wage rate being paid to the employees to fall below the Davis-Bacon rate applicable to that Contractor’s contract. Such contributions shall be made in compliance with the applicable Davis-Bacon prevailing wage determination and shall be due and payable on the due date contained in the applicable Schedule A.

The Contractor adopts and agrees to be bound by the written terms of the legally established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Trust Funds. The Contractor authorizes the parties to such Trust Funds to appoint Trustees and successor Trustees to administer the Trust Funds and hereby ratifies and accepts the Trustees so appointed as if made by the Contractor.

Section 4. Contractors of whatever tier shall make regular and timely contributions required by Section 3 of this Article in amounts and on the time schedule set forth in the appropriate Schedule A, consistent with the applicable prevailing wage determination.

ARTICLE XI
HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAY

Section 1. Work Day and Work Week. Eight (8) continuous hours per day between the hours of 6:00 A.M. and 5:30 P.M. plus one-half (1/2) hour unpaid for lunch, approximately midway through the shift, shall constitute the standard work day. Forty (40) hours per week shall constitute a regular week’s work. A uniform starting time will be established for all crafts on each project or segment of the work. The foregoing provisions of this Article are applicable unless otherwise provided in the applicable prevailing wage determination, or unless changes are permitted by law and such are agreed upon by the parties. The work week will start on Monday and conclude on Sunday. A uniform starting time will be established for all crafts on each project or segment of the work. Nothing herein shall be construed as guaranteeing any employee eight (8) hours per day or forty (40) hours per week. The Union(s) shall be informed of the work starting time set by the Contractor at the pre-job conference which may be changed thereafter upon five (5) working days’ notice to the Union(s) and the workers. Any Contractor that performs work covered by a Schedule A
which provides for a workweek of less than 40 hours may follow the provisions of the Schedule A regarding the workweek and may stagger the crew so that it has a sufficient number of workers at the job site for 40 hours each week, provided that the use of such work schedule may not interfere with the scheduling of other Contractors or the full use of any other craft or crew.

Section 2. Starting Times. Employees shall be at their place of work at the starting time and shall remain at their place of work (as designated by the Contractor) performing their assigned functions until the scheduled end of the shift. The place of work shall be defined as the gang or tool box, or equipment at the employee's assigned work location or the place where the foreman gives instructions. The parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor.

Section 3. Overtime. Overtime shall be defined as all hours worked in excess of eight (8) daily, Monday through Friday, except as provided in Section 4(b) of this Article, and all hours worked on Saturday, Sunday and Holidays and shall be paid as follows:

(a) One and one-half times the straight-time rate of pay, Monday through Friday and the first ten (10) hours on Saturday;

(b) Two times the straight-time rate of pay on all hours in excess of ten (10) on Saturday and all hours on Sunday and holidays.

(c) Employees who work overtime will have a paid one-half (1/2) hour lunch period after ten (10) hours of work and every four (4) hours thereafter.

There will be no restriction on the Contractor's scheduling of overtime or the nondiscriminatory designation of employees who will work, except that Schedule A provisions relating to equal distribution of overtime or priority of assignment for overtime are incorporated herein. Employees may decline to work overtime so long as a sufficient number of employees are available to work overtime to meet the Contractor's needs. Steward overtime shall be as provided in the applicable Schedule A, provided the steward is qualified to perform the work available. There shall be no pyramiding of overtime pay under any circumstances.

Section 4. (a) Shifts. Shift work may be performed at the option of the Contractor(s) upon three (3) days' prior notice to the Union, unless a shorter notice period is provided in the applicable Schedule A, and shall continue for a period of not less than five (5) working days. Saturdays and Sundays, if worked, may be used for establishing the five (5) day minimum work shift. If two shifts are worked, the second shift shall consist of seven and one-half hours of continuous work exclusive of a one-half (1/2) hour unpaid lunch period. If three shifts are worked, the second shift shall consist of seven and one-half (1/2) hours of continuous work exclusive of one-half (1/2) hour unpaid lunch period, and the third shift shall consist of seven (7) hours of continuous work exclusive of one-half (1/2) hour non-paid lunch period. The last shift starting on or before 6:00 P.M. Friday shall be
considered Friday work time; while the first shift ending at or after 6:00 A.M. on Monday shall be considered Monday work time. The shift starting at or after 6:00 A.M. is designated as the first shift, with the second shift following. Pay for the second and third shifts shall be at eight (8) hours pay at the employee's base wage rate for first shift.

Section 4. (b) The Contractor may, upon five (5) days' notice to the appropriate union(s), establish a work week of four (4) consecutive ten (10) hour work days (exclusive of one-half (1/2) hour unpaid lunch, approximately midway through the shift). The regular work week shall be from Monday through Thursday. Pay for each of these four days shall be ten hours at the straight time hourly rate. If a fifth day is worked, the pay shall be one and one-half times the straight-time hourly rate for the first 10 hours worked. All work in excess of ten hours shall be paid two times the straight-time hourly rate. If a sixth day is worked, the pay shall be two times the straight-time hourly rate.


Section 6. (a) Reporting Pay. Employees reporting for work and for whom no work is provided, except when given notification not to report to work, shall receive two (2) hours pay at the regular straight time hourly rate. Employees who are directed to start work shall receive four (4) hours pay at the regular straight time hourly rate. Employees who work beyond four (4) hours shall be paid eight (8) hours pay, except that in circumstances beyond the Contractor's control, such as weather conditions and equipment breakdown provided the affected employee(s) shall have the right to request a layoff, shall be paid for actual hours worked. Whenever reporting pay is provided for employees, they will be required to remain at the Project site available for work for such time as they receive pay, unless released earlier by the principal supervisor of the Contractor(s) or their designated representative. Each employee shall furnish his/her Contractor with his/her current address and telephone number, and shall promptly report any changes in each to the Contractor.

(b) When an employee who is sent to the job site from the Union referral facility in response to a request by the Contractor for an employee for one (1) day starts work, the employee will be paid a minimum of eight (8) hours.

(c) Call Out Pay. Any employee called out to work outside of his/her shift shall receive a minimum of four hours pay at the appropriate rate, including any applicable premium. This does not apply to time worked as an extension (before or after) of the employee's normal shift.

(d) When an employee leaves the job or work location of his own volition or is discharged for cause or is not working as a result of the Contractor's invocation of Article XIII, Section 3, the employee shall be paid only for the actual time worked.
(e) In all cases, if the employee is reporting on a day on which a premium rate is paid, reporting pay shall be calculated at that rate.

(f) Except as specifically set forth in this Article there shall be no premiums, bonuses, hazardous duty, high time or other special payments of any kind.

(g) There shall be no pay for time not actually worked except as specifically set forth in this Article.

Section 7. Time Keeping. The Contractor may utilize brassing systems to check employees in and out. Each employee must check himself in and out. The Contractor will provide adequate facilities for checking in and out in an expeditious manner.

Section 8. Meal Period. The Contractor will schedule a meal period not more than one-half hour duration at the work location at approximately at the midpoint of the scheduled work shift (4 hours in a five-day work week, 5 hours in a four-day work week), consistent with Section 1; provided, however, that the Contractor may, for efficiency of the operation, establish a schedule which coordinates the meal periods of two or more crafts. If an employee is required to work through his meal period, he shall be compensated in a manner established in the applicable Schedule A.

ARTICLE XII
APPRENTICES

Section 1. The parties recognize the need to maintain continuing support of programs designed to develop adequate numbers of competent workers in the construction industry, and the Contractor(s) will employ apprentices in their respective crafts to perform work within their capabilities and customarily performed by the craft in which they are indentured.

Section 2. The Union agrees to cooperate with the Contractor in furnishing apprentices as requested up to 33% or the maximum percentage allowable under the applicable State Apprenticeship program standard, whichever is less, and there shall be no restrictions on the utilization of apprentices in performing the work of their craft provided they are properly supervised in accordance with Schedule A. By mutual agreement, between the Contractor(s) and the Union(s), the Contractor(s) may exceed the maximum ratio, as defined by Schedule A, of apprentices hired on the Project. If the Schedule A and prevailing wage determination permit, other non-journeyman classifications may be utilized at the Contractor's discretion as part of the applicable ratio.
ARTICLE XIII
SAFETY, PROTECTION OF PERSON AND PROPERTY

Section 1 (a). It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the Owner, the Project Contractor or the Contractor. It is understood that the employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and the Owner.

(b) Employees shall be bound by the safety, security and visitor rules applicable at the LLNL as established by the Owner and as established by the Contractor or the Project Contractor. These rules will be published and posted in conspicuous places throughout the work site. An employee's failure to satisfy his obligations under this Section will subject him to discipline, including discharge.

(c) Drug Testing:

(1) Policy: The unlawful manufacture, distribution, dispensation, possession, use or being under the influence of controlled substances by any employee working on site is prohibited. Also, the unauthorized possession or use, or being under the influence of alcohol on site is prohibited, and legal substances shall not be used in a manner that impairs performance of assigned tasks. All employees working on site shall comply with the requirements of this section.

Any employee who violates these requirements will be subject to disciplinary action, including discharge, and may be removed from the site. If a violation involves substance abuse, employee may be required to submit to unannounced testing for substance abuse.

(2) Substance Testing Program: The Contractor shall adopt and enforce a substance testing program, at no cost to the Owner, which complies with appropriate federal regulations and utilizes a Department of Health and Human Services certified laboratory. Under the substance testing program, the Contractor shall test all new employees within the first 5 days of their employment at the site.

The Contractor shall also test the employee working on site when requested by a designated Owner Official action upon reasonable suspicion of specific use of controlled substances, or abuse of legal substances on an LLNL site or as otherwise required by federal regulations, such as post-accident testing.

The Contractor shall review the test results and the circumstances, and determine what action, if any, should be taken. The Contractor shall advise the Owner of any positive test results, and of its determination as to action, if any, to be taken. The Owner may deny access to the LLNL sites to any Contractor employee(s) who test positive on a substance screening test.
(3) Definitions: As used herein, the following terms shall have the indicated meanings:

*Alcohol* means the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl and isopropyl alcohol (reference 49 CFR 382.107).

*Controlled Substance* means a controlled substance in Schedules I through V of Section 202 of the Controlled Substances Act (21 U.S.C. §812), and as further defined in the regulation at 21 CFR 1308.11-1308.15.

*Substance Testing* means laboratory testing for legal or illegal substances in the urine or for alcohol in the blood or on the breath.

*Legal Substance* means: 1) Controlled substances that are prescribed or administered by a licensed physician; 2) Over-the-counter purchased legally; and 3) Alcoholic beverages.

*Illegal Substances* means controlled substances listed in 21 U.S.C. §812, which are not legally obtainable, or those which are obtained illegally.

(4) Employee Assistance Programs

(a) The Contractor will refer an employee who violates this policy and who is represented by a Union which has an affiliated Employee Assistance Program ("EAP") to that EAP pursuant to that Union's substance abuse policy.

(b) The Contractor shall employ an employee who violates this policy and who is represented by a Union which has an affiliated EAP after the employee completes the course of treatment prescribed by the EAP and after the EAP releases the employee to return to work, recognizing, however, that the Owner may, in its sole discretion, deny access to the LLNL site to any employee who violates this policy (or for other security reasons). Where the Owner approves such employee's return access to the site, the employee, the employee's Union and the Contractor will enter in the return to work agreement which will require the employee to complete the after-care program the EAP has designed, will require the employee to comply with all applicable work rules, and which will subject the employee to unannounced drug/alcohol tests if the EAP determines such tests are appropriate. The Contractor may terminate the employee if the employee does not comply with all terms of the return to work agreement. The Contractor shall not have to lay off any other employee in order to reemploy an employee who violates the policy and who meets all the criteria for employment provided herein.
Section 2. The inspection of incoming shipments of equipment, machinery and construction materials of every kind shall be performed at the discretion of the Contractor by individuals of its choice. All employees shall comply with the security procedures established by the Owner, Project Contractor or Contractor.

Section 3. A Contractor may suspend all or a portion of the job to protect the life and safety of an employee. In such cases, employees will be compensated only for the actual time worked; provided, however, that where the contractor requests employees to remain at the site and available for work, the employees will be compensated for the standby time at their basic hourly rate or overtime rate of pay, which ever is applicable.

Section 4. The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees.

Section 5. Workers' Compensation. All employees working under this Agreement shall be covered as required by the provisions of the California Labor Code affecting workers' compensation benefits (hereinafter "the Code"). To this end, and recognizing the need to reduce the number and severity of disputes and to provide an efficient and effective method of dealing with disputes resulting from compensable personal injuries and occupational diseases, the parties agree to utilize the provisions of Section 3201.5 of the Code in accordance with the provisions set forth in Addendum 1 to this Agreement to establish a system of dispute prevention and dispute resolution as a substitute for the dispute resolution processes otherwise contained in the Workers' Compensation provisions of the Labor Code.

ARTICLE XIV
NONDISCRIMINATION

Section 1. The Contractor and Union agree that they will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, marital status or physical or mental disability in any manner prohibited by law or regulation. Any complaints regarding the application of this provision shall be brought to the immediate attention of the involved Contractor and the Project Contractor for consideration and resolution.

Section 2. It is recognized that special procedures may be established by joint agreement of the parties to this Agreement and governmental agencies for the training and employment of persons who have not previously qualified to be employed on construction projects of the type covered by this Agreement. The parties agree that they will make all good faith efforts to assist in the proper implementation of such orders, regulations or agreements for the general benefit of the residents of Alameda County.

Section 3. It is recognized that the NIF may adopt certain policies and commitments for the utilization of business enterprises owned or controlled by minorities or women. The parties shall
jointly endeavor to assure that these commitments, and any amendments that may be adopted by the LLNL during the life of this Agreement, are fully met and that any provisions of this Agreement which may appear to interfere with any minority- or women-owned business enterprise successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the parties, to assure full compliance with the spirit and the letter of the LLNL's policies and commitments and all applicable Federal, state and local rules and regulations relating to employment and utilization of minorities and minority- or women-owned businesses.

ARTICLE XV
TRAVEL AND SUBSISTENCE

Travel expenses, travel time, subsistence allowance and parking reimbursements shall not be applicable to work under this Agreement except to the extent provided for in any applicable prevailing wage determination.

ARTICLE XVI
WORKING CONDITIONS

Section 1. There will be no organized breaks or other non-working time established during working hours. Individual reusable, nonalcoholic beverage containers will be permitted at the employee's work location, provided that no refuse or empty containers are left in the employee’s work location and subject to any restrictions imposed by the Owner. Violation may result in revocation of this privilege.

Section 2. The Owner or the Project Contractor shall establish such reasonable Project rules as the Owner or Project Contractor deems appropriate and not inconsistent with this Agreement. These rules will be explained at the pre-job conference and posted at the Project site by the Contractor and may be amended thereafter as necessary. The parties acknowledge that the NIF facility will be a 100% clean room and that smoking, chewing tobacco, or eating is prohibited within the jobsite boundaries. Failure to observe these rules and regulations by any employee may be grounds for discipline, including discharge.

Section 3. There shall be no restrictions on the emergency use of any tools by any qualified employee or supervisor, or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can safely use the tools or the equipment involved.

Section 4. Recognizing the nature of the LLNL facility and the work being conducted on the site, employee access by a private automobile will be limited to certain roads and parking will be allowed only in areas designated by the LLNL.
ARTICLE XVII
SAVINGS AND SEPARABILITY

Section 1. It is not the intention of either the Contractor or the Union parties to violate any laws governing the subject matter of this Agreement. The parties hereto agree that in the event any provisions of the Agreement are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Contractor and Union agree that if and when any provisions of this Agreement are finally held or determined to be illegal or void by a court of competent jurisdiction, the parties will promptly enter into negotiations concerning the substance affected by such decision for the purpose of achieving conformity with the requirements of any applicable law and the intent of the parties hereto.

Section 2. The occurrence of events covered by Sections 1 above shall not be construed to waive the prohibitions of Article VII.

ARTICLE XVIII
DURATION OF THE AGREEMENT

This Project Labor Agreement shall be effective on the date approved by the LLNL, and shall continue in effect for the duration of the Project Construction work described in Article II hereof.

Section 1 (a). Turnover. Construction of any phase, portion, section or segment of the Project shall be deemed complete when such phase, portion, section or segments has been turned over to the Owner by the Contractor and the Owner has accepted such phase, portion, section or segment. As areas and systems of the Project are inspected and construction tested or approved by the Project Contractor and accepted by the Owner or third parties with the approval of the Owner, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the Project Contractor or Owner to engage in repairs or modifications required by its contract(s) with the Owner or Project Contractor.

(b) Notice. Notice of each final acceptance received by the Contractor will be provided to the Union with a description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a "punch" list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the Owner and Notice of Acceptance is given by the Owner to the Contractor.
(c) **Termination.** Final termination of all obligations, rights and liabilities and disagreements shall occur upon receipt by the Union of a notice from the Project Contractor or Owner saying that no work remains within the scope of the Agreement for the Project Contractor or its successor.

Section 2. The Union agrees that there will be no strikes, work stoppages, sympathy strikes, picketing, slowdowns, or any other disruptive activity affecting the Project by any Union involved in the negotiation of local Collective Bargaining Agreements.

In witness whereof, the parties have caused this Agreement to be executed and effective as of the day and year first above written:

For the Project Contractor:

[Signature]

For the Union:

[Signature]  
**Bickel & Georgin**  
Building and Construction  
Trades Department, AFL-CIO

[Signature]  
**Tashel M. Bell**  
Building and Construction  
Trades Department, AFL-CIO

[Signature]  
**Robert J. Redmond**  
Building and Construction  
Trades Council of California, AFL-CIO

[Signature]  
**Bytuwin**  
Building and Construction  
Trades Council of Alameda County, AFL-CIO

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**International Unions**

International Association of Heat and Frost Insulators and Asbestos Workers

[Signature]  
By: William G. Bernard

International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers

[Signature]  
By: Charles W. Jones

- 26 -
International Union of Bricklayers and Allied Craftworkers
By: __________________________
  John T. Joyce

International Brotherhood of Electrical Workers
By: __________________________
  J. Barry

International Association of Bridge, Structural and Ornamental Iron Workers
By: __________________________
  Jake West

International Union of Operating Engineers
By: __________________________
  Frank Hanley

United Union of Roofers, Waterproofers and Allied Workers
By: __________________________
  Earl J. Kruse

International Brotherhood of Teamsters
By: __________________________
  Ron Carey

United Brotherhood of Carpenters and Joiners of America
By: __________________________
  Douglas J. McCarron

International Union of Elevator Constructors
By: __________________________
  John N. Russell

Laborers' International Union of North America
By: __________________________
  Arthur A. Coia

Operative Plasterers' and Cement Masons' International Association of the United States of America
By: __________________________
  John J. Dougherty

International Brotherhood of Painters and Allied Trades
By: __________________________
  A.L. Monroe

Sheet Metal Workers' International Association
By: __________________________
  Arthur Moore
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

By: Martin J. Maddaloni

AFFILIATED LOCAL UNIONS

Asbestos Workers, Local #16

By: Michael Cooper

Bricklayers and Allied Craftsmen, Local #3

By: [Signature]
Bay County District Council of Carpenters

By: [Signature]

Boilermakers, Local #549

By: Fred F. Fields

Carpenters 46 Northern California Counties Conference Board

By: John Casey

Carpenters, Local 713

By: [Signature]
Lathers Local #68L

By: [Signature]
Millwrights, Local #102
By: Bice Damen

District Council of Plasterers & Cement Masons of Northern California
By: Paul Rodgers

Plasterers, Local #66
By: Clint Murphy

Elevator Constructors, Local #8
By: 

Northern California District Council of Laborers
By: 

Laborers, Local #67
By: 

District Council of Ironworkers of the State of California and Vicinity
By: Richard Zempa

Pile Drivers, Divers, Carpenters, Bridge, Wharf & Dock Builders Union, Local #34
By: 

Plasters and Cement Masons, Local #300
By: Paul Rodgers

International Brotherhood of Electrical Workers, Local #595
By: S. L. L. Proctor

Operating Engineers Local Union #3
By: Robert L. Wise

Hod Carriers, Local #166
By: 

Laborers, Local #304
By: Art R. Parrott

Ironworkers Union Local #378
By: Jack D. B.
Painters and Tapers District Council #16

By: ______________________

Auto & Marine Painters, Local #1176

By: ______________________

Painters and Tapers, Local #3

By: ______________________

Painters, Local 560

By: ______________________

Roofers, Local #81

By: ______________________

Carpet & Linoleum Layers Local #12

By: ______________________

Glaziers, Architectural Metal and Glassworkers, Local #169

By: ______________________

Sign Display and Allied Crafts, Local #510

By: ______________________

Sheet Metal Workers, Local #104

By: ______________________

United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, AFL-CIO, Sprinkler Fitters Local Union No. 483

By: ______________________

Construction, Building Material Teamsters and Miscellaneous Workers, Local #291

By: ______________________
ADDENDUM I

WORKERS' COMPENSATION COVERAGE AND PROCEDURES

Section 1.  (a)(1) The Contractor and the Union parties ("Parties") to the NIF Conventional Facilities Project Labor Agreement (the "Agreement") jointly recognize the importance of an effective and efficient program to provide a workers' compensation delivery system for the benefit of the employees covered by this Agreement. The Parties will therefore work together, utilizing the provisions of Section 3201.5 of the California Labor Code (the "Code"), to implement a dispute resolution procedure which will reduce disputes arising out of the workers' compensation delivery system established for this Project which will provide fair and expeditious methods for resolving such disputes. Additionally, the Parties will work together to broaden and improve the workers' compensation process to include optimum access to delivery of medical care and disability benefits for covered employees affected by occupational injury or disease and covered under this Agreement. The Parties further, through the Joint Labor-Management Workers' Compensation Committee hereinafter established, will endeavor to develop an effective quality control and improvement program for the medical coverage provided to the employees covered by this Agreement. Finally, the Parties agree that abuses of the system will not be tolerated and will cooperate in any investigation of a claim of abuse.

(a)(2) To accomplish the goals of (a)(1) above, the Parties have agreed

(a) That all employees working under this Agreement shall be covered to the fullest extent required by the workers' compensation provisions of the Code, and that nothing in this Agreement diminishes the entitlement of an employee covered by this Agreement to compensation benefits for disability or medical treatment and other benefits as required by California law, fully paid for by the Owner through the purchase of a policy of workers' compensation insurance from an insurer authorized to issue such a policy in the State of California; and

(b) To implement a medical and benefits delivery system complemented by an alternative dispute resolution process, hereby established, in cooperation with a Joint Labor Management Workers' Compensation Committee, created under this Agreement.

Section 2.  Joint Labor Management Workers' Compensation Committee

(a) There is hereby established a Joint Workers' Compensation Committee to review, oversee, consult and advise all parties involved with the development, implementation and provision of benefits and procedures for workers' compensation covered under the Code and this Agreement, with particular reference to the workers' compensation provisions of this Article. Such Committee shall participate in the selection of the providers and other personnel as set forth in Section 3, below. The power of the Committee may only be exercised through the agreement of the union and contractor parties, with each such party having one vote, for a total of two.
(b) The Labor Relations Coordinator ("Coordinator") shall designate no more than five (5) Contractor representatives, each signatory union may appoint a representative, and the signatory local Building Trades Council one representative. Each local union or District Council signatory to this Agreement may appoint a representative (but not more than one per trade), with the signatory State and Local Building Trades Councils each having one representative. The Contractor and Union parties shall each determine their own internal rules of procedure with regard to decision-making. The Committee shall be jointly chaired by a representative of the Coordinator (or designee) and an official of the signatory local Building Trades Council (or designee).

(c) The Committee shall meet at least once each calendar quarter, or more often as necessary on the call of the joint chairs. The joint chairs shall rotate the position of meeting chairman on a calendar quarter basis. The ombudsperson and representatives of the Owner, carrier and/or providers of medical care shall be available to attend the Committee meetings and furnish such information as is requested by the Committee. The Committee may recommend to the Coordinator, Owner and/or Insurance Carrier, as appropriate, changes in the procedural and substantive delivery of medical care and services and ADR processing as it believes appropriate to fulfill the parties' goal to make effective use of the revisions to Section 3201.5. Any dispute between the union and contractor parties with regard to the power of the Committee shall be referred to the Arbitrator designated under Section 7(c), below.

Section 3.

(a) The Parties will jointly designate, under the auspices of the Joint Workers' Compensation Committee herein established,

(1) A preferred provider network of health care providers;
(2) Organizations providing prescription medicine, which may be affiliated with (1), above;
(3) Vocational rehabilitation evaluator/service organizations;
(4) Mediators (who shall be familiar with and experienced in the California State Workers' Compensation System and related medical issues); and
(5) Arbitrators (who to the extent available shall possess experience as referees and/or judges under the State Workers' Compensation System and, at a minimum, qualified as arbitrators under the Code).

(b) If the Parties are unable to agree on the organizations in (1) - (3) above or the individuals to serve in the positions listed in (4) - (5) above, in the numbers deemed necessary by the insurance carrier for the efficient operation of the Workers' Compensation Delivery System (including ADR), or in the numbers otherwise established in this Agreement, appointments shall be made by the neutral arbitrator established under Section 7(c), below, after
he/she has heard recommendations and arguments in favor of their respective positions from the Parties to the Agreement. Once selected, the individuals and/or organizations may be removed by agreement of the Joint Workers' Compensation Committee, or upon the request of either party for cause. Any dispute among the Parties to this Agreement with regard to the removal of any provider may be referred by either Party to the Arbitrator selected under Section 7(c) of this Addendum. Unless otherwise specifically stated, reference to a "medical provider" may be either to an individual providing treatment or to a group practice or clinic providing treatment to employees covered by this Agreement.

(c) **Ombudsperson.** The owner shall appoint the ombudsperson, after reviewing the qualification of the candidates with the Joint Workers' Compensation Committee. The ombudsperson may be removed by agreement of the Committee for any bona fide reason. The person appointed shall have, at a minimum, the following qualifications: five years of work experience which shall have provided him/her with knowledge and understanding of the workers' compensation laws and familiarity with workers' compensation claims and case management and/or be experienced and certified in occupational Health practice; and shall not have had an employment relationship with any party to the Agreement, the Owner, the Owner's insurance broker, or the insurance carrier, or with any direct affiliate of these organizations or of a party to the Agreement (an affiliate is one in which a party has or shares control or retains for the provision of business services).

**Section 4. Medical Care and Treatment for Occupational Injury and Disease.**

(a) **Authorized Medical Providers.** The providers designated under this Agreement shall be the exclusive source of all medical treatment required under Code Section 4600. In addition to the preferred medical provider list promulgated by the Insurer, authorized medical providers shall include preferred provider networks of health care providers contained within any preferred provider panels currently established by any Union (or subsequently established panels approved for inclusion by the parties to this Project Labor Agreement), who qualify and who agree to participate under the terms of this Addendum.

(1) All medical and hospital services, except for first aid and other emergency type services only, required by employees subject to this Agreement as the result of a compensable injury or disease, shall be furnished by health care professionals and facilities selected by the employee from a list of health care professionals and facilities agreed to by the parties to this Agreement and available to each employee upon his initial employment at the site. In no event shall the deletion of a provider disrupt the ongoing treatment of an employee receiving treatment from that provider at the time of the decision. The authorized provider organizations shall have on their rosters individual Board Certified providers in their respective specialties available for selection by employees for treatment, or for referral from other individual providers, or to act as evaluators. This designation of providers pursuant to Section 3201.5 of the Labor code replaces all other provisions regarding the selection of medical providers located elsewhere in the Code.
(2) In case of an emergency requiring treatment covered by this Article when no authorized provider is available, the employee may seek treatment from a health care professional or facility not otherwise authorized by this Agreement, to provide treatment during the emergency and such treatment shall be compensated for in reasonable amounts by the carrier as if provided by providers authorized under this Agreement. Responsibility for treatment shall be transferred to an authorized provider as soon as possible, consistent with sound medical practices.

(3) After selecting an authorized provider to furnish treatment for a particular injury, an employee may change once to another authorized provider. When referred by the authorized provider to another provider in a particular specialty, the employee may also change once to another authorized provider in such specialty. Additional changes may be made only with the approval of the Carrier.

(4) The Insurance Carrier shall not be responsible for the cost of medical services furnished by a health care professional or a facility not authorized pursuant to this Agreement, nor for care not required by the Code.

(5) The list of authorized providers administered by the authorized provider organization shall contain sufficient providers for each of the specialties which the parties to this Agreement believe are required to respond to the needs of employees subject to this Agreement, at least some of whom, in each specialty, shall be Board Certified. This shall include, but not limited to providers within the following specialties:

- Orthopedics
- Neurology
- Neurosurgery
- Ophthalmology
- Cardiology
- Internal Medicine
- Dermatology
- Radiology
- Chiropractic
- General Practice
- Psychiatry
- Pulmonary/Respiratory
- Occupational Medicine
- Oncology

In the event that an authorized provider furnishing treatment to an employee determines that treatment or consultation is necessary from a specialty for which no authorized provider has been selected through this Agreement, or in the event the distance makes it impractical for treatment from an authorized provider, the authorized provider shall select the additional specialist or additional provider who offers treatment at a practical distance for the employee.

(6) All prescription medicines furnished as the result of injuries subject to this Agreement shall be furnished by the Insurance Carrier through a jointly-agreed upon medical prescription provider organization or organizations, except in those instances in
which an authorized medical provider determines that due to time constraints or other valid medical reasons, use of another prescription source is required.

(7) Evaluations shall be secured in a manner consistent with, and utilized for the purposes described in, Division 4, Part 1. Chapter 7, Article 2 of the Code. It is not the intent of the parties to the Agreement in this section or in any other portion of this Article to add to or diminish the rights of the respective parties to a workers' compensation dispute to introduce evidence or be prohibited from introducing evidence in an arbitration proceeding in any different manner than they would otherwise be allowed to do in a proceeding before an Administrative Law Judge of the WCAB.

(8) The Carrier and the employee shall each be bound by the opinions and recommendations of the authorized provider selected in accordance with this Agreement. In the event of disagreement with the authorized provider's findings or opinions, the sole recourse shall be to obtain a second opinion from another authorized provider to the extent permitted by Division 4, Part 1. Chapter 7, Article 2 of the Code, and to present the second opinion through the Alternative Dispute Resolution Program established in this Agreement.

Section 5. Authorized Vocational Rehabilitation Service Providers.

All vocational rehabilitation evaluator services to which an employee may be entitled under the Law Code and within the jurisdiction of this Agreement as the result of an occupationally incurred compensable injury, including occupational disease, shall be furnished by a vocational rehabilitation service provider selected by the employee from a list of vocational rehabilitation service providers jointly selected by the parties to this Agreement, hereinafter referred to as "authorized rehabilitation providers." A list of the authorized rehabilitation providers shall be available to all employees. The list can be changed at any time by mutual agreement of the Joint Workers' Compensation Committee.

Section 6. Alternate Dispute Resolution Program.

(a)(1) This Alternative Dispute Resolution Program ("ADR" or "Program") shall be used in place of and to the exclusion of the Division of Workers' Compensation hearing and disputes resolution procedures affecting a covered employee's benefits to the full extent permitted by Section 3201.5 of the Labor Code, recognizing the continuing authority of the Workers, Compensation Appeals Board ("WCAB") and the California State Courts of Appeal to review all actions taken hereunder in a manner consistent with Section 3201.5. The carrier shall provide to the members of the Joint Workers' Compensation Committee within thirty (30) days of execution of this Agreement, a statement of dispute resolution procedures, if any, and issues relating to the workers' compensation proceedings under the Code (such as third party claims), which it does not consider appropriate for coverage by the ADR procedure established herein. If a majority of the union members of the Committee object to the failure to preempt any particular procedure or issues, and the objection is not resolved within fifteen (15) days of the receipt of the
list from the carrier, the Union may initiate a grievance with the arbitrator established in Section 7(c) below as to whether such failure is consistent with the goal of the Parties to the Agreement in utilizing the revised 3201.5 of the Code.

(2) The Program shall be used in place of the filing of an Application for Adjudication of Claim with the WCAE. Any claim subject to this Agreement filed with the WCAB for resolution will immediately be removed on Motion of the carrier, and placed within the Program established by this Agreement. The Program shall not affect any covered employee’s eligibility for, or his/her amount of, workers' compensations benefits; as set forth in the Workers' Compensation Provisions of the Labor Code.

(3) This Program shall apply to all compensable, work-incurred injuries, including occupational disease, as defined by the Code, sustained by employees while working under and covered by this Agreement, as a result of their employment on the Project, on and after the effective date of this Agreement and during the term of this Agreement. Upon the termination of the Agreement, any dispute involving a date of injury occurring during the term of this Agreement for which a timely claim is filed within ninety (90) days after the termination of the Agreement shall continue to be subject to the terms to this Program for the duration of the case. Any claim for a compensable injury or illness filed after such ninety (90) days shall be processed as though revised 13201.5 does not apply.

(b) The Program shall consist of three components: Ombudsperson; Mediation; and Arbitration.

(1) The Ombudsperson will be selected by the Owner pursuant to Section 3, above and compensated directly or indirectly by the Owner. The Ombudsperson will be familiar with workers' compensation procedures and practices; and shall also serve as the Administrator of the Programs. He/she shall be available at reasonable times, upon reasonable notice, at the Project site for the convenience of the employees.

The Mediator(s) and the Arbitrator(s) will be selected in chronological rotation from a permanent panel not to exceed three of each to be established by joint agreement of the parties pursuant to Section 3, above. Each shall be knowledgeable and experienced regarding medical and legal aspects of workers' compensation procedures in California. The compensation of the Mediators and Arbitrators shall be provided by the Insurance carrier. Pending such agreement under Section 3, should there be a need for a Mediator and/or Arbitrator to undertake proceedings required by these provisions, such shall be requested from and appointed pursuant to the rules of the Division of Industrial Relations with regard to the appointment of Arbitrators under the Code for workers' compensation matters, but may not be an attorney engaged in private practice on behalf of either applicants or carriers.

(2) When an employee's workers' compensation benefits are denied, reduced or terminated, or otherwise affected, the employee shall be provided with a written
Notice ("Notice") of such action, in a procedural and substantive format similar to those prescribed in Section 4061 of the Code, by the Insurance Carrier, by certified mail. The Notice shall include a summary of the reasons for the action, in terms reasonably calculated to be understandable by the employee.

Within thirty (30) days of the employee's receipt of such Notice, or whenever an employee believes that he/she is not receiving the benefits to which he/she is entitled, including medical and hospital services, the employee shall notify the Ombudsperson. The Ombudsperson shall explain to the employee the response to any employee question/complaint in terms which are understandable by the employee. The Ombudsperson shall maintain a record of all activity affecting any individual employee with whom he/she is involved by reason of these provisions or where he/she becomes aware or reasonably should become aware that such employee should be involved in these procedures, including the date of each notification and request for intervention of the Ombudsperson, the date of each response, the receipt of a form requesting mediation, and the date of reference of that form to the Mediator. All records kept by the Ombudsperson shall be kept in a form consistent with record keeping requirements under the Act, if any.

(3) If the issue cannot be resolved to the satisfaction of the employee within the fifteen (15) business days after the date of notification to the Ombudsperson, the employee may apply for mediation on the form available from the Ombudsperson. Such form shall be filed with the Ombudsperson, who shall promptly notify the appropriate Mediator and furnish the Mediator with a copy of the Notice. The parties to the dispute may extend the fifteen (15) business day period by mutual agreement, and no issue shall proceed to mediation without first being presented to the Ombudspersons.

(c) Mediation. Application for mediation shall be made not more than twenty-five (25) business days after the Ombudsperson has responded to the employee's request for assistance. Failure to timely request mediation will bar any further right to adjudicate the issue. The parties intend that such mediation will be a meaningful informal, non-adversarial effort to resolve all legitimate claims fairly without resort to adversary proceedings or unnecessary procedures. The Mediator will contact the parties to the dispute (the employee and the insurance carrier) and take whatever steps he/she deems necessary to bring the dispute to an agreed conclusion. At any mediation, the carrier and the employee (and an adviser to the employee) may be present. The mediation must be attended by persons with authority to resolve the dispute.

Mediation shall be completed not more than fifteen (15) business days from the date of referral, unless otherwise agreed by the parties to the dispute, including the Mediator, except that in no event shall an issue be permitted to proceed beyond mediation until and unless the moving party cooperates with the Mediator and the mediation process. The Parties to the dispute may agree in writing to extend such time for a period certain. Neither party will be permitted to be represented by legal counsel at mediation; provided, however that an employee may have his/her attorney present as an adviser, and the fact that the employee, his/her advisor, or the carrier's
representative have legal training or is a licensed attorney shall not bar such person from acting as an advisor to their respective principal at the mediation session; but no such person shall participate on the basis of a lawyer/client relationship. All communication between the Mediator and the parties shall be directly with the parties to the dispute, unless disability or linguistics dictate the need for a surrogate.

If, after the completion of the mediation process, the parties to the dispute are unable to reach agreement, either the employee or the carrier may file with the Ombudsperson, within thirty (30) business days of the completion of the process, a request that the matter be referred to Arbitration. Immediately upon receipt of the request, the Ombudsperson shall notify the appropriate Arbitrator from the Panel designated by the parties to this Agreement, as well as all parties to the dispute, that a request for Arbitration has been received and the Arbitrator shall set a date for a hearing, to be commenced no later than forty-five (45) calendar days after the Arbitrator has received Notice of the Request for Arbitration.

Notwithstanding any provision of this Workers’ Compensation Addendum to the contrary, an injured employee may consult and be represented by an attorney of his choice at any stage of the proceedings specified herein and such counsel shall be compensated in the manner normally provided in the proceeding before the Workers' Compensation Appeals Board. The injured employees attorney may be present throughout the mediation process at the request of the employee. The injured employee shall have the right to consult his/her attorney concerning any matters raised during mediation, and any compromise or release or other agreement provided at mediation shall be subject to approval by the employee after he or she has had the opportunity to consult with the attorney of his/her choice. Should arbitration be requested, the employee will be advised, if he/she has not already designated counsel of his/her choice, of his/her right to designate a counsel of record for receipt of service and to fully represent the employee during the arbitration process and any further processes provided under this Addendum or otherwise under the Labor Code.

(d) Arbitration. The Arbitration proceeding will be conducted pursuant to the rules and regulations applied by workers' compensation judges under the Code (including rules of evidence and burden of proof), and the Arbitrator shall have the same powers and authority as such judges (and, as appropriate, referees), except as such rules, regulations or powers are specifically modified or supplemented by this Agreement or otherwise in writing by the parties to this Agreement. The arbitration proceeding shall be completed within ten (10) business days of its commencement unless otherwise ordered by the Arbitrator, in his/her sole discretion, to further the interest of fairness to all parties to the dispute and/or completeness of the record. Except in extraordinary circumstances, such extension shall not exceed forty-five (45) days. The Arbitrator shall render a decision within ten (10) business days of the completion of the proceedings. The Arbitrator's decision shall be written in a form consistent with WCAB practices and his/her findings of fact, award, order or decision shall have the same force and effect as that of a workers' compensation judge and be subject to enforcement proceedings and/or review as provided in Section 3201.5(a) (1) of the Codes No written or oral offer or recommendation made
during the mediation process by any party or the Mediator shall be admissible in the Arbitration proceedings.

(1) The hearing shall be held in a location convenient to the parties to the dispute as determined in the sole discretion of the Arbitrator, but unless otherwise agreed by the parties to the dispute, no further than fifty (50) miles from the employee's residence at the time he/she was/is working under this Agreement. The proceeding shall be electronically recorded.

(2) At the request of either party, the Arbitrator in his/her sole discretion, may allow depositions of treating physicians. Cost of medical Depositions submitted by either of the parties shall be at their own expense; if the Arbitrator requests the deposition of a treating physician, or otherwise appoints an authorized health care professional to assist in the resolution of any medical issue, the expense will be borne by the carrier.

(3) The decision of the Arbitrator, including his findings of fact, award, or order, shall have the same force and effect as an award, order or decision of a workers' compensation Judge, and shall be subject to review by the Workers' Compensation Appeals Board in the same manner as provided for reconsideration of a final order, decision, or award made and filed by such judge pursuant to the procedures set forth in Article 1 (commencing with Section 5900) of Chapter 7 of Part IV of Division 4, in the Court of Appeals pursuant to the procedures set forth in Article 2 (commencing with Section 5950) of Chapter 7 of Part IV of Division 4.

(4) Any and all settlements and/or compromises between an employee and an insurance carrier involving a workers' compensation claim arising on this Project and under this Agreement shall be subject to the same appeals and review by the Arbitrator as if he were sitting as a referee under the Code, and appealed to the WCAB to the extent permitted by the Code.

(e) Notwithstanding any provision of this Addendum to the contrary, an employee who has received benefits under this Addendum, and who is subsequently injured while in the employ of an employer not covered at this time by this Addendum, shall have full access to the workers' Compensation Appeals Board Procedures in effect at the time on any matter involving apportionment due to the subsequent injuries or subsequent exacerbation of the preexisting condition, and the provisions of this Addendum shall not, in such cases, be applied or asserted to diminish any rights such an employee might otherwise have had, had it not been for the existence of this Workers' Compensation Addendum.

Section 7. General Provisions.

(a) All payments required to be made by Contractors pursuant to this Addendum, shall, in accordance with California law, be made by the Workers' Compensation carrier. Similarly, all actions required by law to be undertaken by the Insurance Carrier rather than the contractor shall be performed by the Workers' Compensation Insurance Carrier. The Carrier
and/or the Ombudsperson will provide all notices to the employees and/or applicants, and in such form, as are required to be issued or otherwise referenced in the workers' compensation Provisions of the Code.

(b) If any provisions of Sections 1 - 6 of this Addendum or their application to any person or circumstances is held invalid, the invalidity shall not affect other provisions or application of such Section or of the remainder of this Agreement that can be given affect without the invalid provision or application; and to implement this provision it is understood that the provisions of this Addendum are declared to be severable. Further, in the event of legal action contesting the legality of Sections 1 - 6 of this Article, or any portion of them, the parties agree to jointly defend such provision and such Sections, and shall actively assist each other in such defense.

(c) It is the intent of the parties to meet the spirit and letter of the requirements of Section 3201.5 of the Labor Code. To the extent that the Department of Industrial Relations, Division of Workers' Compensation, succeeds in enjoining or otherwise preventing the application of part or all of the Program and provisions above, by an order of the final court of competent jurisdiction, the parties shall meet expeditiously to adjust this Addendum to meet the requirements of the Code, and failing to reach agreement within thirty (30) days after notification of such failure to comply by the Division, the matter shall be referred to [Impartial Arbitrator] for development of an appropriate provision or provisions consistent with the spirit of this Addendum.

(d) No employee shall be denied the right to consult and/or be advised by legal counsel of his/her choice, if desired, at any time during the processes established herein. However, it is recognized that the ADR Program here established is intended to be nonadversarial, and until an arbitration is requested by a covered employee, no attorney shall participate in the system as counsel of record for either the employee or the carrier. Counsel fees, until and unless awarded as part of an arbitration proceeding, shall be the sole responsibility of the person retaining an attorney, provided, however, that, at an applicant's request, such fees may be included as part of any settlement and/or compromise and release entered into by the applicant as part of this procedure.
SIDE LETTER RE UNION INITIATION FEES

November 20, 1996

Mr. Michael W. D’Antuono
President
Parsons Constructors
100 Walnut Street
Pasadena, California 91124

Re: NIF Conventional Facilities Project Labor Agreement: Union Initiation Fees

Dear Mr. D’Antuono:

In our negotiations of the captioned Project Labor Agreement, the participating unions objected to any provision that would exempt employees from payment of uniformly required fees and dues imposed upon members. This will, therefore, confirm the understanding we reached in negotiations that initiation fees for those employees who are not members of the appropriate Local Union will not be due until such employee has been employed on the project for a period of 30 days. At thirty days, any such employee will pay up to $150 of the Union’s established initiation fee with any remaining amount to be paid upon reaching 60 days of employment. Moreover, those Unions that waive or reduce their initiation fees for organizing purposes may do so on this Project and those Unions that have more favorable installment plans will make those payment arrangements available to employees who work on this project. Further, it is agreed that no employee will be required to pay an initiation fee more than once in any circumstance arising out of his or her employment on this Project.

On behalf of the signatory Unions

Barry Luboviski, Chairman
NIF Conventional Facilities Project Labor Agreement
Union Negotiating Committee
SIDE LETTER RE PREFABRICATION

Mr. Doyle Williams, Business Manager
United Association, Local 342
Concord, CA

Re:  NIF Conventional Facilities Project Labor Agreement
     Article VI, Management's Rights: Prefabrication

Dear Mr. Doyle:

This will confirm the discussions we had during the negotiation of the captioned Project Labor Agreement and the clarifications we made concerning the application of Article VI, Section 2, of the Agreement. Consistent with the provisions of that Article, the on-site fabrication and installation of pipe and pipe formations between manufactured components which are customarily the work of UA members will continue to be recognized as such.

As you know from the discussions in negotiations, it is the expectation that the kind of prefabrication that will be associated with the Conventional Facilities construction, if done off-site, will be performed in the San Francisco Bay Area and in shops or at off-site assembly yards employing workers whose terms and conditions of employment equal or exceed those established in the area under the Davis-Bacon Act for employees represented by the United Association, unless such work is performed otherwise pursuant to the provisions of this letter.

The United Association recognizes that the timely completion of this project is vital to the national priorities the NIF Project is intended to serve. Therefore, if the nature of the work, the project schedule, or contracting circumstances make it necessary to obtain fabrication outside the region or under conditions different than those described above, the United Association agrees to cooperate in accommodating the reasonable needs of the Project. The Project Contractor and the Union agree to discuss such circumstances affecting off-site fabrication contracting purchases where an accommodation is sought and any reasons making it necessary to depart from the conditions set forth above. The United Association will not unreasonably withhold its consent to such accommodations and Local 342 agrees to install on-site any components fabricated pursuant to the terms of this letter without limitation. The parties will make every effort to keep an open channel of communication to insure that both parties are fully informed of the facts affecting the substance of this letter.

If you agree that this letter accurately sets forth the substance of our understanding and provides the basis for resolving any questions concerning the interpretation and application of Article VI, Section 2, of the Project Labor Agreement, please indicate your acceptance in the space provided below.

Very truly yours,

Michael W. D'Antuono
President

Agreed and Accepted this 13th day of November, 1996

United Association, Local 342

By: Doyle Williams, Business Manager
Side Letter RE: Prefabrication

November 13, 1996

Mr. Robert Mammini, Business Manager
Sheet Metal Workers' International Association
Local Union No. 104
1939 Market Street
San Francisco, CA 94103

Re: NIF Conventional Facilities project Labor Agreement:
  Article VI, Management's Rights: Prefabrication

Dear Mr. Mammini:

This will confirm the agreement we reached in the negotiation of the captioned Project Labor Agreement concerning the use and installation of prefabricated or pre-assembled components or materials falling within the jurisdiction of your union. We are agreed that the provisions of Article VI, "Management's Rights," Section 2, which generally prohibit any limitation or restriction upon a Contractor's choice and utilization of prefabricated or pre-assembled equipment or materials will not supersede the fabrication provisions of Local 104's Schedule A as to any contractor currently signatory to the Standard Form of Union Agreement or any contractor who may subsequently become signatory.

I trust this letter accurately states the terms of our understanding. If you agree, please indicate your acceptance of this understanding by executing this letter on behalf of Local 104 in the space provided below.

Signed on behalf of the Project Contractor:

[Signature]
Michael W. D'Antuono, President
Parsons Constructors, Inc.

Agreed and accepted this 13 day of November, 1996
on behalf of Sheet Metal Workers International Association
Local Union No. 104
NIF CONVENTIONAL FACILITIES WORK RULES
Rev. 2, 3/5/97

The following work rules have been designed to ensure that a standardized working environment is provided to all parties. They are intended to enhance the worker's skills, productivity and self esteem while fulfilling the mission of providing the University with a professionally constructed project.

1. Theft of property belonging to the Government, project Subcontractors, or other employees will not be tolerated and will be reported to the proper authorities.

2. Vandalism, such as damage to equipment, material or property, including placement of graffiti will not be tolerated and will be reported to the proper authorities.

3. There shall be no possession or use of alcohol or illegal drugs while on Government property. Anyone appearing to be under the influence of either alcohol or drugs will be immediately removed from the work site and appropriate action taken.

4. Smoking is permitted in designated areas only. The number of people allowed in a smoking area will be no more than three (3) at any one time. Each person is responsible for proper extinguishing of smoking material and leaving the area in a clean condition.

5. Use of Government facilities such as rest rooms and cafeterias is prohibited.

6. No interference is permitted with other Subcontractors' activities or with University employees.

7. Workers are restricted to their employer's construction area and are prohibited from visiting other locations within LLNL.

8. All workers shall be subject to the security regulations at Lawrence Livermore National Laboratory.

9. A parking lot has been designated for the use of workers. All workers must enter the vehicle gate and proceed directly to the designated parking area. At the end of the shift all workers are to return through the security gate in the same manner. Parking in Government parking lots or within the fenced perimeter of the construction zone is prohibited.

10. All Subcontractors will keep any lunchroom and change room facilities in a neat and hygienic condition.

11. Gambling in any form is prohibited.

12. All workers are required to comply with the safety rules which are posted throughout the project site. Any worker may report an unsafe condition to their immediate supervisor or to a member of the Project safety team.

13. Animals of any type are not allowed on the site.

14. Sexual harassment in any form will not be tolerated.

15. Possession of a deadly weapon is prohibited.

16. There shall be no soliciting on Government premises.
Lawrence Livermore National Laboratory  
PO Box 5518  
Livermore, CA  94550

Attn: Jane O. Randolph, L-730

Subject: Subcontract No. B339476  
Project Title: Target Building Mat & Laser Bay Foundations  
Project Labor Agreement - Letter of Assent

Dear Ms. Randolph:

The undersigned party confirms that it agrees to be a party to and bound by the Project Labor Agreement ("Agreement") as entered into by and between Parsons Constructors, Inc. (PCI), its successors or assignees, and the Building and Construction Trades Department, AFL-CIO, the Alameda Building and Construction Trades Council and their affiliated unions, executed January 8, 1997 as such Agreement may, from time to time, be amended by the parties or interpreted pursuant to its terms.

Such obligation to be a party to and bound by this Agreement shall extend to all work covered by said Agreement undertaken by the undersigned party on the National Ignition Facility Conventional Facilities Project. The undersigned party shall require all of its subcontractors, of whatever tier, to become similarly bound for all their work within the scope of this Agreement by signing an identical Letter of Assent.

SUBCONTRACTOR: _______________________________________

Name and Signature of Authorized Person: ____________________________  
(Printed Name)

__________________________  
(Title)

__________________________  
(Signature)

__________________________  
(Telephone Number)

__________________________  
(Date)

LL-2363-BLSC  
(Rev. 4/12/96)