

**THE TESORO CALIFORNIA REFINERIES
CONSTRUCTION & MAINTENANCE LABOR AGREEMENT**

CARSON, WILMINGTON AND MARTINEZ, CALIFORNIA

1. INITIAL PROVISIONS

1.1. This Tesoro California Refineries Construction & Maintenance Labor Agreement ("Agreement") is entered into by Tesoro Refining & Marketing Company, LLC ("Owner"), and the State Building and Construction Trades Council of California ("State Council"), the Los Angeles/Orange Counties Building and Construction Trades Council, the Contra Costa Building and Construction Trades Council ("Local Councils"), and the local unions who have executed this Agreement, all of whom are referred to collectively as the "Unions." The Owner and the Unions are referred to as the "Parties."

1.2. The Tesoro Refinery Facilities (the "Project") include the refineries located in Carson, Wilmington and Martinez, California, and include petroleum refining, processing and storage facilities, power generation, and all of the supporting and related equipment and facilities located at the refinery and associated rail and port loading facilities at or near the Martinez refinery under the control of the Owner. The Project does not include facilities owned by third parties or not part of the petroleum refining business of Tesoro Refining & Marketing Company, LLC. It is understood and agreed by and between the parties to this Agreement that the facilities covered by this Agreement will change over time as equipment is added to and modified at the refinery.

1.3. Owner directly employs employees in the construction industry and regularly performs the functions of an employer in the construction industry, including contracting with other Employers in the construction industry to perform additional construction work. Owner reserves the right to self-perform any work under this Agreement with its regular employees. Other than requiring all Employers to become parties to this Agreement by executing Attachment A, the Parties understand and agree that Owner does not control or have the right to control the wages, benefits, or other terms and conditions of employment for employees that it does not directly employ; and that Owner shall not be deemed to be a joint employer of any employee it does not directly employ.

1.4. As provided below, all project managers, construction managers, contractors, subcontractors or other persons or entities assigning, awarding or subcontracting Covered Work (as defined in Article 2), or authorizing another party to assign, award or subcontract Covered Work, or performing Covered Work (other than Owner) will be subject to this Agreement by executing Attachment A, the Employer Agreement to be Bound (all of whom, including the Owner, are individually and collectively referred to as "Employer," "Employers," "Contractor" or "Contractors").

1.5. The Unions are labor organizations whose members are construction industry employees who generally work in close proximity to one another at construction job sites and whose jobs are closely related and coordinated. Each of the Unions is a party to a multi-employer collective bargaining agreement ("Master Agreement") that covers the geographic area of the Project.

1.6. A large labor pool represented by the Unions will be required to execute the work involved on the Project. Employers wish, and it is the purpose of this Agreement, to ensure that a sufficient supply of skilled craft workers and qualified apprentices are available at the Project, that all construction work and related work performed by the members of the Unions on this Project shall proceed continuously, without interruption, in a safe and efficient manner, economically with due consideration for the protection of labor standards, wages and working conditions.

1.7. In furtherance of these purposes and to secure optimum productivity, harmonious relations between the parties and the orderly performance of the work, the parties to this Agreement agree to establish adequate and fair wage levels and working conditions and to protect the Project against strikes and lockouts and other interference with the process of the work, including interference that may arise at a common-situs jobsite when union employees work alongside non-union employees in their own craft or in those other crafts with which they generally work in close proximity performing work that is closely related and coordinated.

1.8. In the interest of the future of the construction industry in the local area, of which the Unions are a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work and cooperate with the management of the Project to produce the most efficient utilization of labor, materials and equipment in accordance with this Agreement.

1.9. A "Capital Project" is Covered Work (i) involving new investment in equipment or facilities and new construction, and (ii) which requires new or modified permits from the applicable air quality management district for some pieces of equipment that are part of the project. All Capital Projects shall be performed under the terms of this Agreement.

1.10. A "Maintenance Project" is Covered Work that is not a Capital Project, and includes but is not limited to all shutdown, turnaround, scheduled maintenance, major overhauls, and other work performed on the Project. Any portion of the project that would otherwise be a Capital Project but requires a turnaround to complete, shall be considered a Maintenance Project.

2. SCOPE

2.1. Work within the scope of this Agreement is referred to as "Covered Work." Covered Work includes all on-site construction, alteration, painting or repair of buildings, structures and other works and related activities for the Project that is within the craft jurisdiction of one of the Unions, including, without limitation, pipelines, pumps and pump stations, start-up and commissioning, construction abatement, site preparation, survey work and soils and material inspection and testing (excluding work performed by a civil, mechanical, geotechnical or other licensed engineer whose scope of work is not covered by a collective bargaining agreement of a union signatory to this Agreement), all on-site fabrication work provided such work is within the fabrication provision of a local master or national agreement of one of the Unions, demolition of existing structures, and all construction, demolition or improvements required to be performed as a condition of approval by any public agency. On-site construction shall also include the site of any batch plant constructed solely to supply materials to the Project.

2.1.1. All fabrication work over which the Owner or other Employers possesses the right of control, including without limitation, the fabrication of air-handling systems and ducts, and HVAC sheet metal work, and which is traditionally claimed as on-site fabrication shall be performed on-site. For the convenience of the Owner or other Employers, such work may be performed off-site. In that event, such fabrication work shall be performed in accordance with the union standards established by this Agreement for the appropriate craft Union or by a fabrication agreement approved by the craft's International Union. On-site construction shall also include the site of any batch plant constructed solely to supply materials to the Project.

2.2 Covered Work includes all physical work that is part of startup and commissioning, including, but not limited to, system flushes and testing, loop checks, rework and modifications, functional and operational testing up to and including the final running test. It is understood that the Owner's personnel, manufacturer's and/or vendor's representatives, and/or plant operating personnel may supervise and direct the startup, commissioning, rework and modification activity, and that the craft work is typically performed as part of a joint effort with these representatives and personnel. A manufacturer or its representatives may perform industry standard startup and commissioning work to satisfy its guarantee or warranty on a piece of equipment.

2.3. Covered Work does not include any:

2.3.1. Work performed by supervisors not covered by a collective bargaining agreement, technical or non-manual employees of Owner and each other

Employer, including, but not limited to, executives, office and clerical employees, timekeepers, messengers, guards; or any civil, mechanical or other professional engineers, drafters and inspectors not covered by a collective bargaining agreement of a Union; or staff employees, and operators and personnel of vendors or their agents or subsidiaries performing warranty work; or any other employees above the classification of general foreman or who perform administrative/clerical functions.

2.3.2. Work performed by employees reporting, either directly or indirectly, to local, state or federal governmental agencies (e.g., DTSC personnel, CBO inspectors).

2.3.3. Work which is performed by an Original Equipment Manufacturer's ("OEM") labor forces for warranty, repair or maintenance on the vendor's equipment if required by the OEM's warranty agreement between the OEM and the Owner.

2.3.4. Work performed by technical representatives or technicians performing specialized work on equipment where such employees have special or unique skills or experience on that equipment which employees represented by the Unions do not possess.

2.3.5. Work by specialty contractors if, as of the effective date of this Agreement, there is no qualified Union signatory contractor available to perform the work. At the first JAC meeting of 2019 and each calendar year thereafter, the Owner and Union shall determine by mutual agreement whether there are qualified Union signatory contractors available to perform the work described in Section 2.3.5. In making this determination, the Owner and Union will evaluate union signatory contractors on criteria that include but are not limited to the Owner's standards for safety, quality and resourcing. The Owner's determination, based on its reasonable exercise of discretion, shall be controlling.

2.3.6. Work performed by non-construction craft employees.

2.3.7. Work performed by Owner's regular employees.

2.3.8. Work planning and scheduling.

2.3.9. Quality assurance/quality control.

2.3.10. Work involving vacuum trucks; industrial cleaning not related to construction; temporary leak repair; safety services requiring professional safety certification; non-construction catalyst loading, regeneration and removal; chemical purging and cleaning prior to release to contractor; refinery byproduct separation

and recovery; inspection services not related to construction; and technicians observing post weld heat treating and stress relieving.

2.3.11. All manufacturing of pressure vessels, pumps, compressors and skid mounted equipment.

3. SUBCONTRACTING

3.1. Owner and each other Employer agree that they will contract for the assignment, awarding or subcontracting of Covered Work, or authorize another party to assign, award or subcontract Covered Work, only to a person, firm, corporation or other entity that, at the time the contract is executed, has become a party to this Agreement by executing Attachment A, the Agreement to be Bound.

3.2. Owner and each other Employer agree that they will subcontract for the performance of Covered Work only to a person, firm, corporation or other entity who is or becomes party to this Agreement and who is or becomes signatory to the Master Agreement with the craft Union having traditional and customary building trades craft jurisdiction over the work or, only in the case of a national contractor, a national agreement with the International Union(s) of the craft Union(s) having traditional and customary jurisdiction over the work. Any Employer, other than Owner, performing Covered Work on the Project with its own employees shall, as a condition to working on the Project, become signatory to and perform all work under the terms of this Agreement and the applicable Master Agreement, except that an Employer signatory to a national agreement with the international union of the craft Union having traditional and customary jurisdiction over the work is not required to sign a Master Agreement. Before being authorized to perform any Covered Work, Employers (other than Owner) shall become a party to this Agreement by signing Attachment A, the "Agreement to be Bound." Every Employer shall notify the applicable Local Council and the State Council in writing within five (5) business days after it has subcontracted pursuant to Section 3.1 or 3.2, and shall at the same time provide to the applicable Local Council and the State Council a copy of the executed Agreement to be Bound.

3.3. Nothing in this Agreement shall in any manner whatsoever limit the rights of the Owner, or any other Employer, to subcontract Covered Work or to select its contractors or subcontractors; provided, however, that all Employers, at all tiers, assigning, awarding, contracting or performing, or authorizing another to assign, award, contract or perform Covered Work shall be required to comply with the provisions of this Agreement. Owner and every other Employer shall notify each of its contractors and subcontractors of the provisions of this Agreement and require as a condition precedent to the assigning, awarding or subcontracting of any Covered Work or allowing any subcontracted Covered Work to be performed, that all such contractors and subcontractors at all tiers become signatory to this

Agreement and, except for a national contractor signatory to a national agreement with the applicable Union, the Master Agreement. Any Employer that fails to provide the Local Council and State Council with the Employer Agreement to be Bound executed by its contractor or subcontractor shall be liable for any failure of that contractor or subcontractor, or any contractor or subcontractor at a lower tier, to comply with the provisions of this Agreement, including any contributions to any trust funds that the contractor or subcontractor, or any subcontractor to that subcontractor, fails to make. Provided the Owner provides the executed Agreement to be Bound, nothing herein shall impose any liability on the Owner for any failure of any contractor or subcontractor, for any wages or benefits due or payable by any contractor or subcontractor including any and all contributions to any trust funds that any contractor or subcontractor fail to make.

4. WAGES AND BENEFITS

4.1. All employees covered by this Agreement (including foremen and general foremen if they are covered by the Master Agreement) shall be classified and paid wages, fringe benefits and contributions made on their behalf to multi-employer trust funds, all in accordance with the then current Master Agreement of the applicable Union; provided, no wage premiums other than welding and premiums currently being paid as of September 2017 (including but not limited to hazard pay, acid pay, high or low work and other similar premiums), subsistence, travel allowance, mileage, or pay for travel time need be paid to any employee; however, the Employer may elect to make such payments on a regular or periodic basis in its sole discretion. Classifications in Master Agreements that circumvent the intent and purposes of this section that require no additional skills are not recognized under the terms of this Agreement.

4.2. When zone type wage structures are established in the area of the Project, the Project for the purposes of this Agreement will be considered as if it was within the area of the base zone rate.

4.3. Any special interest bargaining which establishes wage rates, classifications, zones, or wage escalations which apply exclusively to the Project will not be recognized. In addition, there shall be no redlining of the Project in any future multi-employer collective bargaining agreements by singling out, either by name or by effect, the Project or the Employers for less favorable wages, benefits or working conditions than are generally accorded other industrial projects in the same general geographic area.

4.4. Reporting Pay

4.4.1. When an employee or new hire reports to work on any shift between the established hours of his/her regular work and is not given the

opportunity to work because none was available and was not notified before the completion of the previous day's work, he/she shall be paid 2 hours reporting time.

4.4.2. When employees start to work they shall be paid not less than 4 hours and if they work beyond the 4 hours, they shall be paid for actual time worked. It shall be the Contractor's prerogative whether or not to stop work.

4.4.3. If an employee refuses to start or stops work on his/her own volition, the minimum shall not apply.

4.4.4. Reporting pay as defined in this Section shall be paid at the straight time hourly rate. However, when employees report for scheduled work on Saturday, Sunday or on holidays and are not given the opportunity to work because none is available, they shall be paid 2 hours pay at the appropriate overtime rate, time and one-half (1-1/2x) for Saturdays and double time (2x) for Sundays and holidays.

4.4.5. Scheduled work occurs when employees are notified during their last regularly scheduled work day that they are scheduled to work on Saturday or Sunday.

5. UNION SECURITY AND REFERRAL

5.1. The Employers recognize the Unions signatory to this Agreement as the sole and exclusive collective bargaining agents for their respective construction craft employees performing Covered Work for the Project, and further recognize the traditional and customary craft jurisdiction of each Union.

5.2. All employees performing Covered Work shall be or shall become and then remain members in good standing of the appropriate Union as a condition of employment on or before the eighth (8th) day of employment, or the eighth (8th) day following the execution of this Agreement, whichever is later.

5.3. The Unions shall be the source of all craft employees for Covered Work for the Project. Employers agree to be bound by the hiring and layoff practices of the respective Union, including hiring of apprentices, and to utilize its registration facilities and referral systems. However, in the event the referral facilities maintained by the Unions do not refer the employees as requested by the Employer within a forty eight (48) hour period after such request is made by the Employer (Saturdays, Sundays and Holidays excepted), the Employer may employ workers from any source. The Employer may hire employees by name that have special skills or have previous maintenance, construction or site experience. For any employee not referred by the Union, the Employer shall arrange for a dispatch to be

issued for such applicant from the Union within twenty-four (24) hours of the commencement of employment, and the dispatch shall upon request be issued by the Union to the employee.

5.4. The Unions shall exert their utmost efforts, including requesting assistance from other local unions, to recruit a sufficient number of skilled craftpersons to fulfill the labor requirements of the Employers. The Owner, Employers and the Unions are committed to fully and effectively implementing the requirements of SB 54 (Hancock, 2013). The parties agree that using a skilled and trained workforce is essential to ensure worker and public safety. To implement those requirements, except where requested by name by the Employer, the Unions shall dispatch journey-level workers who satisfy the criteria of Health & Safety Code section 25536.7 paragraph (b)(10)(C), and have graduated from an apprenticeship program as specified in paragraph (b)(10)(A), or have at least as many hours of on-the-job experience as specified in paragraph (b)(10)(A). The referral facilities will give priority in dispatch to workers who, prior to dispatch, will meet the requirements of SB 54 such that the Employer can satisfy the criteria of Health & Safety Code section 25536.7, paragraphs (b)(10)(A), (b)(10)(C), and (b)(11). When requested by an Employer that has requested workers from the referral facilities to meet the requirements of Health & Safety Code section 25536.7, paragraphs (b)(10)(A), (b)(10)(C), and/or (b)(11)(B)(iii) and, due to workforce shortages, the Employer is unable to obtain sufficient such workers within 48 hours of the request (Saturdays, Sundays, and holidays excepted), the Union will provide a letter to the Employer attesting that sufficient workers meeting those requirements are temporarily unavailable ("Attestation Letter"). The Attestation Letter shall be in the form attached to this Agreement as Attachment B.

5.5. The Owner and other Employers agree to accept, as meeting the requirements of Health & Safety Code paragraph 25536.7(b)(10)(C), certificates or other valid proof of training completion for workers who have completed the portion of the advanced safety training program provided by a Joint Apprenticeship Committee co-sponsored by one of the Unions and approved by the Chief of the Division of Apprenticeship Standards of the Department of Industrial Relations that meets the requirements of Health & Safety Code paragraph 25536.7(b)(10)(C). The advanced safety training is state mandated requirement and the time required for the training is non-compensable.

5.6. The Owner shall maintain a list of individuals who previously have been terminated by Owner or terminated or barred from Owner's premises by a contractor at Owner's request. Any individual on such list shall not be allowed to return to Owner's premises or to perform work related to any Project. Disputes arising under this section are not subject to the grievance or other dispute resolution provisions of this Agreement or a Master Agreement, except for disputes over mistaken identity, i.e., whether the individual denied access to Owner's

premises is the same individual whose name appears on Owner's list. The parties agree that, on Employer's request, Owner will reconsider whether an individual should remain on the list.

5.7. Each Union shall have the right to designate a working craft journeyman as steward under this Agreement. Such designated steward shall be a qualified workman assigned to a crew and shall perform the work of that craft. Stewards shall be permitted a reasonable amount of time during working hours to perform applicable union duties. Under no circumstances shall there be non-working stewards. The steward shall not perform supervisory duties.

5.8. The steward shall be the last journeyman to be laid off in his craft, provided that he is qualified to perform the required work. If Contractors work multiple shifts, each Union may designate a steward for each shift worked. The Union shall be given twenty-four (24) hour notice by the applicable Contractor before a steward is laid off or terminated.

5.9. The Contractor shall appoint a Representative who shall cooperate with the on-site Union Representative in the exchange of information which will be beneficial to the harmonious operation of the project.

5.10. Upon receiving permission of the Contractor, officials of any of the Unions shall be granted the privilege of entering the premises of the Owner at any time during regular daylight hours to access projects covered by this Agreement. Requests shall be arranged through the Contractor for such visitations in keeping with Owner's uniform rules of safety and security as expeditiously as possible. Each Union shall designate one (1) official and one alternate as its representatives and so inform the Contractor.

6. WORK STOPPAGES AND LOCKOUTS

6.1. During the term of this Agreement there shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, interference with the work or other disruptive activity at the Project site for any reason by the Union or by any employee and there shall be no lockout by any Employer. Failure of any Union or employee to cross any picket line established at the Project site is a violation of this Section.

6.2. The Union shall not sanction, aid or abet, encourage or continue any work stoppage, strike, sympathy strike, picketing or other disruptive activity at the Project site and shall undertake all reasonable means to prevent or to terminate any such activity. No Union employee shall engage in activities which violate this Section. Any employee who participates in or encourages any such activities shall be subject to disciplinary action, including discharge, and if justifiably discharged

for the above reasons, shall not be eligible for rehire on this Project or another project of Owner.

6.3. The Union shall not be liable for acts of employees for which it has no responsibility. The business manager of the Union will immediately instruct, order and use the best efforts of his office to cause the Union to cease any violations of this Article. The principal officer or officers of the Union will immediately instruct, order and use the best efforts of his office to cause the employees the Union represents to cease any violations of this Article. A Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Employer to exercise its right in any instances shall not be deemed a waiver of its right in any other instance.

6.4. The Union agrees that if any union or any other persons, whether parties to this Agreement or otherwise, engage in any picketing or work stoppages, the signatory Unions shall consider such work stoppage or picketing to be illegal, and refuse to honor such picket line or work stoppage.

6.5. In the event of any work stoppage, strike, sympathy strike, picketing interference with the work or other disruptive activity at the Project site in violation of this Article, the Employer may suspend all or any portion of the Project work affected by such activity at the Employer's discretion and without penalty.

6.5.1. There shall be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, interference with the work, or other disruptive activity at the Project site during the term of this Agreement. Any 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 which is in violation of this Article, agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 6.6.8.

6.6. In lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union has been notified of the fact.

6.6.1. The party invoking this procedure shall notify Douglas Collins, Richard C. Solomon, or Norman Brand who the parties to this Agreement agree shall be the permanent Arbitrators under this procedure. In the event that all of the permanent Arbitrators are unavailable at any time, the Federal Mediation and Conciliation Service shall appoint an alternative arbitrator within twenty-four (24) hours of notice. Notice to the Arbitrator shall be by the most expeditious means available, with notice by fax or electronic means or any other effective written means, to the party alleged to be in violation and the involved international union

president, and or local Union. The parties may by mutual agreement amend the above list of permanent Arbitrators.

6.6.2. Upon receipt of said notice the Arbitrators named above shall set and hold a hearing within 24 hours if it is contended that the violation still exists.

6.6.3. The Arbitrator shall notify the parties by fax or electronic means or any other effective written means, of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

6.6.4. The sole issue at the hearing shall be whether or not a violation of this Article 6 has in fact occurred. The Award shall be issued in writing within 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 15 days, but its issuance shall not delay compliance with, or enforcement of, the Award. The Arbitrator may order cessation of the violation of this Article by the Union, and such Award shall be served on all parties by hand, by fax, by email, or overnight mail upon issuance.

6.6.5. Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to hereinabove in the following manner. The fax or electronic 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 6.6.4, 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 or by registered mail.

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

6.6.7. The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found, such fees and expenses shall be borne by the moving party.

6.6.8. If the Arbitrator determines that a violation has occurred in accordance with Section 6.6.4, the party or parties found to be in violation shall pay as liquidated damages, the following amounts: for the first shift in which the violation occurred, \$15,000; for the second shift, \$20,000; for the third shift,

\$25,000; for each shift thereafter on which the craft has not returned to work, \$25,000 per shift. The Arbitrator shall retain jurisdiction to determine compliance with this section and this Article.

6.7. The procedures contained in Section 6.6 shall be applicable to alleged violations of this Article. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of this Section, shall be resolved under the grievance procedures of Article 8.

6.8. Notwithstanding the provisions of Section 6.1 above, it is agreed that, with 48 hour prior notice to the Owner, a Union retains the right to withhold the services of its members from a particular contractor or subcontractor who fails to make timely payments to the Union's benefit plans, or fails to timely pay its weekly payroll, in accordance with its agreements with the Union; provided, however, that in the event the Union or any of its members withholds their services from such contractor or subcontractor, Owner shall have the right to replace such contractor or subcontractor with any other contractor or subcontractor who executes the Agreement to be Bound. No Union shall withhold the services of its members under this provision without first giving Owner and the individual contractor or subcontractor alleged to be delinquent in its benefit fund payments notice as provided in the applicable trust fund agreement, but in no case less than two (2) weeks' notice, and an opportunity to cure the delinquency by tendering payment to the relevant trust funds. Owner shall have the option to issue joint checks to the contractor and the trust fund(s) until the delinquency is satisfied. No employee shall be required to work for any contractor who fails to make timely payments; however, employees of other contractors shall continue to work without interruption. Nothing herein shall obligate the Owner to pay any benefits fund contributions including alleged delinquent contributions, to the relevant trust fund or any other person or entity.

6.9. In the event that any applicable labor agreement expires and the parties to that agreement fail to reach agreement on a new contract by the date of expiration, the Union shall continue to provide employees to the Employers working at the Project under all the terms of the expired agreement until a new agreement is negotiated, at which time all terms and conditions of that new agreement shall be applied to Covered Work at the Project, except to the extent they conflict with any provision of this Agreement. In addition, if the new labor agreement provides for wage or benefit increases, then any Employer shall pay to its employees who performed Covered Work at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such wage and benefit increases established by the new labor agreement for such work performed.

7. HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS

7.1. The standard work day shall consist of 8 hours of work between 5:00 a.m. and 6:30 p.m., with ½ hour designated as an unpaid period for lunch. Proposed modifications to the standard work day may be submitted by an Employer to the applicable Local Council for approval. The standard work week shall be 5 consecutive days of work commencing on Monday. Employees scheduled to work a five (5) day, eight (8) hour per day schedule shall be paid overtime as provided in the Master Agreement. Nothing herein shall be construed as guaranteeing any employee 8 hours of work per day or 40 hours of work per week.

7.2. At the option of an Employer and with four calendar days' notice, a 4 day per week, 10 hour per day work shift may be established. The regular work week shall be from Monday through Thursday. Pay for each of these 4 days shall be 10 hours at the straight time hourly rate. Starting time will be designated by the Contractor; the Union will be advised of the starting time. In such shifts, overtime shall be paid as provided in the Master Agreement. All work on Sunday and holidays shall be paid at double time. There shall be no makeup days.

7.3. Common shifts during the standard work day may be established when considered necessary by the Owner. The Employer shall provide at least one week notice to the applicable Local Council and Unions involved prior to any change in shift time except in unforeseen circumstances, in which case notice shall be given as soon as practicable. Any shifts established shall continue for at least 5 consecutive days of work. If a Master Agreement provides a more efficient and economical work shift schedule, the Employer may opt for that schedule with written consent of the Owner.

7.4. Employees shall be at their place of work and ready to work at the starting time (which is the gang box, tool box or place where the foreman gives instructions to employees). A reasonable time will be allowed for employees to put company and personal tools in secured storage and return to the contract employee parking lot by quitting time; provided, however, if an Employer requires employees to be bused to the Project site from land designated for parking not contiguous to the Project site, employees will be paid as hours worked from the time they are required to report to the busing location until the time they are returned to the parking lot for the busing location.

7.5. A Contractor may elect to work multiple shifts. Shifts shall be at least 3 consecutive work days duration. The Contractor must provide to each affected Union, a minimum of 4 calendar days written notice of such change and such change shall begin on Monday, unless such change in schedule is due to a refinery emergency, including unplanned operating unit downtimes, in which case notice shall be given in as timely a manner as possible. On turnaround work, the

Contractor must provide to each affected Union written notice of such change in a timely manner. The Contractor may establish extended scheduled overtime with respect to any shift. In the event that an employee does not work a full second or third shift, said employee shall be paid for actual time worked, plus ½ hour for the second shift and actual time worked plus 1 hour for the third shift.

7.5.1. When 2 or 3 shifts are worked, the first or day shift shall be established on an 8 hour basis, the second shift shall be established on an 8 hour basis plus a \$2.25 per hour shift additive, and the third shift shall be established on an 8 hour basis plus a \$4.50 per hour shift additive. As an alternative to paying the shift additives, Owner may elect to establish the second shift on a 7.5 hour basis and/or the third shift on a 7 hour basis.

7.5.2. The Contractor may establish a second, 4 day, 10 hour work shift at the straight time wage rate Monday through Thursday. This shift is exclusive of the 30 minute lunch period. The second shift shall be paid the same as the first shift except they shall work 4 days at 10 hours straight time pay per day plus a \$2.25 per hour shift additive. As an alternative to paying the shift additive, Owner may elect to establish the second shift on a 9.5 hour basis.

7.6. If an Employer violates the shift provisions to circumvent the regular overtime provisions of this Agreement by unnecessary fluctuation of the three consecutive work day provision, it shall pay all employees on such shifts at the overtime rate of time and one half (1½).

7.7. If Employer fails to provide notice to any affected Union in accordance with Sections 7.1, 7.3 or 7.5, it shall pay employees of such Union on such shifts at the overtime rate of time and one half (1½).

7.8. The determination of the start of multiple shifts is the prerogative of the Contractor. If it is necessary to use employees from a previous shift within a twenty-four hour period, overtime provisions of this Article shall apply.

7.9. The number of craft workers and/or crafts may be increased or decreased as the work load requires, with no requirement that an individual craft work the three full days.

7.10. The 24 hour clock is determined by the starting time of the employee's shift on one day and ends with the starting time of the employee's shift on the following day.

7.11. Recognized holidays shall be as follows:

7.11.1. At Tesoro's Carson Refinery: New Year's Day, Presidents Day, Good Friday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.

are observed in IBEW CBA - MLK Day, Cesar Chavez Day.

7.11.2. At Tesoro's Wilmington Refinery: New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day.

7.11.3. At Tesoro's Martinez Refinery: New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve (or Day after Christmas), and Christmas Day.

7.12. Under no circumstances shall any work be performed on Labor Day except in cases of emergency involving life or property. In the event a holiday falls on Saturday, the previous work day, typically Friday, shall be observed as such holiday. In the event a holiday falls on Sunday, the following work day, typically Monday, shall be observed as such holiday. The Day after Thanksgiving shall itself be observed as a holiday for Covered Work performed on a 4/10 schedule. There shall be no paid holidays. If employees are required to work on a holiday, they shall receive the appropriate rate; but in no case shall such overtime rate be more than double the straight time rate.

7.13. It will not be a violation of this Agreement, nor a "lockout" under Article 6, for the Owner, when it considers it necessary, to shut down all or a portion of the work at the Project for any reason other than a labor dispute, including, but not limited to, the following: to avoid the possible injury to or loss of human life because of a situation, emergency or otherwise, that could endanger the life and/or safety of an employee or any other person; any unsafe working condition identified or the potential for an unsafe working condition to exist or environmental compliance. In such cases, employees will be compensated only for the actual time worked. In the case of a situation described above, where the Owner or any other Employer requests employees to wait in a designated area available for work, the employees will be compensated for the waiting time.

8. GRIEVANCE PROCEDURE

8.1. It is mutually agreed that any question arising out of and during the term of this Agreement involving its interpretation and application (other than jurisdictional disputes) shall be considered a grievance. Questions between or among parties signatory to a Master Agreement arising out of or involving the

interpretation of a Master Agreement shall be resolved under the grievance procedure provided in that Master Agreement.

8.2. The Owner and other Employers, as well as the Unions, may bring forth grievances under this Article.

8.3. A grievance shall be considered null and void if not brought to the attention of the Employer(s) within 5 working days after the incident that initiated the alleged grievance occurred or was discovered, whichever is later. The term "working days" as used in this Section shall exclude Saturdays, Sundays or holidays regardless of whether any work is actually performed on such days.

8.4. Grievances shall be settled according to the following procedure except that grievances that do not involve an individual grievant shall be discussed by the Owner, State Council and Local Council and then, if not resolved within 5 working days of written notice unless extended by mutual consent, commence at Step 4:

Step 1

The Steward and the grievant shall attempt to resolve the grievance with the craft supervisor within 5 working days after the Grievance has been brought to the attention of the Employer.

Step 2

In the event the matter remains unresolved in Step 1 above after 5 working days, within 5 working days thereafter, the alleged grievance may be referred in writing to the Business Manager(s) of the affected Union(s) or his designee and the project manager or Labor Relations representative of the Employer(s) for discussion and resolution. A copy of the written grievance shall also be mailed/faxed/mailed to the Owner.

Step 3

In the event the matter remains unresolved in Step 2 above within 5 working days, within 5 working days thereafter, the grievance may be referred in writing to the Business Manager(s) of the affected Union(s) or his designee and the Manager of Labor Relations of the Employer(s) or the Manager's designated representative, and the Owner for discussion and resolution.

Step 4

If the grievance is not settled in Step 3 within 5 working days, either party may request the dispute be submitted to arbitration or the time may be extended by mutual consent of both parties. The request for arbitration and/or the request for an extension of time must be in

writing with a copy to the Owner. Should the parties be unable to mutually agree on the selection of an Arbitrator, selection for that given arbitration shall be made by seeking a list of 7 labor arbitrators with construction experience from the Federal Mediation and Conciliation Service and alternately striking names from the list of names on the list until the parties agree on an Arbitrator or until one name remains. The first party to strike a name from the list shall alternate between the party bringing forth the grievance and the party defending the grievance. Owner shall keep a record of the sequence and shall notify the parties to the grievance as to which party has the right to strike a name first.

8.5. The Arbitrator shall conduct a hearing at which the parties to the grievance shall be entitled to present testimonial and documentary evidence. Hearings will be transcribed by a certified court reporter. The parties shall be entitled to file written briefs after the close of the hearing and receipt of the transcript.

8.6. Upon expiration of the time for the parties to file briefs, the Arbitrator shall issue a written decision that will be served on all parties and on the Owner. The Arbitrator shall have the authority to utilize any equitable or legal remedy to prevent and/or cure any breach or threatened breach of this Agreement. The Arbitrator's decision shall be final and binding as to all parties signatory to this Agreement.

8.7. The cost of the Arbitrator and the court reporter, and any cost to pay for facilities for the hearing, shall be borne equally by the parties to the grievance. All other costs and expenses in connection with the grievance hearing shall be borne by the party who incurs them. Regardless of whether the Owner participates in the resolution of a grievance, the Owner will not be responsible for any costs or expenses unless the grievance is against the Owner.

8.8. The Arbitrator's decisions shall be confined to the question posed by the grievance and the Arbitrator shall not have authority to modify, amend, alter, add to or subtract from, any provision of this Agreement.

8.9. Any party to a grievance may invite the Owner to participate in resolution of a grievance. The Owner may, at its own initiative, participate in Steps 1 through 3 of the grievance procedure.

8.10. In determining whether the time limits of Steps 2-4 of the grievance procedure have been met, a written referral or request shall be considered timely if it is personally delivered, faxed, sent by electronic mail or postmarked within the 5 working day period. Any of the time periods set forth in this Article may be

extended in writing by mutual consent of the parties to the grievance, and any written referral or request shall be considered timely if it is personally delivered, faxed or postmarked during the extended time period.

9. JURISDICTIONAL DISPUTES

9.1. The assignment of Covered Work will be solely the responsibility of the Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

9.2. All jurisdictional disputes between or among the Unions and their employees, parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

9.2.1. If a dispute arising under this Article involves the Southwest Regional Council of Carpenters, or any of its subordinate bodies, or the Northern California Carpenters Regional Council or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the Local Council within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

9.3. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this Section shall be subject to immediate discharge. Each Employer will conduct a pre-job conference with the Local Council prior to commencing work. The Owner and any general contractor will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Employers may be held together.

9.4. Project maintenance conditions do not always justify adherence to craft lines in the makeup of individual crews. Therefore, composite crews may be used when reasonably needed to improve efficiency. Nothing in this provision shall authorize work performed by an employee contrary to the appropriate jurisdiction of the Plan or establish precedent for other projects.

10. PROJECT RULES AND REGULATIONS

10.1. The employees covered by this Agreement shall at all times while in the employ of the Contractor be bound by the reasonable safety rules and regulations as established by the Owner and/or Contractor. Employees will be provided notice of these rules and regulations. These rules and regulations shall not be inconsistent with the terms of this Agreement.

10.2. Violations of the project rules and regulations is just cause for disciplinary action, subject to the Grievance Procedure.

11. MANAGEMENT RIGHTS

11.1. The Unions understand that the Contractor is responsible to perform the work required by the Owner. Therefore, the Contractor has the complete authority and right to:

11.1.1. Plan, direct and control the operation of all his work.

11.1.2. Decide the number of employees required with due consideration to the proper craft classification thereof.

11.1.3. Hire and lay off employees as the Contractor feels appropriate to meet work requirements and/or skills required.

11.1.4. Transfer employees with special skills or qualifications and/or employees from jobs where forces are being reduced to jobs where forces are being increased without restriction or limitations. This would apply to Contractors having more than 1 maintenance project in a given locality and in the territorial jurisdiction of the Unions involved.

11.1.5. Determine work methods and procedures.

11.1.6. For Maintenance Projects only, determine the need and number of foremen without regard to foremen ratios in local agreements, name the foremen and to require foremen to work with their tools when in the Contractor's opinion this is advisable. It is not necessary for each craft to have a foreman. A foreman may act in its capacity for more than one craft. This is not to mean that the Contractor will have inadequate amount of supervision on the job. If one or more foremen are established for a craft one (1) must be designated as a top hourly craft supervisor. This is applicable for each shift and each site. Such guarantee shall not apply when the first or commencing week of a job is less than forty (40) hours; or when the top hourly craft supervision is terminated due to reduction-in-force or job completion.

11.1.7. Require all employees to observe the Contractor's and/or Owner's rules and regulations not inconsistent with this Agreement.

11.1.8. Require all employees to observe all safety regulations prescribed by the Contractor and/or Owner and to work safely.

11.1.9. Discharge, suspend, or discipline employees for proper cause.

11.1.10. The Contractor may maintain a variety of skills within its group of employees to be prepared to have skills and/or supervision for any type of work that may arise.

11.1.11. The Contractor reserves the right to require an employee to take time off if scheduling the employee to work would constitute an unsafe or unhealthful work practice as determined by the Contractor.

11.1.12. It is understood that all employees will work together harmoniously as a group and as directed by the Contractor. Employees will also cooperate with and follow directions of Owner Representatives as required by the Contractor. This is not to be construed under regular operating conditions as a Contractor's prerogative to assign workers out of their regular skill classification.

11.1.13. The Unions understand the extreme importance of keeping operating equipment and units running at all times. The Unions also understand that the loss of production and the cost of repairs together create a great loss to the Owner. Therefore, the Unions will encourage and advise the employees to exhaust every effort, ways and means to perform work of good quality and quantity. The Contractor and the Unions recognize the necessity for eliminating restrictions and promoting efficiency and agree that no rules, customs or practices shall be permitted that limit production or increase the time required to do the work, and no limitation shall be placed upon the amount of work which an employee shall perform, nor shall there be any restrictions against the use of any kinds of machinery, tools or labor-saving devices. Union Business Representatives shall instruct craft workers dispatched to the projects covered by this Agreement, that this Agreement applies to such projects and that certain terms and conditions set forth in the Master Agreements do not apply where superseded by this Agreement.

11.1.14. The employees of this Contractor may perform the work requested by the Contractor without having any concern or interference with any other work performed by any employees who are not covered by this Agreement.

11.1.15. No employees are guaranteed 40-hour straight time hours per week.

11.1.16. The parties wish to encourage the use of apprentices to the maximum extent possible under this Agreement. Therefore, the Employers and the Unions agree that apprentice ratios will be at Contractor's discretion, with a target ratio of at least 20%, which may vary by craft.

11.1.17. The crew size shall be any number of crafts persons and supervision required to safely perform the work and shall be increased or decreased at the discretion of the Employer.

12. JOINT LABOR/MANAGEMENT MEETINGS

12.1. During the period of any Covered Work performed, a joint Labor/Management meeting will be held approximately every three (3) months or more frequently as needed between the Owner, the other Employers, and the signatory Unions. The purpose of these meetings is to promote harmonious labor/management relations, ensure adequate communications and advance the proficiency and efficiency of the craft workers and contractors performing work at the Project. These quarterly (or more frequent) meetings will also include discussion of safety, work quality, craft resource requirements (including but not limited to requests for employees pursuant to Sections 5.3 and 5.4), scheduling and productivity of work performed at the Project.

12.2. A Pre-Job Conference shall be held prior to the commencement of work to establish the scope of work in each Employer's contract. When a contract has been let to an Employer(s) covered by this Agreement, a Pre-Job Conference and/or Mark-Up Meeting shall be required upon request of any Union, Employer or the Owner.

12.3. The Owner or its designee will be advised of all such Pre-Job Conferences and Mark-Up Meetings, and may participate in its discretion.

12.4. The parties to this Agreement shall establish a four person Joint Administrative Committee ("JAC") to monitor compliance with the terms and conditions of this Agreement, including the California Refinery Maintenance Agreement, and resolve problems or dispute that may arise.

12.4.1. The JAC shall be comprised of two representatives of the Owner to be appointed by and serve at the pleasure of the Owner, and two representatives of the signatory Unions to be appointed by and serve at the pleasure of the President of the State Council.

12.4.2. The JAC shall meet as required. Meetings may be held either in person or with one or more members participating remotely. The JAC may

resolve problems or disputes by majority vote in a meeting with all four members present. The resolution is binding on all signatories of the Agreement. The JAC has no authority to make determinations upon or to resolve grievances arising under this Agreement or under a Master Agreement.

13. GENERAL PROVISIONS

13.1. If any section or provision of this Agreement shall become invalid, inoperative and/or unenforceable by operation of law or by declaration of any competent authority of the executive, legislative, judicial or administrative branches of the federal or state government, the Owner, Employers and the State Council shall suspend the operation of such section or provision during the period of its invalidity, and the Owner and the State Council shall negotiate in good faith in its place and stead a section or provision that will satisfy the objections to its validity and that, to the greatest extent possible, will be in accord with the intent and purpose of the section or provision in question. The new section or provision negotiated by the Owner and the State Council shall be binding on all parties signatory to this Agreement.

13.2. If any section or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law, or by any of the above mentioned tribunals of competent jurisdiction, the remainder of the Agreement or application of such section or provision to persons or circumstances other than to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.

13.3. Except as enumerated in this Agreement, all other terms and conditions of employment described in the Master Agreement of the Union having jurisdiction over the work shall apply.

13.4. The provisions of this Agreement shall take precedence over conflicting provisions of any Master Agreement or any other national, area or local collective bargaining agreement except for work performed under the NTL Articles of Agreement, the National Stack/Chimney Agreement and the National Cooling Tower Agreement; all instrument calibration work and loop checking Covered Work shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians and work within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreements of the International Union of Elevator Constructors; provided that Articles 6, 8 and 9 of this Agreement shall apply to all Covered Work.

13.5. Each person executing this Agreement represents and warrants that he or she is authorized to execute this Agreement on behalf of the party or parties indicated.

13.6. This Agreement may be executed in any number of counterparts, and each counterpart shall be deemed to be an original document. All executed counterparts together shall constitute one and the same document, and any signature pages may be assembled to form a single original document.

13.7. Any notices required under this Agreement shall be given as follows:

To Owner:

Cynthia J. (CJ) Warner
Executive Vice President, Operations
19100 Ridgewood Parkway
San Antonio, TX 78259
Telephone: 210-626-6498

To the State Council:

Robbie Hunter, President
State Building and Construction Trades
Council of California
1231 I Street, Suite 302
Sacramento, CA 95814
Telephone: 916-443-3302

To the Local Councils:

Ron Miller, Executive Secretary
Los Angeles/Orange Counties Building
and Construction Trades Council
1626 Beverly Blvd
Los Angeles CA 90026
Telephone: (213) 483-4222

Bill Whitney, CEO
Contra Costa County Building and
Construction Trades Council
2727 Alhambra Avenue
Suite 5
Martinez CA 94553
Telephone: (925) 228-0900

With a copy to:

EVP / General Counsel
Tesoro Refining & Marketing Company,
LLC
19100 Ridgewood Parkway
San Antonio, TX 78259
Telephone: 210-626-

With a copy to:

Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
Telephone: 650-589-1660

Any party may notify the other in writing if its person designated to receive notice is changed.

13.8. This Agreement is formed and shall be construed under the laws of the United States and the State of California.

13.9. Any liability by the signatory Unions shall be several and not joint.

14. HELMETS TO HARDHATS

14.1. The Employers and Unions recognize a desire to facilitate the entry into the building and construction trades of veterans and members of the National Guard and Reserves who are interested in careers in the building and construction industry. The Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment ("Center"), a joint Labor-Management Cooperation Trust Fund, established under the authority of Section 6(b) of the Labor-Management Cooperation Act of 1978, 29 U.S.C. Section 175(a), and Section 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. Section 186(c)(9), and a charitable tax exempt organization under Section 501(c)(3) of the Internal Revenue Code, and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

14.2. The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans and members of the National Guard and Reserves interested in working on this Project and apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans and members of the National Guard and Reserves for bona fide, provable past experience.

14.3. In recognition of the work of the Center and the value it will bring to the Project, on September 1 of each year, Owner shall make an annual contribution of \$50,000 to the Center on behalf of itself and all other Employers employing workers under the terms of this Agreement.

14.4. The Center shall function in accordance with, and as provided in the Agreement and Declaration of Trust creating the fund, and any amendments thereto, and any other of its governing documents. The Owner performing work covered by this Agreement approves and consents to the appointment of the Trustees designated pursuant to the Trust Agreement establishing the Center and hereby adopts and agrees to be bound by the terms and provisions of the Trust Agreement.

15. FIRST AID, SUBSTANCE ABUSE

15.1. The parties to this Agreement recognize the need to provide a drug-free and alcohol-free workplace. The parties agree to comply with any Owner mandated substance abuse program. In order to produce as safe a workplace as possible, it is understood and agreed that the Employer and the employees shall abide by the rules and provisions of the implemented substance abuse program which may include the following types of testing: pre-employment, reasonable suspicion, post incident, and random where allowed by law. Any discriminatory practices under this Section shall be subject to the grievance procedure. All substance abuse programs shall be submitted to the applicable Local Council for distribution prior to implementation.

15.2. If an employee is injured and it is necessary to see a doctor, the employee will be taken to the doctor and shall be paid for time worked but not less than 8 hours' pay at the applicable rate. If subsequent medical appointments are required, the appointments will be made after regular working hours, if possible. If, through no fault of the employee, an appointment is made by the medical facility during regular working hours, the employee shall not lose any time. If the employee desires to make an appointment during working hours, he may do so but will not be paid for any loss of time.

16. WAIVER

16.1. The parties hereby acknowledge that this Agreement is a lawful pre-hire agreement within the meaning of Section 8(f) of the National Labor Relations Act; and the Owner and each other Employer hereby expressly waives its right to contest, challenge, repudiate or void (hereinafter collective "challenge") this Agreement, directly or indirectly, on any basis, in any proceeding before any federal, state or local court, agency or other tribunal, including the National Labor Relations Board, or before any arbitrator or hearing officer, including any challenge to the validity of this Agreement that is raised as a defense to any action or claim brought by the Unions. This Agreement shall be a complete defense to any such challenge.

16.2. Each Employer further agrees that it shall not solicit, finance or participate in any challenge to this Agreement by any other person or entity. Payment of regular annual dues to an organization or association does not constitute "solicitation," "financing" or "participation in" a challenge as those terms are used in this Agreement.

16.3. This Article shall be enforced pursuant to Article 8 of this Agreement and any grievance shall commence at Step 3 of Section 8.4. The parties agree that

the economic damages to the Unions from a breach of this Article include the reasonable fees and costs of defense.


17. TERM OF AGREEMENT

17.1. This Agreement shall become effective on April 1, 2018. The term shall continue in effect for five (5) years thereafter, and shall continue from year to year thereafter unless sixty (60) days' written notice of termination is given by either party.

17.2. During the term of this Agreement, a Union will not file a petition for a representation election with the National Labor Relations Board in which Owner is named as an Employer, or asserts the Owner is a Joint Employer of any Employer, contractor or subcontractor covered by this Agreement including signatories to Attachment A.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of October 9, 2017.

TESORO REFINING & MARKETING
COMPANY, LLC


By: Cynthia J. (CJ) Warner, Executive
Vice President, Operations

STATE BUILDING & CONSTRUCTION
TRADES COUNCIL OF CALIFORNIA


By: Robbie Hunter, President


By: J. Tom Baca, Secretary-Treasurer

LOS ANGELES/ORANGE COUNTIES
BUILDING & CONSTRUCTION
TRADES COUNCIL

By: Ron Miller, Executive Secretary

ATTACHMENT A
AGREEMENT TO BE BOUND

PROJECT LABOR AGREEMENT
TESORO REFINERIES

The undersigned hereby certifies and agrees that:

1.) It is an Employer as that term is defined in Section 1.4 of the Tesoro Refineries Project Labor Agreement ("Agreement") because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Sections 2.1 and 1.2, respectively, of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

2.) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.

3.) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.

4.) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.

5.) It will secure a duly executed Agreement to be Bound, in form identical to this document, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____

Name of Employer

(Authorized Officer & Title)

(Address)

Attachment A-1

ATTACHMENT B
ATTESTATION LETTER

On or about _____, 201_, Tesoro Refining & Marketing Company, LLC ("Tesoro"), requested the assistance of the Union to obtain a sufficient number of qualified workers, as defined in California Health & Safety Code section 25536.7 ("SB 54"), from the local hiring hall.

The Union has determined that, as a result of workforce shortages, the local hiring hall does not have a sufficient number of qualified workers and is unable to supply workers to Tesoro in sufficient numbers to allow Tesoro to meet the requirements of SB 54. The Union will notify Tesoro when it has qualified workers available.

