

J.V. Industrial Companies, Ltd. Dispute Resolution Process

Companies proudly bearing the Zachry name have had the Dispute Resolution Process (“DR Process”) in place since April 15, 2002. It has proven valuable in encouraging open and effective communication about workplace problems and in providing prompt and fair resolution of workplace disputes. J.V. Industrial Companies, Ltd. (“JVIC”) has adopted the DR Process effective January 1, 2016 (the “Effective Date”).

This brochure is addressed to employees of JVIC and is intended to provide guidance on how the DR Process works and provide important information about each employee’s rights and obligations under the DR Process. It represents an agreement that mutually binds JVIC and the employee.

JVIC adopted the DR Process to encourage more open and effective communication about problems in the workplace and to provide prompt and fair resolution of workplace disputes.

Introduction

JVIC values your performance and contributions. We strive to provide a satisfying and enjoyable workplace. We hope that workplace problems or disputes can be resolved quickly and fairly, usually by you and your supervisors at the work site. We understand though that you and other employees will sometimes have issues that cannot be easily resolved at your location.

The DR Process builds on JVIC’s open communication practices and adds steps to (1) promote open and direct communication between you and JVIC; (2) reduce the delay, costs and difficulty with other resolution methods of workplace problems; and (3) promote mutually acceptable solutions. The DR Process has up to five steps for resolving workplace concerns. The first three steps (Internal Review) cover any workplace problem. Steps 4 and 5 (External Review) cover only disputes of legally protected rights.

Some, but not all, of the types of claims covered under External Review are:

- Unpaid wages, minimum wage or overtime
- Discrimination or harassment on the basis of race, sex, age, national origin, religion, disability or other factors

Claims seeking equitable relief are not covered by External Review. These include actions for permanent or temporary injunctive relief.

This agreement does not affect or limit your right to file an administrative charge or to seek administrative relief with a federal agency, such as the National Labor Relations Board or the Equal Employment Opportunity Commission. This agreement also does not affect JVIC’s or your right to report suspected criminal conduct to appropriate government authorities, including cooperating with such authorities, providing evidence and testimony, or otherwise participating in any investigation, prosecution, or other proceeding by such authorities.

Mutual Agreement to Arbitrate

Both you and JVIC agree to resolve claims covered by the DR Process Agreement exclusively by final and binding arbitration administered by the American Arbitration Association (“AAA”) under its Employment Arbitration Rules and Mediation Procedures and in accordance with the Federal Arbitration Act. These include all claims, disputes or controversies arising out of or relating to your application for employment, employment (including employment terms and conditions), termination of employment, and/or post-employment claims (such as defamation).

By signing the DR Process Agreement, which is provided with this brochure, or by accepting or continuing your employment after the Effective Date, you have accepted the terms of this DR Process. This is a mutually binding agreement between you and JVIC. Copies of the AAA rules are available from the DR Process office in San Antonio, Texas, by calling the help line at 1-877-350-0129 or at AAA’s web site, www.adr.org.

If you file a lawsuit for claims arising out of your employment, JVIC may use this agreement to request a court to dismiss the lawsuit and require you to participate in mediation and/or arbitration of the dispute.

Both you and JVIC agree to bring any dispute in arbitration on an individual basis only, and not on a class, collective, or “private attorney general representative” basis. There will be no right or authority for any dispute to be brought, heard or arbitrated as a class, collective, representative or private attorney general action, or as a member in any purported class, collective, representative or private attorney general proceeding, including without limitation pending but not certified class actions (“Class Action Waiver”). The Class Action Waiver does not apply to any claim you bring as a private attorney general solely on your own behalf and not on behalf of or regarding others. Disputes regarding the validity or enforceability of the Class Action Waiver may be resolved only by a civil court of competent jurisdiction and not by an arbitrator. In any case in which (1) the dispute is filed as a class, collective, representative or private attorney general representative action and (2) a civil court of competent jurisdiction finds all or part of the Class Action Waiver invalid or unenforceable, the class, collective, representative private attorney general action to that extent must be litigated in a civil court of competent jurisdiction, but the portion of the Class Action Waiver that is valid and enforceable shall be enforced in arbitration.

In addition to the authority in the AAA Rules, any arbitrator has the authority to consider and rule on motions that dispose of a claim, such as motions to dismiss or motions for summary judgment. The arbitrator may establish appropriate procedures and deadlines based on applicable federal district court standards but consistent with informal and expedited arbitration proceedings.

Other than the enforceability of the DR Process, the arbitrator, and not any federal, state or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement including, but not limited to, any claim that all or any part of this Agreement is void or voidable.

For purposes of the scope of this Mutual Agreement to Arbitrate, the term “JVIC” includes J.V. Industrial Companies, Ltd. and its current and former managers, officers, directors, owners, supervisors, employees and agents.

How the DR Process Works

The DR Process provides you different tools to resolve workplace disputes. You are encouraged to resolve concerns directly with your immediate supervisor. Beyond that, the DR Process it to be used as necessary or appropriate. JVIC forbids any retaliation against an employee for using the DR Process to resolve a workplace dispute. The DR Process is also designed to assist JVIC supervisors in handling problems or concerns with employees. Any supervisor who needs assistance should call a DR Process coordinator.

INTERNAL REVIEW

Step 1 Open Communication with supervisor or on-site management

Step 2 DR Representative

- Help Line **877-350-0129**
- Resolution Conference

Step 3 Internal Review Panel

EXTERNAL REVIEW

Step 4 Mediation

Step 5 Binding Arbitration

Who May Use the DR Process

- JVIC managers, supervisors, officers, directors and owners
- JVIC employees (current and former)
- Applicants for employment with JVIC

Protection of Your Legal Rights

The DR Process recognizes your legal rights and assists employees with asserting those legal rights. It also assists JVIC with complying with its legal obligations. JVIC takes complaints about rights violations very seriously.

Internal Review

STEP 1

Open Communication Program Through Immediate Supervisors

JVIC's success is founded on the abilities, dedication and efforts of all employees. JVIC's policy has always been to treat employees responsibly and honestly and to respect and recognize each as an individual.

You should discuss your concerns with your immediate supervisor as soon as workplace concerns arise. Your questions and/or complaints will be taken seriously. If the dispute is not resolved at the supervisor level, or if you believe that it is not appropriate to discuss the issue with your immediate supervisor, you will proceed to the next level of supervision. We encourage you to follow the chain of command to the highest level necessary to resolve the matter. If your concern is not resolved or you are not sure how to proceed, the other steps of the DR Process are available to assist you. Supervisors are expected to use the DR Process to resolve conflicts or potential conflicts with employees who they supervise.

STEP 2

DR Process Representative and Employee Concerns Line

Most routine workplace disputes should be resolved by discussion with your immediate supervisor or someone at the job site. If that doesn't produce results, or if you have any questions about the DR Process, you should ask a DR Process Representative for further help.

The DR Process Representatives are experienced and trained to answer questions about the DR Process and to help you work out solutions to resolve your dispute. You may contact a DR Process Representative in person or by calling the employee concerns line at **1-877-350-0129**.

DR Process Representative and Resolution Conference

A DR Process Representative can also help you by

- Answering questions
- Acting as a go-between
- Referring you to other people or resources
- Reviewing your options
- Getting the facts

You may also ask the DR Process Representative to schedule a resolution conference. The conference may be conducted in person or by telephone.

STEP 3

Internal Review Panel

If your dispute is not resolved using Steps 1 or 2, you may request that a DR Process Representative set up a conference with an Internal Review Panel. You may choose the two persons who will be your Internal Review Panel from a list of panelists that will be provided to you. An Internal Review Panel consists of a member of a business group or support department and a representative from the Employee Relations group. All Internal Review Panel Representatives are trained in the resolution of workplace disputes.

The Internal Review Panel will review the facts of the dispute, get additional information if necessary, including talking with the individuals involved, and try to reach a resolution. The panel will normally respond to you within thirty days after the panel has been selected. If the matter is complex, or other circumstances require additional time, the panel will advise you. The Internal Review Panel conference may be conducted in person or by telephone.

External Review

(Only Available for Claims Involving Legally Protected Rights)

If you or JVIC cannot resolve a dispute involving a legal claim or a legally protected right through the Internal Review (Steps 1 through 3), either may request a DR Process Representative to initiate the External Review steps. External review involves mediation (Step 4) and arbitration (Step 5). You may also initiate Steps 4 and 5 directly with the agency that administers the proceedings.

The American Arbitration Association (“AAA”), or some other agency if agreed upon by both parties, administers any requests for External Review. AAA is a not-for-profit organization dedicated to assisting parties with resolving disputes. It handles thousands of cases each year and has access to neutral experts who can assist in either mediation or arbitration of disputes. You can obtain more information about the AAA at its Web site, www.adr.org, or by calling the General Inquiry / Customer Service phone number 800-778-7879.

The AAA Employment Arbitration Rules and Mediation Procedures (“AAA Rules”) will govern the resolution of any matters submitted for External Review. They will also govern how arbitration costs and expenses are paid. You will be responsible for paying the AAA filing fee (usually \$200) if you file for or initiate either mediation or arbitration. You must pay an additional AAA filing fee if you choose to seek arbitration after mediation. JVIC will pay the balance of the filing fee that is charged by AAA, as well as the daily administration fees, the cost of the hearing location and the compensation and travel expenses of the mediator or arbitrator. JVIC will pay the fees should they be required under AAA Rules and will consider reimbursement of fees if you cannot afford them.

Requests for External Review, including any requests to initiate arbitration, must be received within the time period allowed by applicable law. This includes the time limits required for filing charges or administrative complaints with government or regulatory agencies. If the dispute involves a legal right or claim requiring that you first file a charge or other complaint with such an agency, you may go instead directly to External Review and bypass the agency. If you do so, JVIC will make every effort to expedite the processes surrounding the resolution of your claims. It will also not raise any defenses in arbitration that are based on failure to file a charge or to exhaust administrative requirements. The DR Process allows you to file a charge if you want to do so, but it does not require it. JVIC believes that if you present your claim directly you will be able to get it resolved, often long before a government agency would have completed its investigation and allowed you to proceed.

STEP 4

Mediation

A DR Process Representative will assist you, at your request, in scheduling mediation of a legally protected right or claim under the AAA Rules. Mediation is a voluntary process that uses a trained impartial person from outside the company (the mediator) to assist you and the company in reaching a mutually acceptable settlement of their differences. The mediator cannot force either party to accept a settlement.

STEP 5

Binding Arbitration

The final step of the DR Process is arbitration. At your request a DR Process Representative will assist you in arranging for arbitration with AAA. Arbitration is a process to submit a dispute to a professional, impartial person from outside the company (arbitrator) for a decision. The decision will be final and binding on both you and the company.

The arbitrator is chosen by you and the company from AAA’s list of neutral and qualified arbitrators. The arbitrator hears the facts and evidence presented by you and the company and then makes a final decision, based on applicable laws. The arbitrator can award any legal remedy that might have been available from a court. The AAA arbitrator has the sole authority to determine any question about the meaning of this Agreement, or whether it applies to a particular dispute.

Key Advantages of the DR Process

- You can deal directly with JVIC and be heard
- Disputes are resolved faster and more amicably
- Management hears what you have to say
- You receive answers to your questions
- DR Process informs you about your options
- JVIC provides you the help of a DR Process Representative
- The process allows employees the opportunity to raise concerns without fear of retaliation

Retaliation Prohibited

You are encouraged to take full advantage of the DR Process without fear of retaliation. Retaliation is strictly prohibited. Any supervisor or manager who retaliates against you will be subject to disciplinary action, up to and including discharge. If you believe your supervisor is retaliating against you for using the DR Process, you should talk with the next higher level supervisor, or with a DR Process Representative.

Employees using the DR Process must continue to perform all job duties at an acceptable level. Employees using the DR Process may be subject to reductions in force, disciplinary actions or separation from employment for legitimate reasons unrelated to the use of the DR Process.

Amendment

The DR Process and this Agreement to arbitrate may be modified, amended or terminated by JVIC upon 30 days written notice to you and to AAA; however, no amendments, modifications or terminations shall apply to mediations or arbitration proceedings started before you are given written notice from JVIC.

General

This is an important agreement that affects your legal rights. You may wish to discuss this agreement with your legal counsel before signing the DR Process Agreement or continuing your employment past the Effective Date.

JVIC intends for the DR Process to comply with all applicable laws in place where it operates, now or in the future. If any provisions of the AAA Rules or of the DR Process are determined to be unlawful, invalid or unenforceable by the arbitrator or by any court with jurisdiction, other than a class waiver, these provisions will be modified to the extent necessary to comply with applicable law or they will be taken out of the agreement to arbitrate in order to allow the remaining terms to be enforced to the greatest extent permissible under the law. All remaining terms and provisions shall continue in full force and effect.

At-Will Employment

The employment relationship between you and JVIC is based on continuing mutual agreement. It can be terminated at will, by either you or JVIC, at any time without notice and for any reason. While the DR Process establishes a mandatory program for the resolution of workplace disputes, it does not change your at will status or limit JVIC's right to terminate or discipline you or any employee. The DR Process and this Agreement survive termination of employment.

Retaliation against anyone for following the DR Process will not be tolerated. Taking adverse action against someone because of their participation in the DR Process will result in disciplinary action up to and including separation.

Summary of the DR Process

The DR Process is an impartial, quick and effective way for both sides in a workplace dispute to resolve their differences. It is a mandatory process that JVIC employees must use to resolve disputes.

The DR Process:

- Promotes fair treatment of all employees by providing an objective review of employee grievances and by subjecting supervisors' actions to review
- Saves both the employee and the company the significant cost in both dollars and time involved in resolving disputes through litigation
- Encourages better working relationships between employees and supervisors
- Promotes teamwork by providing a process for mutually working out differences

Dispute Resolution Process FAQ 's

Why does JVIC have a DR Process?

We know that employees may at times have a dispute or an issue that needs to be resolved to foster a better work environment. The DR Process was created to promote an effective and efficient way to improve the employment relationship.

What is the DR Process?

The Zachry Group has been successfully using the DR Process since 2002. Through a graduated step process, any employee has the right to have work-related issues addressed by their supervisors, their peers, and for legal rights, by an independent neutral third party.

Will I still be able to go to the Equal Employment Opportunity Commission (EEOC) or the National Labor Relations Board with a complaint?

Yes. You are still free to file charges with or seek relief from the appropriate state Human Rights Commission, the EEOC, the National Labor Relations Board, or any other government or regulatory agency.

What if my dispute concerns a benefit plan?

You can use the DR Process to raise concerns about benefit plans. However, each benefit plan has specific provisions to address your concerns or for raising grievances or complaints. In those cases, you must follow those procedures before using the DR Process.

Suppose that I have been injured on the job, do I still get to use the DR Process coordinator for benefits claims?

A DR Process Representative is always available to help employees. However, the Workers' Compensation Department manages and provides assistance for claims for medical and income benefits if you are injured on the job. If you believe that you have been unfairly treated (including either discriminated or retaliated against) because you filed or participated in a workers' compensation claim or received benefits, your claim is subject to the DR Process and you should contact a DR Process Representative to resolve your concern.

What if a supervisor makes work difficult for me after I use the DR Process to file a complaint?

JVIC forbids retaliation against employees for using the DR Process. If you feel you are being retaliated against for using the DR Process, you should contact on-site management, if appropriate, or a DR Process Representative.

What is the difference between Mediation and Arbitration?

Both mediation and arbitration use a neutral person from AAA to listen to your issues and JVIC's response.

In mediation, the mediator makes recommendations, but cannot force either you or the company to agree or to order a particular outcome. In arbitration, the arbitrator has the authority to make a final award that is binding on both you and the company.

If JVIC pays part of the fees of the mediation and arbitration, how independent and impartial can these third parties be?

Mediators and arbitrators are trained professionals, typically former judges, human resources or employee relations professionals, attorneys or professors of labor law or similar experts. They are legally and ethically required to be neutral and impartial. You and JVIC participate equally in choosing the mediator and/or arbitrator from an approved list from AAA. Once chosen, the person is answerable to both you and JVIC and can be removed for any conflict of interest, bias or partiality.

How is arbitration different from a court trial?

Some of the differences are that in arbitration, an arbitrator decides the case. In a court trial, a judge or jury decides the case. Arbitration is generally faster and less formal, and therefore generally costs less. This places less strain on our mutual time, resources, and relationships. After the arbitrator makes an award it is usually final, with limited chance to appeal. The award is enforceable in court in accordance with the Federal Arbitration Act.