



THE CROSSROADS GROUP
Labor Relations Consultants

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Personal & Confidential

October 27, 2023

Mr. Derek Hergenhein, General Manager
AI PNW, Inc.
3463 Cedarville Rd.
Bellingham WA, 98226

Re: Agreement for Professional Services

Mr. Hergenhein:

In accordance with our conversations and mutual agreements, this letter will confirm that AI PNW, Inc., dba Cowden Gravel & Ready Mix, (the "Client") has retained The Crossroads Group Labor Relations Consultants (the "Consultant") to provide general personnel and labor relations activities related to the RC petition filed October 23, 2023 at Client's Cedarville Road and Hannegan Road plants in Bellingham, Washington (the "Services"). This Agreement may be terminated at any time by either Client or Consultant and may be extended by mutual agreement between both parties.

Our fees will be charged on an hourly basis in minimum units of a quarter of an hour at the discounted rate of \$425.00 per hour (the "Compensation Rate"). Clients are billed at the hourly rate for all time expended on their behalf, including time required to drive between Client's facilities, plus reasonable and customary out-of-pocket expenses. While at Client's sites or facilities, there shall be an eight hour per day minimum for Services performed by Consultant. However, if Consultant performs Services on a travel day, only actual hours worked for that day will be billed in addition to the travel time. Expenses are billed to Client at cost, on a direct, pass-through basis with no increase by Consultant. Expenses include, but are not limited to airline travel, lodging, meals, car rental, fuel, parking, mileage and all other reasonable and customary out-of-pocket expenses. Consultant shall purchase coach-class airfare when available and shall reserve reasonably priced business-class hotel accommodations and rental cars. It is understood that Client will reimburse Consultant for non-refundable airline tickets and/or change fees incurred as a result of Client cancellation, postponement, or rescheduling of an assignment. Time needed to travel to and from Client's location(s) is billed at one-half the time needed to travel portal-to-portal.

Consultant hereby acknowledges and confirms they are an independent contractor. Client will not provide Consultant workers compensation or unemployment compensation for work performed under



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this Agreement. Consultant is obligated to pay federal and state income tax on moneys received under this Agreement.

We agree to send you statements clearly showing the basis for our fees and charges by detailing the services rendered and costs incurred on a weekly basis. Client agrees to pay undisputed fees within ninety (90) days of the statement date.

Consultant is retained to provide independent and objective professional judgment and recommendations; accordingly, a difference of opinion on a question of professional judgment shall not excuse Client from fees and costs incurred in the collection of any outstanding and undisputed accounts receivable.

If Consultant is requested by Client, or if as a consequence of an assignment Consultant is required by judicial or administrative process to participate, appear, or testify in anticipation of, or during legal or dispute resolution proceedings of any kind during the period Consultant is providing services or thereafter, Consultant will reasonably comply with any such request or requirement based on advice of legal counsel. If Consultant does so participate in any manner, Client shall pay to Consultant all professional fees and other fees of Consultant in effect at that time for time spent in preparation for the hearing and during the hearing, as well as reasonable expenses related to travel and lodging for the hearing, if any. These fees and expenses are in addition to any fees paid or owed for services performed or to be performed.

Any controversy or claim arising out of or relating to this Agreement, its validity, or the breach thereof, shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA). A single neutral arbitrator shall be appointed in accordance with the AAA Rules to resolve the dispute.

The arbitrator shall be an attorney who is knowledgeable in business and labor laws, and who is experienced in labor relations and union organizing activities involving employers. The arbitration hearing shall be held in Orange County, California. This contract shall be interpreted and governed by the laws of the State of California. The arbitrator shall award to the prevailing party all its costs and fees, including AAA filing and administrative fees and attorneys' fees.

Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Should any party refuse to arbitrate or file a court action regarding a claim, which is subject to arbitration under this Agreement, the other party shall be entitled to recover its costs and reasonable attorneys' fees in enforcing this arbitration agreement in court.

During our representation, Consultant will keep Client fully advised as to the status and progress of this matter, including our recommendations as to an appropriate course of action in view of the facts, circumstances and issues involved. However, we must emphasize that our firm has not made, and cannot make any representations or guarantees regarding the successful outcome of any matter or the



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actual amount of any fees or costs you will incur. Often, the results in a matter and the costs and expenses are controlled by external factors beyond our control, including the factual circumstances, course of the project, logistics, etc.

If the terms and conditions of this letter are satisfactory to you, please evidence your consent to such terms and conditions by signing this letter and returning it to me by electronic mail.

This is a final agreement and this agreement supersedes any other oral or written representations by either Client or Consultant.

We very much appreciate the opportunity to work with you. We will provide you with our best professional efforts as we endeavor to help you achieve a successful outcome on this project.

Respectfully,

Michael Dana Penn

Michael Dana Penn
Partner

The foregoing fee agreement letter has been read and its terms are hereby agreed to and accepted this 27th day of October, 2023.

AI PNW, Inc. (dba Cowden Gravel & Ready Mix)

By: *Derek Hergenhein* Derek Hergenhein Title: General Manager
Date: 10/27/2023