SAVE MARTS SUPERMARKETS
AGREEMENT

Between

SAVE MART SUPERMARKETS

And

MACHINISTS AUTOMOTIVE TRADES DISTRICT LODGE NO. 190 OF NORTHERN CALIFORNIA, FOR AND ON BEHALF OF AUTOMOTIVE MACHINISTS LODGE NO. 1173, INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

VACAVILLE

JUNE 1, 2015 THROUGH MAY 31, 2018
1. 60 Years of Age with 25 Years of Service and 10 Years in the Plan
2. 65 Years of Age with 20 Years of Service and 10 Years in the Plan

The current Health and Welfare Plan design for retirees is Plan B, Dental, Vision, Long Term Disability, and Accidental Death & Dismemberment benefits cease at retirement.

Retirees share the premium cost for medical plan coverage. The monthly premium cost for medical plan coverage is summarized below:

<table>
<thead>
<tr>
<th>Monthly Premium Cost</th>
<th>Monthly Premium Cost for Age 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Under Age 65 Medical Plans</td>
<td>Medicare Supplement/Senior Advantage Medical Plans*</td>
</tr>
<tr>
<td>Retiree Only</td>
<td>$133</td>
</tr>
<tr>
<td>Employee and Spouse</td>
<td>$266</td>
</tr>
</tbody>
</table>

*Premium rates subject to change based on Medicare rate adjustments.

(C) Disability Plan: Employees will be given the option to purchase Short Term Disability insurance through the Automotive Trust. Effective September 1, 2014, the cost of this insurance is $18.00 per month.

SECTION 24. PENSION TRUST FUND

(A) Each employee hired under the terms of this Agreement shall become eligible for pension premiums paid on his behalf when he has worked for the Employer for thirty (30) calendar days, after which the Pension premium is payable each month thereafter so long as he shall work sometime during the previous month. (Vacations and Holidays are considered to be time worked).

(B) The Employer agrees to contribute to Automotive Industries Pension Trust Fund $630.22 per month to the credit of each eligible employee.

(C) There is attached hereto and made a part hereof a Pension Subscribers Agreement which shall be marked Exhibit B.

(D) In addition to the pension requirements set forth in Section 24 above, the Employer agrees to comply with the Rehabilitation Plan of the Automotive Industries Pension Plan which is in effect as of the effective date of this Agreement. The Employer and the Automotive Machinists Union District 190 of Northern California acknowledge that any supplemental contributions made by the Employer pursuant to the terms of the Rehabilitation Plan, will not result in benefit credit to the employees of the Employer.
AUTOMOTIVE INDUSTRIES PENSION FUND

1640 SOUTH LOOP ROAD • ALAMEDA, CALIFORNIA 94502 • TELEPHONE (510) 836-2484 or (800) 635-3105
POST OFFICE BOX 23120 • OAKLAND, CALIFORNIA 94623-0120

www.aitrustfunds.org

May 8, 2012

PENSION SUBSCRIBER AGREEMENT

Firm Name  Save Mart Supermarkets/Vacaville Distribution Center

Address  700 Crocker Drive

City  Vacaville  State  CA  Zip Code  95688  Telephone No. (707) 446-5900

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Monthly Contribution Rate in Collective Bargaining Agreement

Defined Benefit Plan  $630.22  Effective: June 1, 2015
IARP Plan  $  Effective: ______ 20____

WHEREAS, the undersigned Employer previously has entered into a collective bargaining agreement with the undersigned Union providing for, amongst other things, a pension agreement, whereby the undersigned Employer agreed to make certain Employer contributions into a Trust Fund for the purpose of providing pension benefits for covered employees, and

WHEREAS, it is the desire of the undersigned Employer to make such Employer contributions into the Automotive Industries Pension Trust Fund ("Fund") and become a party to its Pension Trust Agreement, now therefore it is agreed as follows:

A. Contributions Required. The undersigned Employer agrees to be bound by all of the terms, conditions and provisions of the said Pension Trust Agreement, and to pay to the Fund all sums of money required to be paid as Employer pension contributions either (1) under the terms of the collective bargaining agreement between the undersigned Employer and the undersigned Union, or (2) under the provisions of the federal labor law.

B. Employees Covered. The following persons are covered by this Agreement: Each person who is employed at any time during the month, while not on a leave of absence without pay, who is either (1) working under a bargaining agreement between the Employer and a participating union, or (2) working in a situation in which contributions are required to be made on his behalf under federal labor law.

NOTE: Any covered employee who is also a shareholder of the Employer may participate in the Fund only if the Fund receives (1) an attorney certification letter in the form required by the Fund, and (2) a stockholder/employee waiver document in the form required by the Fund.

C. Amount of Payment. The undersigned agree that participation in the Fund shall require monthly Employer payments at the rates stated herein for all employees covered under paragraph B, unless excepted under paragraph D.

D. Payment Procedures.
   (1) Covered Employees. The undersigned Employer agrees to make payments as set forth in this Agreement and any subsequent revisions hereof for all covered employees for all periods of time during which a collective bargaining agreement requiring payments to the Fund is in effect. Whenever applicable labor law requires continued payments to the Fund after expiration of the collective bargaining agreement, the undersigned Employer agrees that such payments shall be made in accordance with this Agreement and the Fund's rules and regulations from time to time in effect. Employer agrees that this obligation may be enforced by the Fund under this Agreement as a matter of contract law.
   (2) Payment Due Date. Monthly payments are due from the Employer on the first day of the month to the Fund at address indicated on Employer Remittance Form, on all employees covered under paragraph B employed by the Employer at any time during the month prior thereto, except as provided in subparagraphs (3) and (4).
   NOTE: No contribution shall be required for newly hired employees who are terminated in less than eleven (11) working days.
   (3) New Hires. For new employees the first payment is due on the first day of the second month following the date of hire.
   (4) Terminations. For employees who are no longer actively employed by the Employer, the last payment is due on the first day of the month following the last date of active employment. Employees on vacation or holidays after the termination of active employment shall not be deemed to continue to be actively employed by the Employer for the purpose of determining employer payments due.
(5) **Rehired Disabled Employees.** For disabled employees who return to active employment, with the same Employer they were employed with when disability commenced, contributions are due the first of the month following the date they returned to work.

**E. Liability for Nonpayment.** Contributions are due on the first (1st) of the month and considered delinquent if not postmarked on or before the twentieth (20th) of the month during the month billed. For this purpose, contributions due include any supplemental contributions due under paragraph G, below. Failure to report timely will result in assessment of liquidated damages and interest in accordance with the Trust Agreement. If the Employer fails to make the contributions required by this Agreement, the Employer shall be personally responsible to the union and employees herein covered for the benefits which would have been provided by such coverage and to pay for all court costs, attorneys' fees, and other legal expenses that may be required to effect collection. The Employer shall likewise be subject to any grievance procedure in the current collective bargaining agreement requiring contributions to the Fund.

**F. Plan Documents.**

1. **Trust Agreement.** The undersigned Employer understands that the Fund's Trust Agreement was entered into effective September 1, 1955. That Trust Agreement provides that an Employer may become a party to the Trust Agreement by executing a document in writing agreeing to become a party to and be bound by the provisions of that Trust Agreement. The undersigned Employer, by executing this document, hereby agrees to become a party employer to that Trust Agreement, to be bound by all the terms, conditions and provisions thereof and to make payments herein provided to the Fund. The undersigned Employer approves and consents to the appointment of the Trustees of said Trust Agreement hereinafore appointed and hereafter selected as provided in said Trust Agreement.

2. **Plan.** The undersigned Employer agrees to be bound by and accept the Plan's eligibility rules and Plan benefits from time to time in effect.

3. **Rules and Regulations.** The undersigned Employer agrees to be bound by the rules and regulations from time to time adopted by the Fund applicable to Employers participating in the Fund, including those that provide for interest and liquidated damages on delinquent contributions, and for attorneys fees, court costs and other legal expenses that may be required to effect collection of Employer contributions.

**G. Rehabilitation Plan.** The Employer agrees to comply with the Rehabilitation Plan of the Automotive Industries Pension Plan (AIPP), effective 3/28/2008, pertaining to collective bargaining agreements renewed after 4/27/2008 in its entirety, including the payment of required supplemental contributions.

**For Example:** Suppose an employer's contribution rate to the AIPP is $100 per month for the life of a collective bargaining agreement expiring after 2014. The employer is obligated to pay effective 1/1/2013 supplemental contributions equal to 5%. Each year, the rate would increase 5% over the total effective rate of that previous year. In accordance with the 3/28/2008 Rehabilitation Plan, the total contribution rates to the AIPP would be as follows:

- Effective 1/1/2013, an amount of $105.00
- Effective 1/1/2014, an amount of $110.25
- Each year thereafter, the contribution rate to the AIPP will increase 5% over the previous year's rate until the earlier of the expiration of the collective bargaining agreement or 12/31/2018. At contract commencement or renewal before 12/31/2018, the then-current Rehabilitation Plan of the AIPP would apply.

**H. Hold Harmless.** Neither the Fund, its Trustees, nor any of their agents or representatives have warranted that the participation of shareholders/employees is legally permissible under the Taft-Hartley Act. The Employer hereby waives any right to sue the Fund, its Trustees, or their agents or representatives for any damages if the participation of all shareholders/employees is not permitted under any law, and agrees to hold the Fund harmless against any such suits filed by its employees or former employees.

**I. Successors.** If the Employer's collective bargaining agreement or federal labor law obligations are binding on the Employer's heirs, successor or assigns, then this Agreement shall also be binding on those heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 1st day of July, 2015.

**Employer:** Save Mart Supermarkets/Vacaville Distr. Center **Union:** Automotive Machinists Lodge No. 1173, IAMAW

**Authorized by (Print Name):** Christopher Gofar, Dir. of Labor Relations **Print Name:** Steve Older, Area Director

Accepted by the U.S. Department of the Treasury

ACCEPANCE: The duly appointed and acting Trustees of the said Trust Agreement accept the above agreement.

Su (Forward one signed agreement to the Trustees for consideration. If accepted, photocopies of the agreement will be sent to the parties.)
SFO SHUTTLE BUS COMPANY

COLLECTIVE BARGAINING AGREEMENT

January 1, 2015, through June 30, 2016

INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS, AFL-CIO
MACHINISTS AUTOMOTIVE TRADES DISTRICT NO. 190
PENINSULA AUTO MACHINISTS LOCAL LODGE NO. 1414
SECTION 15.2 - RETIREE HEALTH AND WELFARE

It is also understood that the Employer is to pay a monthly premium for each eligible employee for the purpose of providing Retiree Health and Welfare benefits. Any increase in premiums required by Automotive Industries Welfare Fund for the Retiree Health and Welfare benefit shall go into effect on September 1 of each year.

The full cost of the Plan shall be paid by the Employer and maintained for the duration of this Agreement.

If the Employer fails to put the Welfare Insurance Plan into effect and pay the premiums for the Insurance Benefits herein provided for, the Employer shall be personally responsible to the Employees herein covered for the benefits which would have been provided by such coverage.

IMPORTANT NOTE: Retiree Plan welfare benefits are not pre-funded or vested. Retiree coverage shall be limited to funds available for retiree benefits as determined by the Trustees. If contributions under the Collective Bargaining Agreements become inadequate to maintain retiree benefits, the Trustees have the right to reduce benefits, and/or increase self-payment charges, and even terminate retiree coverage.

SECTION 16 - PENSION PLAN

The Employer agrees to abide by all of the terms and conditions of the Trust Agreement creating the Automotive Industries Pension Trust Fund as it has been or may be modified, altered, or amended and all regulations and rules of the Board of Trustees of such Trust as may be adopted from time to time. The Employer further agrees to abide by and be bound by the method of selection of the Trustees of such Trust as specified in said Trust.

The Employer agrees, effective January 1, 2010, to pay to the Administrator of the Automotive Industries Pension Trust Fund the sum of Seven Hundred Forty-one Dollars and Forty Cents ($741.40) per month per eligible employee.

Effective January 1, 2011, the contribution rate shall be Seven Hundred Dollars ($700.00) per month per eligible employee.

Effective January 1, 2011, and for the term of this agreement, the Employer will contribute to the IAM National Pension Fund (“IAM Plan”), per eligible employee, the amount of Forty Cents ($0.40) per hour for each hour worked or compensated (i.e., vacation or paid holiday) by each employee covered by this Agreement, not to exceed forty (40) straight-time hours in any week. The $0.40 contribution shall be funded from the contributions set forth in the preceding paragraph that would otherwise go to the Annuity Retirement Plan (IARP). The IARP Contribution will be reduced accordingly.

In accordance with the Funding Rehabilitation Plan for Automotive Industries that was put in place effective 3/28/08 pertaining to collective bargaining agreements renewed after 4/27/08, the Employer agrees with the Rehabilitation Plan in its entirety and this section is an acceptance of said
plan. Contributions to the Automotive Industries Pension Fund (AIP Fund) will be deducted from the maximum monthly contribution outlined above as per the following schedule: The base contribution rate that is used to apply the 12.5% annual increases is $700 per month; in accordance with the Rehabilitation Plan dated 3/28/08 is as follows (12.5% increase): Effective January 1, 2013, the Employer shall increase the contribution to the Automotive Industries Pension Fund to Seven Hundred Eighty-Seven Dollars and Fifty Cents ($787.50) per month per eligible employee.

Any future contribution increases beyond this collective bargaining agreement required by a Rehabilitation Plan will be satisfied by reallocating money from the Annuity Retirement Plan or the amounts allocated above. If, as a result of the required allocation of contributions as set forth above, the total remaining contributions are not sufficient to cover the funding required for the IAM Plan, AIP Fund and health and welfare plan, then the Employer shall have the right to reallocate monies from the employee’s wage rate to cover any shortfall in the funding requirements. Each affected employee’s wage rate will be reduced equally. If funding requirements change so as to allow the restoration of employees’ wage rates, the rates will be restored in equal shares. Wage rates will only be reduced pursuant to this paragraph if necessary to meet pension or health and welfare contribution requirements.

If the Employer fails to put the Pension Plan into effect and pay the premiums for the Pension Benefits herein provided for, the Employer shall be personally responsible to the employees herein covered for the benefits which have been provided by such coverage.

SECTION 17 – CALIFORNIA MACHINISTS 401(K) PLAN

Upon the first day of the month following ratification, the Employer agrees to make available the California Machinists 401(k) Plan, and will execute the necessary Subscribers Agreements and Letter of Understanding.

SECTION 18 - JURY DUTY

Employees on jury selection or duty will be paid two thirds (2/3) of the wages (without loss of fringes) they would have earned had they remained on their work assignment, up to a maximum of eighty (80) working hours per contract year. Employees will be required to provide proof of jury service. An employee dismissed from Jury selection will be required to return to their work assignment provided it is possible for the employee to spend at least two (2) hours on the job.

SECTION 19 - FUNERAL LEAVE

Three (3) days paid leave to attend the funeral of a member of the immediate family shall be granted to the employee. Five (5) days paid leave shall be provided to attend a funeral out of the State of California or the Country. The immediate family is defined as: "father, mother, wife, husband, brother, sister, child, or foster child, mother-in-law, father-in-law or any blood relative residing permanently with the employee".
(5) **Rehired Disabled Employees.** For disabled employees who return to active employment, with the same Employer they were employed with when disability commenced, contributions are due the first of the month following the date they returned to work.

E. **Liability for Nonpayment.** Contributions are due on the first (1st) of the month and considered delinquent if not postmarked on or before the twentieth (20th) of the month during the month billed. For this purpose, contributions due include any supplemental contributions due under paragraph G, below. Failure to report timely will result in assessment of liquidated damages and interest in accordance with the Trust Agreement. If the Employer fails to make the contributions required by this Agreement, the Employer shall be personally responsible to the union and employees herein covered for the benefits which would have been provided by such coverage and to pay for all court costs, attorneys' fees, and other legal expenses that may be required to effect collection. The Employer shall likewise be subject to any grievance procedure in the current collective bargaining agreement requiring contributions to the Fund.

F. **Plan Documents.**

(1) **Trust Agreement.** The undersigned Employer understands that the Fund's Trust Agreement was entered into effective September 1, 1955. That Trust Agreement provides that an Employer may become a party to the Trust Agreement by executing a document in writing agreeing to become a party to and be bound by the provisions of that Trust Agreement. The undersigned Employer, by executing this document, hereby agrees to become a party employer to that Trust Agreement, to be bound by all the terms, conditions and provisions thereof and to make payments herein provided to the Fund. The undersigned Employer approves and consents to the appointment of the Trustees of said Trust Agreement heretofore appointed and hereafter selected as provided in said Trust Agreement.

(2) **Plan.** The undersigned Employer agrees to be bound by and accept the Plan's eligibility rules and Plan benefits from time to time in effect.

(3) **Rules and Regulations.** The undersigned Employer agrees to be bound by the rules and regulations from time to time adopted by the Fund applicable to Employers participating in the Fund, including those that provide for interest and liquidated damages on delinquent contributions, and for attorneys fees, court costs and other legal expenses that may be required to effect collection of Employer contributions.

G. **Rehabilitation Plan.** The Employer agrees to comply with the Rehabilitation Plan of the Automotive Industries Pension Plan (AIPP), effective 3/28/2008, pertaining to collective bargaining agreements renewed after 4/27/2008 in its entirety, including the payment of required supplemental contributions.

**For Example:** Suppose an employer's contribution rate to the AIPP is $100 per month for the life of a collective bargaining agreement expiring after 2014. The employer is obligated to pay effective 1/1/2013 supplemental contributions equal to 5%. Each year, the rate would increase 5% over the total effective rate of that previous year. In accordance with the 3/28/2008 Rehabilitation Plan, the total contribution rates to the AIPP would be as follows:

(1) Effective 1/1/2013, an amount of $105.00
(2) Effective 1/1/2014, an amount of $110.25
(3) Each year thereafter, the contribution rate to the AIPP will increase 5% over the previous year's rate until the earlier of the expiration of the collective bargaining agreement or 12/31/2018. At contract commencement or renewal before 12/31/2018, the then-current Rehabilitation Plan of the AIPP would apply.

H. **Hold Harmless.** Neither the Fund, its Trustees, nor any of their agents or representatives have warranted that the participation of shareholders/employees is legally permissible under the Taft-Hartley Act. The Employer hereby waives any right to sue the Fund, its Trustees, or their agents or representatives for any damages if the participation of all shareholders/employees is not permitted under any law, and agrees to hold the Fund harmless against any such suits filed by its employees or former employees.

I. **Successors.** If the Employer's collective bargaining agreement or federal labor law obligations are binding on the Employer's heirs, successor or assigns, then this Agreement shall also be binding on those heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 1st day of January, 2016.

Employer: SFO Shuttle Bus Co. Union: IAM & AW, Local 1414

Authorized by (Print Name): G. Leonovis (Print Name): Pedro Mendez

(Signature): (Signature):

ACCEPTANCE: The duly appointed and acting Trustees of the said Trust Agreement accept the above agreement.
5. In the event an Employer terminates the business, any accrued sick leave will be paid to the employee at that time.

6. All pay for sick leave shall be at the wage rate in effect at the time the employee is paid for accrued sick leave.

Employees receiving medical treatments during working hours (on Workers' Compensation cases only) shall be allowed time off up to two (2) hours per day without deduction in pay.

If an employee is injured on the job and is unable to return to work, the employee will receive a full day's pay on the day of injury.

EXTENDED COVERAGE

Employees who suffer an industrial injury (qualified lost time, job-related physical injury), who are not released to return to work and have exhausted the continued health plan benefits as prescribed within the Plan subscriber agreement, shall be eligible for Employer-paid, Automotive Industries Welfare Fund-provided health care on a month-to-month basis for an additional three (3) months or until the employee reestablishes Plan health care benefits eligibility, whichever is less.

SECTION 13 - PENSION PLAN

The Employer agrees to abide by all of the terms of the trust agreement creating the Automotive Industries Pension Trust Fund as it has been or may be modified, altered or amended and all regulations and rules of the board of trustees of such trust and further agree to abide by and be bound by the method of selection of the trustees of such trusts as specified in such trust.

The Employer covered by this Agreement agrees to pay to the Administrators of the Automotive Industries Pension Trust Fund the following monthly amount for each eligible employee: Effective July 1, 2013 - $700.00; in addition, the Employer will contribute $90.67 per month per employee for the Individual Account Retirement Plan (IARP) for the term of the agreement.

In accordance with the Funding Rehabilitation Plan that was put in place effective 3/28/2008 pertaining to the collective bargaining agreements renewed after 4/27/2008, the Employer agrees with the Rehabilitation Plan in its entirety and Section 14 is an acceptance of the said plan. Contributions to the Automotive Industries Pension Plan Fund (AIP Fund) will be paid by the Employer from the maximum monthly contribution outlined in Section 03.01.00 (b) as per the schedule.

As the example below shows, the base rate contribution that is used to apply the 5% annual increases is $700.00 per month; in accordance with the Rehabilitation Plan dated 3/28/2008 the contribution rate to the AIP Fund with 5% increase annually would be as follows in this example:

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Contribution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/13</td>
<td>$735.00/mo</td>
</tr>
<tr>
<td>1/1/14</td>
<td>$771.75/mo</td>
</tr>
<tr>
<td>1/1/15</td>
<td>$810.34/mo</td>
</tr>
<tr>
<td>1/1/16</td>
<td>$850.86/mo</td>
</tr>
</tbody>
</table>
Any future contribution increase beyond the collective bargaining agreement required by a Rehabilitation Plan will be open for negotiation between the Employer and the Union for this Section only for the life of the Agreement.

SECTION 14 – CALIFORNIA MACHINISTS 401(K) PLAN

The Company will contribute a set amount of money per week as a Qualified Non-Elective Contribution to the California Machinists 401(k) Plan for each active member based on the number of regular hours worked (exclusive of overtime), to a maximum of 2080 regular hours per year. For the term of the contract, $2.00 per hour per employee shall be contributed.

The Employer signatory to the Agreement agrees to subscribe to California Machinists 401(k) Trust at no administrative cost other than the cost associated with deducting authorized employee contributions and transmitting them to the Trust.

The Employer agrees, upon written authorization from each of its employees, to deduct from said employee’s total compensation the amounts authorized by the employee to be deferred into the California Machinists 401(k) Trust. The Employer also agrees to transmit the employee deferrals to the California Machinists 401(k) Trust in the same manner as “employer contributions” to the California Machinists 401(k) Trust for the purpose of providing 401(k) benefits to eligible employees.

The Employer further agrees that the Qualified Non-elective Contributions made by the Employer, and the deferral contributions requested by employees, shall be sent to the California Machinists Trust no later than the fifteenth (15th) day of the month following the completion of the work month in which such contributions or deferrals have been authorized.

The Employer further agrees that it agrees to be bound to the Trust Agreement establishing the California Machinists 401(k) Trust and to accept and be bound to said Trust document as it presently exists or may hereinafter be amended or modified by the Trustees of said Trust Fund.

The Employer further agrees to authorize the Employer Trustees appointed to said Trust as its attorneys in fact for the purposes of conducting all business of said Trust Fund, including the appointment of Employer Trustees or conducting any other business which may be conducted by said Trustees of said Trust Fund.

SECTION 15 - JURY DUTY

The following is the interpretation of pay for jury duty to be applied to the employees who are called for examination for jury duty or who serve on jury duty by being empanelled in a jury box and actively serving as a juror: Employees shall be reimbursed the difference between jury pay and their straight-time pay lost under the qualifications set forth below:
WHEREAS, the undersigned Employer previously has entered into a collective bargaining agreement with the undersigned Union providing for, amongst other things, a pension agreement, whereby the undersigned Employer agreed to make certain Employer contributions into a Trust Fund for the purpose of providing pension benefits for covered employees, and

WHEREAS, it is the desire of the undersigned Employer to make such Employer contributions into the Automotive Industries Pension Trust Fund ("Fund") and become a party to its Pension Trust Agreement, now therefore it is agreed as follows:

A. Contributions Required. The undersigned Employer agrees to be bound by all of the terms, conditions and provisions of the said Pension Trust Agreement, and to pay to the Fund all sums of money required to be paid as Employer pension contributions either (1) under the terms of the collective bargaining agreement between the undersigned Employer and the undersigned Union, or (2) under the provisions of the federal labor law.

B. Employees Covered. The following persons are covered by this Agreement: Each person who is employed at any time during the month while not on a leave of absence without pay, who is either (1) working under a bargaining agreement between the Employer and a participating union, or (2) working in a situation in which contributions are required to be made on his behalf under federal labor law.

NOTE: Any covered employee who is also a shareholder of the Employer may participate in the Fund only if the Fund receives (1) an attorney certification letter in the form required by the Fund, and (2) a stockholder/employee waiver document in the form required by the Fund.

C. Amount of Payment. The undersigned agree that participation in the Fund shall require monthly Employer payments at the rates stated herein for all employees covered under paragraph B, unless excepted under paragraph D.

D. Payment Procedures.

1. Covered Employees. The undersigned Employer agrees to make payments as set forth in this Agreement and any subsequent revisions hereof for all covered employees for all periods of time during which a collective bargaining agreement requiring payments to the Fund is in effect. Whenever applicable labor law requires continued payments to the Fund after expiration of the collective bargaining agreement, the undersigned Employer agrees that such payments shall be made in accordance with this Agreement and the Fund’s rules and regulations from time to time in effect. Employer agrees that this obligation may be enforced by the Fund under this Agreement as a matter of contract law.

2. Payment Due Date. Monthly payments are due from the Employer on the first day of the month to the Fund at address indicated on Employer Remittance Form, on all employees covered under paragraph B employed by the Employer at any time during the month prior thereto, except as provided in subparagraphs (3) and (4).

NOTE: No contribution shall be required for newly hired employees who are terminated in less than eleven (11) working days.

3. New Hires. For new employees the first payment is due on the first day of the second month following the date of hire.

4. Terminations. For employees who are no longer actively employed by the Employer, the last payment is due on the first day of the month following the last date of active employment. Employees on vacation or holidays after the termination of active employment shall not be deemed to continue to be actively employed by the Employer for the purpose of determining employer payments due.
(5) **Rehired Disabled Employees.** For disabled employees who return to active employment, with the same Employer they were employed with when disability commenced, contributions are due the first of the month following the date they returned to work.

**E. Liability for Nonpayment.** Contributions are due on the first (1st) of the month and considered delinquent if not postmarked on or before the twentieth (20th) of the month during the month billed. For this purpose, contributions due include any supplemental contributions due under paragraph G, below. Failure to report timely will result in assessment of liquidated damages and interest in accordance with the Trust Agreement. If the Employer fails to make the contributions required by this Agreement, the Employer shall be personally responsible to the union and employees herein covered for the benefits which would have been provided by such coverage and to pay for all court costs, attorneys’ fees, and other legal expenses that may be required to effect collection. The Employer shall likewise be subject to any grievance procedure in the current collective bargaining agreement requiring contributions to the Fund.

**F. Plan Documents.**

1. **Trust Agreement.** The undersigned Employer understands that the Fund’s Trust Agreement was entered into effective September 1, 1956. That Trust Agreement provides that an Employer may become a party to the Trust Agreement by executing a document in writing agreeing to become a party to and be bound by the provisions of that Trust Agreement. The undersigned Employer, by executing this document, hereby agrees to become a party employer to that Trust Agreement, to be bound by all the terms, conditions and provisions thereof and to make payments herein provided to the Fund. The undersigned Employer approves and consents to the appointment of the Trustees of said Trust Agreement herebefore appointed and hereafter selected as provided in said Trust Agreement.

2. **Plan.** The undersigned Employer agrees to be bound by and accept the Plan’s eligibility rules and Plan benefits from time to time in effect.

3. **Rules and Regulations.** The undersigned Employer agrees to be bound by the rules and regulations from time to time adopted by the Fund applicable to Employees participating in the Fund, including those that provide for interest and liquidated damages on delinquent contributions, and for attorneys’ fees, court costs and other legal expenses that may be required to effect collection of Employer contributions.

**G. Rehabilitation Plan.** The Employer agrees to comply with the Rehabilitation Plan of the Automotive Industries Pension Plan (AIPP), effective 3/28/2003, pertaining to collective bargaining agreements renewed after 4/27/2008 in its entirety, including the payment of required supplemental contributions.

**For Example:** Suppose an employer’s contribution rate to the AIPP is $100 per month for the life of a collective bargaining agreement expiring after 2013. The employer is obligated to pay effective 1/1/2013 supplemental contributions equal to 5%. Each year, the rate would increase 5% over the total effective rate of that previous year. In accordance with the 3/28/2003 Rehabilitation Plan, the total contribution rates to the AIPP would be as follows:

1. Effective 1/1/2013, an amount of $105.00
2. Effective 1/1/2014, an amount of $110.25
3. Each year thereafter, the contribution rate to the AIPP will increase 5% over the previous year’s rate until the earlier of the expiration of the collective bargaining agreement or 12/31/2018. At contract commencement or renewal before 12/31/2018, the then-current Rehabilitation Plan of the AIPP would apply.

**H. Hold Harmless.** Neither the Fund, its Trustees, nor any of their agents or representatives have warranted that the participation of shareholders/employees is legally permissible under the Taft-Hartley Act. The Employer hereby waives any right to sue the Fund, its Trustees, or their agents or representatives for any damages if the participation of all shareholders/employees is not permitted under any law, and agrees to hold the Fund harmless against any such suits filed by its employees or former employees.

**I. Successors.** If the Employer's collective bargaining agreement or federal labor law obligations are binding on the Employer’s heirs, successor or assigns, then this Agreement shall also be binding on those heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 1st day of July, 2013.

Employer: Shamrock Materials, Inc. Union: IAM&AW Local 1414

Authorized by (Print Name): [Signature] Jeff Nehmns Authorized by (Print Name): [Signature] Thomas J. Brandon

ACCEPTANCE: The duly appointed and acting Trustees of the said Trust Agreement accept the above agreement.