Conceptual Proposal for
Hampton Roads Southside Regional Connectivity Ring
100% Turnkey Approach:
Design, Build, Procure, Operate, Manage, and Finance

Submitted to:
Hampton Roads Planning District Commission

SNA-RFP-2021-02
On Behalf of the Southside Networking Authority

Submitted by:

GLOBAL TECHNICAL SYSTEMS

Proposal Number: GTS072021-011

August 24, 2021
Address: 421 S. Birdneck Rd.
Virginia Beach, VA 23451

Electronic Submission
Letter of Memorandum

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### Glossary of Abbreviations

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<tr>
<td>5G</td>
<td>Fifth Generation</td>
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<tr>
<td>ATA</td>
<td>Analog Telephone Adapter</td>
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<tr>
<td>BoD</td>
<td>Board of Directors</td>
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<tr>
<td>BODS</td>
<td>Basis of Design Reports</td>
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<tr>
<td>BOF/MT</td>
<td>Build, Operate, Finance/Monetize and Transfer</td>
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<tr>
<td>C2</td>
<td>Command and Control</td>
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<tr>
<td>CAPEX</td>
<td>Capital Expenditure</td>
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<td>CBP</td>
<td>U.S. Customs and Border Protection</td>
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<tr>
<td>CBRNE</td>
<td>Chemical, Biological, Radiological, Nuclear, Explosives</td>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>CFO</td>
<td>Chief Financial Officer</td>
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<tr>
<td>CM</td>
<td>Construction Management</td>
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<td>CMO</td>
<td>Chief Marketing Officer</td>
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<td>CMP</td>
<td>Construction Management Plan</td>
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<td>CMT</td>
<td>Construction Management Team</td>
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<td>CONOPS</td>
<td>Concept of Operations</td>
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<tr>
<td>COO</td>
<td>Chief Operating Officer</td>
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<tr>
<td>COTS</td>
<td>Commercial off-the-shelf</td>
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<td>CPARS</td>
<td>Contractor Performance Assessment Reporting System</td>
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<td>CPS</td>
<td>Common Processing System</td>
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<td>CSFC</td>
<td>Commercial Solutions for Classified</td>
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<td>CTO</td>
<td>Chief Technical Officer</td>
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<tr>
<td>DBE</td>
<td>Disadvantaged Business Enterprise</td>
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<tr>
<td>DHS</td>
<td>Department of Homeland Security</td>
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<tr>
<td>DHS S&amp;T</td>
<td>Department of Homeland Security Science and Technology</td>
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<tr>
<td>DISA</td>
<td>Defense Information Systems Agency</td>
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<td>DMEA</td>
<td>Defense Microelectronics Electronics Agency</td>
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<tr>
<td>DoD</td>
<td>Department of Defense</td>
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<tr>
<td>DPG</td>
<td>Defense Planning guide</td>
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<tr>
<td>ENR</td>
<td>Engineering News Record</td>
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<tr>
<td>EPC</td>
<td>Engineering, Procurement, and Construction</td>
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<tr>
<td>FOC</td>
<td>Free of Charge</td>
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<tr>
<td>GTS</td>
<td>Global Technical Systems</td>
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<tr>
<td>HRPDC</td>
<td>Hampton Roads Planning District Commission</td>
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<tr>
<td>ICT</td>
<td>Information and Communications Technology</td>
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<tr>
<td>IEEE</td>
<td>Institute of Electrical and Electronics Engineers</td>
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<tr>
<td>IoT</td>
<td>Internet-of-Things</td>
</tr>
<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>ISO</td>
<td>International Organization for standardization</td>
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<tr>
<td>K12</td>
<td>Kindergarten through 12th Grade</td>
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<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
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<tr>
<td>LLC</td>
<td>Limited Liability Corporation</td>
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<tr>
<td>M&amp;A</td>
<td>Mergers and Acquisitions</td>
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<tr>
<td>MBA</td>
<td>Master of Business Administration Degree</td>
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<tr>
<td>MDA</td>
<td>Missile Defense Agency</td>
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<tr>
<td>MOIC</td>
<td>Multiple on Invested Capital</td>
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<tr>
<td>MOT</td>
<td>Maintenance of Traffic</td>
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<tr>
<td>MS</td>
<td>Master of Science Degree</td>
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<tr>
<td>NAVAIR</td>
<td>Naval Air Systems Command</td>
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<tr>
<td>NAVSEA</td>
<td>Naval Sea Systems Command</td>
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<td>NG911</td>
<td>Next-Generation 911</td>
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<tr>
<td>NOC</td>
<td>Network Operations Center</td>
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<tr>
<td>NRL</td>
<td>Naval Research Laboratory</td>
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<td>NSA</td>
<td>National Security Agency</td>
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<td>NSS</td>
<td>National Security Systems</td>
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<tr>
<td>NTP</td>
<td>Notice-to proceed</td>
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<tr>
<td>O&amp;M</td>
<td>Operations and Management</td>
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<tr>
<td>ONR</td>
<td>Office of Naval Research</td>
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<tr>
<td>OPEX</td>
<td>Operational Expenditure</td>
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<tr>
<td>OUSD-R&amp;E</td>
<td>Office Under Secretary of Defense</td>
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<tr>
<td>PCS</td>
<td>Program Control System</td>
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<tr>
<td>PEMA</td>
<td>Pennsylvania Emergency Management Agency</td>
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<tr>
<td>PEP</td>
<td>Program Execution Plan</td>
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<tr>
<td>PhD</td>
<td>Doctor of Philosophy Degree</td>
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<tr>
<td>PMO</td>
<td>Project Management Office</td>
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<tr>
<td>PPP (P3)</td>
<td>Public-Private Partnership</td>
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<tr>
<td>PSAP</td>
<td>Public-Safety Answering Point</td>
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<tr>
<td>QA</td>
<td>Quality Assurance</td>
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<tr>
<td>QC</td>
<td>Quality Control</td>
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<tr>
<td>QMP</td>
<td>Quality Management Plan</td>
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<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
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<tr>
<td>RCR</td>
<td>Regional Connectivity Ring</td>
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<tr>
<td>RFI</td>
<td>Request for Information</td>
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<tr>
<td>RFP</td>
<td>Request for Proposal</td>
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<td>RFQ</td>
<td>Request for Qualifications</td>
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<tr>
<td>ROW</td>
<td>Right-of-Way</td>
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<tr>
<td>SAAB</td>
<td>Strategic Architecture Advisory Board</td>
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<td>SCC</td>
<td>Smart City Capital</td>
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<tr>
<td>SNA</td>
<td>Southside Networking Authority</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>SOC</td>
<td>Security Operations Center</td>
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<tr>
<td>SPAWAR</td>
<td>Space and Naval Warfare Systems Command</td>
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<tr>
<td>SWaM</td>
<td>Small, Women-owned, and Minority Business</td>
</tr>
<tr>
<td>TBD</td>
<td>To-be-determined</td>
</tr>
<tr>
<td>USCG</td>
<td>U.S. Coast Guard</td>
</tr>
<tr>
<td>USD</td>
<td>U.S. Dollar</td>
</tr>
<tr>
<td>USOCOM</td>
<td>U.S. Special Operations Command</td>
</tr>
<tr>
<td>VDOT</td>
<td>Virginia Department of Transportation</td>
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<tr>
<td>VE</td>
<td>Value Engineering</td>
</tr>
<tr>
<td>WBS</td>
<td>Work Breakdown Schedule</td>
</tr>
<tr>
<td>WOSB</td>
<td>Women-Owned Small Business</td>
</tr>
<tr>
<td>XD</td>
<td>X-Dimensional</td>
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</table>
Cover Letter/Executive Summary

August 24, 2021
Global Technical Systems
421 S. Birdneck Avenue
Virginia Beach, VA 23451
www.gts.us.com

Hampton Roads Planning District Commission
Attn: Ms. Danetta Jankosky, Procurement Office
723 Woodlake Drive
Chesapeake, VA 23320

Subject: RFP-SNA-2021-2 Public-Private-Partnership (PPP)

Dear Members of the Southside Network Authority (SNA),

We have followed this endeavor closely since the creation of the Southside Networking Authority. In 2020 the Global Technical Systems (GTS) Consortium submitted our proprietary turn-key, “zero-cost, minimal-risk” proposal. Since prior submission, we have honed our approach in becoming a national leader in Public Private Partnerships which deliver high-tech networks to municipalities and regions with needs similar to those of Hampton Roads. For the SNA, our project and delivery method will generate:

1. Competition in broadband introducing new service options to unserved communities and those only served by a single provider.
2. Cooperation with municipalities to ensure digital inclusion in both rural and urban core communities currently without equal or equitable access to service.
3. Research opportunities to link regional universities together and help make Hampton Roads a center of excellence for studying and combating sea level rise.
4. Continued push to expand and become a key digital port with transatlantic cables and robust renewable power resources.
5. Improved cooperation amongst the regional cities by creating efficiencies and resiliency to our national defense and public safety networks.

The Regional Connectivity Ring (RCR) project is the foundation of strategic importance for our region that will harness the enormous economic, environmental, and social benefits of the undersea cables that have landed on our shores. The RCR project is critical to helping our region achieve its full potential of becoming the “Next Digital Port” for cutting-edge innovation and to maintain a competitive advantage in the global economy by providing access to efficient, secure, flexible, and high-performance digital and physical infrastructure. This GTS-led program management and industry Consortium, with our experienced partner Smart City Capital (SCC) acting as master integrator, commit to a fully funded, turnkey deployed long-term managed and hosted services of the RCR infrastructure while the ownership of the RCR is transferred to the SNA. This will allow HRPDC and its member cities to:

- Eliminate upfront RCR infrastructure costs (Capital Expenditures) to taxpayers.
• Improve on cities and regional disaster recovery plans, including but not limited to support for NG911 (e.g., sea level rise, StormSense, etc.)
• Spur economic growth and new job creation across all socioeconomic groups. Attract new businesses and investment opportunities; grow existing businesses through added-value services.
• Develop new “smart” municipal revenue streams through added-value services.
• Ensure municipal infrastructure is safeguarded with highly advanced, locally managed, military-grade cybersecurity solutions and services.
• Ensure residents enjoy (benefit from) the highest standard of living.
• Increase access and affordability of broadband services.

As a locally based business in Hampton Roads, we understand the importance of the RCR and the long-term competitive impact it will have on our economy. Having invested significant resources in development of our financing and delivery models, pages of this proposal have accordingly been marked “GTS Proprietary”. We have aligned our proposal to deliver specific projects to achieve the goals outlined by the SNA. Following initiation of the construction phase we will be releasing three immediate projects to benefit the region and leverage the RCR investment. In addition to the RCR core functionality, the 3 recommended immediate initiatives are:

1. Digital Inclusion: Provide wireless services to citizens unable to afford the recurring costs and or areas without access by establishing pilot locations in Portsmouth metropolitan (including urban core communities) and Southern Chesapeake (rural outlying communities) to enhance social mobility through better education, telehealth, and employment opportunities. Our goal will be to optimize the pilot solutions and replicate them to all needed areas of Hampton Roads.

2. Environmental Responsibility: Take meaningful steps to address Sea Level Rise in partnership with Norfolk State University, Old Dominion University and Virginia Wesleyan University. The RCR will provide digital capacity for Sea Level Rise instrumentation, analysis, and reporting mechanisms in addition to connecting offshore wind and power conservation smart city applications.

3. Economic Acceleration: Form and implement partnership with Bordeaux France geared at economic development through our Dunant Cable and partnership with Globalinx subsea colocation facilities to leverage synergies of similar smart city applications to define standards, establish data governance and leverage multi-service provider networks. Our team has been working with partners in Bordeaux and locally with Globalinx to facilitate engagement.

Successful delivery of the RCR project is an important step in providing universal access and seamless connectivity to all members of our community. Further, it is the building block on which Digital City initiatives are made possible. The RCR is a cornerstone investment for regional economic and social empowerment for generations to come for HRPDC member cities and regional communities. We look forward to entering into an interim agreement with the SNA to work collaboratively to design and fulfill all expectations.

Yours Sincerely,

Mr. Terry Spitzer
Chief Executive Officer
Global Technical Systems
A. Background on Firms and Team Qualifications

Perhaps the most daunting challenge facing our region’s community leaders in an era of rapid digital transformation is how to balance the need to serve the public trust by investing wisely in safe, effective, and sustainable public infrastructure, while maintaining robust economic competitiveness and avoiding the increasing financial and operational risks of technology obsolescence. These challenges are further complicated by the ever-increasing cybersecurity risks posed by our hyper-connected, data-dependent digital society. In order to most effectively implement the RCR project, serve the greater public interests, and ensure that the SNA’s goals will be realized in an expeditious and cost-effective manner, it is deemed critical to propose this fully integrated “zero-cost, minimal-risk” project execution plan. The approach of a fully integrated “zero-cost, minimal-risk” project plan offers the region’s public and private stakeholders the greatest economic and social return on investment, with the maximum flexibility for implementing public policies and economic development strategies, at the minimum conceivable security, financial, and operational risk.

In responding to the RFP, GTS and Consortium applied a wealth of highly relevant experience, knowledge, and technical knowhow to plan for the design, construction, delivery, and support of the RCR in the quickest and most efficient, flexible, and affordable manner. Our approach completely eliminates the taxpayer’s upfront capital expense for the RCR project and delivers what will be one of the most secure state-of-the-art connectivity infrastructures in the nation. In addition, the plan provides cost-effective solutions to maintain ongoing operational excellence and highly secure management of this long-term project, tied to ongoing performance guarantees. To ensure we achieve the RCR project goals and meet all contractual obligations, we have brought together a Consortium of proven industry leaders, comprised of Smart City Capital (SCC), MasTec, Broadband Telecom and World Wide Technology. Together our Consortium has deployed over 150 smart region engineering procurement, and construction projects globally, including over $20 billion in telecommunications and networking technology, having combined assets valued at over $100 Billion. As corporate citizens committed to the local community, the GTS Consortium submits this proposal with the greatest consideration for how to ensure that the Hampton Roads region thrives as a truly respected Digital Port community amongst a world of global competition.
A.1 Organizational Structure of Consortium

The organizational structure of the Consortium is designed to leverage the capabilities of each partner. GTS will be the Consortium Program Manager, while providing program executive sponsorship. GTS over its 23-year history has acquired incredible skills in successfully proposing, leading, coordinating and deploying expansive projects with governmental agencies. SSC will be the financing arm of the Consortium using their vast resources and proprietary financing model to 100% fund the RCR. SSC will also serve as Master Integrator with project management responsibilities. Broadband Telecom, through their history with this project and the region, will serve as the Consortium’s representative to the Authority and analyst in regard to the expansion in Hampton Roads helping to ensure SNA project objectives are met. MasTec is one of the world’s foremost leaders in designing and engineering and will be provide technical project management and execution during construction and ongoing maintenance and support in the sustainment phase of the project. World Wide Technology (WWT) is the vendor-agnostic technology solutions partner with expansive industry reach and representation.
A.2 Statement of Financial Ability

With over 20 years in operation, GTS has experience throughout the areas of: network engineering, threat detection, electronic warfare, advanced radars, sensors, biometrics and avionics, mission critical combat and command and control systems, weapons-grade composites, electromechanical batteries, and high-performance computing. GTS is ISO 9001:2015 certified and a National Security Agency (NSA) Commercial Solution for Classified (CSfC) Trusted Integrator. As a privately held firm, our financial statements are not a public document. However, we are pleased to share key financial indicators of GTS below:

- Over $60M in assets
- Annual revenues approaching $200M
- Credit facility of $40M
- R&D investment spend/commit $50M

With combined revenues exceeding $20 Billion and total assets over $35 Billion, the Consortium of companies have enviable pedigrees in business over 100 years and clearly have the financial capacity to ensure successful project execution. We have included a Letter of Bondability on behalf of Travelers Casualty and Surety Company of America to vouch for the financial capability of MasTec, Inc. in Appendix A. Since they will be responsible for the design and build of the network, they will provide broad guarantees and warranties for those facets of the project. We have also included the two most recent financial statements for the firms with more than 20% equity interest, GTS and MasTec as Appendix B and Appendix C, respectively. Links to additional company financial data are provided below –

https://mastec.gcs-web.com/
https://www.wwt.com/about/press-kit/
https://smartcitycapital.net/
A.3 Company Backgrounds of Consortium Members

**Global Technical Systems**

Global Technical Systems (GTS), headquartered in Virginia Beach, Virginia, provides technology and managed services across all commercial sectors, with a focus on mission-critical infrastructures. ([http://gts.us.com](http://gts.us.com))

“GTS models how traditional defense-oriented businesses can step out of their comfort zones and create new technologies with commercial applications that can truly change the world.”

– The Hon. Terry McAuliffe, Governor of Virginia (12/2017)

Global Technical Systems Overview:

- **Over 20 years** of trusted leadership in the R&D, design, engineering, delivery, manufacturing and support of highly classified mission-critical defense and homeland security solutions and operations (*e.g.*, naval combat systems; advanced cybersecurity and threat detection; command & control, communications, intelligence, surveillance, & reconnaissance; advanced composite weapons, etc.).

- **Protecting over $50B** in mission critical assets.

- **Delivered over $300M** secure operational capabilities to the US government for mission critical environments supporting over 50 security and network operation centers.

- **Department of Defense, National Security Agency (NSA) trusted integrator.**

- **12 locations; 100+ employees.**

- **25% PhD/MS/Engineering.**

- **ISO 9001:2015** Certified.

GTS expands upon its legacy by entering into commercial markets and brings all the benefits of classified, military grade, secure operations and networks to defend the most at-risk commercial businesses and mission-critical operations/assets. Our integrated people - process - technology approach offers cross-industry stakeholders’ cost-effective solutions and services that seamlessly integrate the operational and control platform and edge capabilities with field-proven cybersecurity networks designed to deliver unparalleled risk protection to any business.

Based on more than two decades of extensive experience in providing the most classified levels of cyber security protection for mission-critical networks, operations and assets, GTS invested approximately $10M to transfer and stand up, next generation commercial network operations and end-to-end cyber security managed services capabilities (SOC/NOC) in its Virginia Beach, VA facility.

*Point-of-Contact: Ben Davenport, 421 S. Birdneck Rd. Virginia Beach, VA 23451, (757) 615-0463*
Smart City Capital

Founded in 2016, Smart City Capital (SCC) is a global company formed by leading IT industry executives, highly experienced in Internet-of-Things (IoT), Smart Cities, Smart Infrastructure, Public Sector, Telecom and Broadband Service Provider (Backhaul, Small Cell, Cloud and XaaS), and Outcome Based funding solutions. The executive team, led by RCR project manager Oscar Bode, is recognized as leaders in developing both transformational technology and related disruptive outcome-based model across key markets and verticals. Given that the top two challenges for both smart city projects in the public sector “P3 know-how” and flexible / variable risk funding models, Smart City Capital developed a unique, solution agnostic offer allowing the respective public sector cities or counties to select the best possible solution from all available options, knowing SCC’s end to end outcome based model platform will solve the existing gaps and needs, without being limited by any one equipment or software provider. Simply put, SCC allows the communities and citizens needs to remain paramount.

SCC supports projects in 53 countries. Its team is located in South Florida, Washington DC, New York City, London, Bogota, Sao Paulo, Brazil, and Toronto, Canada.

Point-of-Contact: Oscar Bode, 2598 E Sunrise Blvd. Suite 210-A Fort Lauderdale, FL, (954) 647-4223

MasTec

Founded in 1929 by two unemployed carpenters, MasTec has a rich, almost century-long history that positions them as the largest builder of fiber infrastructure in the United States. MasTec has completed hundreds of infrastructure construction projects over the past ten years. They are experts in the planning, engineering, and installation of fiber infrastructure in both rural and urban environments. They have installed a significant portion of the nation’s wireless and wireline networks, helping facilitate integrated broadband and wireless networks nationwide.

MasTec have installed thousands of miles of fiber optic cable, including multiple fiber to the home and related projects located across the country. They are experts at both long-haul and in-town installations, delivering robust internet and telephone services to even the most remote areas. They have installed a significant portion of the nation’s FTTX networks, helping facilitate integrated voice, video and data services, higher bandwidths, and wireless networks nationwide. MasTec’s maintenance crews are on call 24/7, immediately responding to service interruptions and network damage, and often restoring service in moments.

Point-of-Contact: Adam Woodard, 800 S Douglas Rd 11th Floor Coral Gables, FL, (615) 653-9865

Broadband Telecom Services

Broadband Telecom Services (BTS) is a Micro SWaM technology consulting firm that was established in 2017 in Virginia Beach, Virginia. BTS was created with the mission of helping counties and municipalities throughout the nation address their broadband goals of serving those in need suitable internet access, saving money on connectivity expenditures and creating a return-on-investment (ROI) using their broadband infrastructure. This is accomplished by forming close relationships with county staff and aligning their visions with existing opportunities, such as federal grants and state programs.
BTS has close relationships with many industry partners, exploring a wide range of solutions that can leverage new broadband infrastructure to transform communities into “smart” digital communities. We work with many of the municipal governments in Virginia. In their strategic planning studies, BTS follows and adhere to the Virginia Dillon Rules for telecommunications and declaration of intent under the Virginia Procurement Act. The Regional Ring Master Plan was vetted for form and content by the five Southside Cities attorneys to ensure compliance with Virginia State Telecommunication Rules.

BTS designs, develops, and project manages wireless deployments, ensuring they are compliant with the specifications outlined in the NIST Standards. (National Institute of Standards and Technology). All of their wireless planning follows the OMB Circular A-130, and Chapter 35 of the circular. BTS has a strong understanding of unlicensed wireless deployments as it relates to NIST Standards as well as ensuring our licensed spectrum from CBRS to Licensed Microwave is SAS, NIST, and FISMA regulated and compliant. Most recently, we expanded our capabilities into the Wireless Internet Service Provider (WISP) space, connecting residents of Virginia’s Middle Peninsula region with high-speed broadband.

*Point-of-Contact:* Jeff Beekhoo, 370 N. Main St. Kilmarnock, VA, (754) 581-1574

**World Wide Technology**

Founded in 1990, World Wide Technology (WWT) has grown from a small product reseller into a global systems integrator with $13.4 billion in annual revenue and more than 7,000 employees throughout the world. WWT brings an innovative and proven approach to how organizations explore, evaluate, architect, and implement multi-vendor solutions. With the continuous evolution of technology, organizations’ IT staff members are often reduced to evaluating one-off, emerging technology products. WWT recognized this problem and built an IT innovation ecosystem to eliminate the pain of evaluating new technology and help our customers reach their desired outcomes.

WWT has more than 20 years of experience helping state and local government agencies to innovate. Our experience spans a variety of agency functions and missions, including transportation, social services, public safety, administration, and information technology. We hold numerous state contracts for the procurement of products and services.

**Minority Business Enterprise (MBE) Certification:** WWT is a CNO certified black owned business and WWT is certified by the National Minority Supplier Development Council (NMSDC) with an award-winning Supplier Diversity Program.

*Point-of-Contact:* Ben Benfield, 5426 Bay Center Dr Suite 750, Tampa, FL, (757) 615-0463
A.4 Relevant Experience of Consortium Members

Global Technical Systems

GTS, as demonstrated by past performance, has proven capabilities and competencies in design and engineering of complex mission critical systems encompassing high performance networking, processing, and storage technologies with a keen focus on cybersecurity. GTS engineering talent and resources have delivered detailed designs for federal clients such as the Department of Defense (DoD) and the Department of Homeland Security (DHS) and successfully transitioned these designs from development through production and into sustainment phases of their respective project lifecycles. We regularly receive high accolades from our clients for the responsiveness of our Program Management and quality of engineering artifacts including detail design drawings, documentation, and work instructions. As evidence, a Federal customer of GTS, acting as Chief Engineer and Contract Representative, provided this feedback on our formal Contractor Performance Assessment Report, “I unequivocally recommend GTS for programs of similar and higher complexity. Based on my experiences with GTS and what I have learned about the company over the past three years, I have the utmost confidence in their ability to not only execute the requirements of a contract but to improve upon program standards. GTS has shown that they fully understand the goals and aspirations of their customers; often times even better than the customers themselves. I fully endorse GTS and the exemplary people who comprise their engineering, management and administrative teams.” ~ Mr. Thomas H. Brady, PEO IWS1 IT1 – CPARS December 2017.

Robust management, engineering and production capabilities have earned us the trust of a customer set that includes Naval Sea Systems Command (NAVSEA), Naval Air Systems Command (NAVAIR), U.S. Special Operations Command (USSOCOM), Naval Information Warfare Systems Command (NAVWAR), Missile Defense Agency (MDA), US Department of Homeland Security (DHS) Customs and Border Protection (CBP), Department of Homeland Security (DHS S&T), US Coast Guard (USCG), Office of Naval Research (ONR), Naval Research Laboratory (NRL), Defense Microelectronics Electronics Activity (DMEA), and the Defense Information Systems Agency (DISA). GTS’s focus on and delivering high quality advanced engineering solutions and meeting demanding schedules in a low-cost, best value approach for its customer. For more detail on relevant projects, please refer to “Attachment A: Experience”.

Smart City Capital

Smart City Capital was founded in 2016 by Mr. Oscar Bode. The leadership team is comprised of global infrastructure investment and technology leaders, with much of SCC’s ability to serve the public sector stemming from utilizing their global partner ecosystems.

Their technology ecosystem includes global publicly traded Fortune 500 companies, patented – innovative technology solution providers, and cutting-edge Smart City and IoT products and services. Combined with SCC’s funding ecosystem that has investment capacity exceeding $20B USD globally, they have an unprecedented ability in delivering turnkey infrastructure project solutions.

- **Over 30+ years** of collective trusted leadership across the infrastructure finance and technology and telecommunications investment and investment banking industries.
- **Delivering over $10B+ in Smart City Projects and New Business Model value creation Globally.**
- **Committed to deliver $2B in Smart City Projects and New Infrastructure projects in Canada.**
Global Technical Systems

- 6 Offices Globally; 20+ employees.
- 80% PhD/MBA/MS/ from Top Global Institutions (US Ivy League, Oxford, Top 5 Global Business Schools)

Smart City Capital’s unique outcome-based business model and funding ecosystem is critical to delivering the turnkey, zero-cost, minimal-risk delivery of the RCR. SCC has funded numerous projects in North America and has developed expertise in delivery of these projects. The core focus of Smart City Capital is to be a true master integrator driving long term, sustainable Smart City and IoT projects at scale. They enable impact investment to establish inclusive smart city and turnkey infrastructure project solutions, for the public sector and enterprises businesses.

The SCC funding ecosystem includes family offices and private equity, pension funds, institutional capital partners, which comprise the entire capital stack of equity, mezzanine debt and senior debt solutions and services. SCC’s funding ecosystem has investment capacity exceeding $20B USD Globally. They will support this project as the funding mechanism and create the commercialization framework. For more detail on relevant projects, please refer to “Attachment A: Experience”.

**MasTec**

MasTec has designed, constructed, and maintained successive generations of telecommunication networks for a variety of providers, and our work continues to support the world’s most advanced fiber optic and copper networks in the country. They combine cutting-edge technology, innovative solutions, skilled professionals, and an unfailing commitment to safely ensure the highest levels of reliability and quality to our customers.

MasTec has completed hundreds of infrastructure construction projects over the past ten years. Project specific details regarding pricing and client names are often confidential. For more detail on relevant projects, please refer to “Attachment A: Experience”.

**Broadband Telecom Services**

Broadband Telecom Services, LLC (BTS) is a micro SWaM business that was founded in 2017 by Jeffrey Beekhoo, who decided to pursue opportunity in Southside, Virginia after propping up an Internet Service Provider called Mohawk Networks in Akwesasne, New York. In the Southside, he brought his 25+ years of experience to advise and develop the initial plan and design for the Regional Connectivity Ring. Eventually BTS began consulting with other cities in the Hampton Roads region and beyond, such as Hampton, Powhatan, Culpeper, and eventually Mathews, Gloucester, and Lancaster. During this time, BTS partnered with these counties to go after numerous funding opportunities through strategic planning, such as DHCD’s VATI, USDA ReConnect, and federal C.A.R.E.S. Act funding. For more detail on relevant projects, please refer to “Attachment A: Experience”.

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Submitted by Global Technical Systems
GTS Proposal Number: GTS072021-011
A.5 Background of Principal Members of the Team

**Terry Spitzer, Chief Executive Officer, Global Technical Systems**

A recognized leader in the critical realm of defense and security technologies, Terry Spitzer’s visionary innovations in advanced engineering, research and development, and production, deliver cost-effective, responsive technology solutions that combat our nation’s current and future threats today.

GTS’s multi-disciplinary innovation domain includes Naval combat systems, Command and Control (C2) systems, sensor technologies, complex systems lifecycle support and biometrics, cyber security; energy storage; specialized munitions; and Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) defense.

Highly relevant to this effort, GTS has developed multi-enclave, dual-encrypted, secure communications capabilities; US developed 5G technologies; and high-performance computing. These “commercial” technologies address National Security Systems (NSS) vulnerabilities under the NSA established CSfC Program, and critical interests of the recently established 5G Portfolio of the Office of Under Secretary of Defense (OUSD-R&E). These advancements also served as the basis for the establishment of a commercial division of GTS to leverage national security advancements in critical infrastructure applications.

A proud veteran of the US Navy, Mr. Spitzer’s military experiences and core patriotic beliefs led him to pursue a technology development career that began with leading defense companies and resulted in the founding of GTS in 1997. During 22 years of incredible growth, and momentous technology development, Mr. Spitzer has been on the forefront of bringing innovation to his customers in defense, homeland security and intelligence. He has overseen numerous successful critical technology initiatives including development of the Common Processing System (CPS), the open architecture, modular, COTS based, mission critical computing capability that is integrated on the US Navy’s “Aegis” fleet of air-defense capable ships. CPS is an advanced computer processing system developed for the Aegis Weapon System that enabled the Navy to change course from legacy proprietary computing systems to a state-of-the-art non-proprietary capability that is preparing our fleet to take on the challenges of an uncertain future. Mr. Spitzer’s vision, reputation, and technical expertise have established him as a trusted voice for technology adoption at the highest levels of government. His entrepreneurial skills have enabled GTS to expand to include permanent personnel and facilities in several states as well as transitioning from a small to medium company. Terry Spitzer continuously advocates for technology-smart procurement and principled adoption of revolutionary engineering innovation.

*Other Key Personnel: Mike Danjczek, Resume in Appendix D*
Oscar Bode, Chief Executive Officer, Smart City Capital

As CEO of Smart City Capital, (SCC) he has rapidly established SCC as the leader in smart city, outcome-based solutions, and funding model. The company focuses on inclusive and sustainable smart city / ESG projects globally, supporting strategic use cases including, highspeed connectivity for all, mobility, safety and security, smart industry, health, education, venues, among others. His key priority is ensuring the elimination of the digital divide, by implementing a disruptive, portfolio solution that supports cities of all sizes, in served and underserved areas alike. Prior to Smart City Capital, Mr. Bode served as the Managing Director for global new business models at developing disruptive IOT and smart city solutions. Prior to this role he served as the Director of Cisco Capital, Emerging Markets, managing 132+ country operation. He also served as the Chief Credit. He held similar executive roles at HP, Compaq and GE Medical, prior to Cisco. Over his career, he has supported in excess of $10B USD of project funding, globally. Resume in Appendix D.

Adam Woodard, Regional Operations Manager, MasTec

Adam has more than eleven years of well-rounded experience across many segments of telecommunications. His exposure to strong leadership across many divisions has cultivated sound interpersonal relationship development and analytical skills.

Adam has been with MasTec since 2010 and is now the Director of Operations, whose responsibilities include dealing with Smart City emerging technologies, overseeing the small cell program, and managing broad-scale network deployments, such as the one mentioned in this proposal. Adam, and MasTec as a whole, bring years of proven industry leading experience to this team to ensure the highest quality, most professional deployment of this network.

Other Key Personnel: Resumes of James Walizer, Sean Smith, and various Executives in Appendix D
Jeff Beekhoo, Chief Executive Officer, Broadband Telecom Services

Jeff has a broad and successful history in the telecommunications industry as a subject matter expert and service provider CEO. As a Broadband expert, Jeff’s depth of experience includes LTE, OSP fiber optic design, construction, and management. He is highly skilled at the technical aspects of telecommunications projects as well as an efficient project manager. Jeff is always seeking to grow strategic partnerships and has a history of building teams that consistently deliver on objectives. Jeff holds a BS in Electrical Engineering from the University of Toronto, and his experience includes development of business models for the Hampton Roads Transatlantic Fibers, MAREA and BRUSA. Jeff was instrumental to the vision and conceptual design for The Hampton Roads Regional Connectivity Ring to be replicable and scalable for adaptation towards additional community, regional, and national initiatives. A Master Plan and final 30% Pre-Engineering Design was developed by Jeff and his team. Additionally, Jeff led the Hampton Roads RCR Project Plan to victory in the 2018 Smart Infrastructure Challenge in Columbus, OH, with an award of $47 million dollars in funding and resources for the region. This proposal is an extension of that accomplishment.

Jeff is also versed in smart city integration, having a role in both the Technology Council of Virginia Beach and the Beach’s smart city planning group. Throughout the region, he has implemented smart projects, such as solar powered smart, Wi-Fi poles.

Jeff currently acts as the Broadband Subject Matter Expert to the City of Virginia Beach, Mathews County, and Lancaster County, the latter being where he is coordinating a wireless network build. His current offices reside in Kilmarnock, and his home in Middlesex.

Note: We have identified no parties, persons or business entities involved in this Consortium as having a conflict-of-interest with the SNA. Jeff Beekhoo, through BTS, has history with this project as representing the firm that developed the initial Master Plan and 30% design for the Hampton Roads Planning District Commission in 2018. Following fulfillment of all BTS contractual obligations and over two year inactivity period, Jeff and BTS enthusiastically join the Consortium in an advisory and management capacity. MasTec expertise will be employed for completing the design and infrastructure build-out of the RCR.
B. Project Characteristics and Approach

This section will discuss the specific details about how the GTS Consortium will approach completing the design (from 60% to 100%) and building the RCR. Each section breaks down the requirements as listed in the previous PDC-RFP-2020-01 document, addressing our approach to each project component. As part of our turnkey solution, each of the requirements specified in the previous Scope of Work, as well as this current RFP are fulfilled in accordance with all required local, state, and federal requirements. All design documents will conform to the underlying governing standards, including standards and rules issued by the National Electric Code (NEC), National Electric Safety Code (NESC), Occupational Safety and Health Administration (OSHA), Environmental Protection Agency (EPA), Federal Communication Commission (FCC), and other governing standards.

B.1 Project Approach

Per the Scope of Work listed in the previous PDC-RFP-2020-01, we fully understand the technical requirements delineated by the Chief Information Officers (CIOs) of the five Southside Cities. We have incorporated these requirements into our technical approach, within our Program Management Plan (PMP), to ensure compliance. Subcontractor management is also contained with our RCR PMP.

GTS Program Management utilizes a comprehensive set of development methodologies, project controls and management approaches depending on the objectives, risks, and anticipated outcomes for each project. We employ a risk-based approach to control the likelihood of unexpected and unwanted long-term outcomes. The primary tools to be used for managing this effort are the PMP, the Integrated Master Schedule (IMS) and the Work Breakdown Structure (WBS). Principles of Earned Value Management are planned to capture, and report on, work completion estimates.

GTS develops a PMP per specific contract requirements and deliverables to include detailed development and construction planning, milestones, and metrics for supporting the execution of all required tasks. The PMP is an integrated document showing technical, cost and schedule data. It provides information on our organization, practices, and techniques to be used in managing the program and, as applicable, subcontractors. The PMP details the allocation of resources necessary to ensure cost, schedule and quality expectations are met.

The IMS is the central tool developed to schedule, assign, and report on tasking to the GTS team, subcontractors, and vendors. The IMS is established based on the Contract Work Breakdown Structure (CWBS), developed to ensure all contractual requirements are captured. The IMS is resource loaded with detailed tasks assigned by labor category and delegated to the respective project leads. At the beginning of the project, and in close collaboration with the SNA, the IMS will be baselined in order to establish the Budgeted Cost of Work Scheduled (BCWS) and is re-baselined at every major milestone or contract change when tasking and/or cost are updated. The PM holds weekly meetings with engineering, production, and logistics to brief the upcoming activities as well as update status on the previous week’s efforts. Each task in the IMS is assigned a metric to define percent complete and used to update Budgeted Cost of Work Performed (BCWP). Metrics captured outside of these accepted thresholds initiate detailed reporting and corrective action to bring the program back on schedule and cost. Upon award and execution, GTS utilizes earned value principles to determine cost and schedule variance. The earned value methods enable reactive program control should tasking fall behind or cost begin to overrun.
However, in order to take a proactive approach, GTS establishes a Risk Management Team at the beginning of each program to identify potential risks and establish mitigation steps to prevent schedule or cost impact before they occur. The project risk team meets weekly and consists of representatives from each department to ensure all potential risks are identified.

MasTec’s extensive experience in constructing fiber infrastructure is essential for keeping us up to date with current best practices for the most thorough and efficient installation methods as well as laws, regulations, legal and environmental constraints to permitting, construction and sustainment. We leverage our experience in the process of creating the specified data deliverables in both printed and electronic format to deliver all non-material requirements for the SNA. All required documents will be provided in Contractor Format, with the format provided well in advanced to the Authority for review, comment, and acceptance. This helps to avoid unnecessary delay of approval. All data and documentation generated or created for the RCR project under our proposed turn-key solution will be shared with the Public Private Partnership members.

### General Project Requirements

<table>
<thead>
<tr>
<th>PDC-RFP-2020-01 Requirement</th>
<th>Method</th>
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</table>
| Network Design Services       | • We provide the entire network design of the regional connectivity ring utilizing new/existing conduit.  
• The RCR Master Plan and 60% Pre-Engineering Design report and drawings provide the starting point for our design effort. |
| Professional Engineer (PE) Approved Formal Network Design | • Our staff includes PEs, and our design complies with all applicable requirements.  
• Upon completion of the design an independent PE will be brought in to review and approve our design.  
• All final design documents will be signed and sealed by a VA Licensed PE. |
| Revised Plans and Associated Cost Estimates | • Plans and associated cost estimates are submitted to the Authority at each milestone (90%, 100%) for review and comment.  
• Subsequent submittals are revised to reflect the Authority’s comments. |
| 90% and 100% Completion Milestones | • Design specifications are provided during the 90% and 100% design submittals. |
| Single-mode Fiber | • The network design will consider only single-mode fiber placed in either new |

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**Submitted by Global Technical Systems**  
**GTS Proposal Number:** GTS072021-011
<table>
<thead>
<tr>
<th>PDC-RFP-2020-01 Requirement</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside Plant Walkout and Staking</td>
<td>• We perform all necessary field work and utility coordination to determine existing utility information to provide a constructible design.</td>
</tr>
<tr>
<td>Base Maps</td>
<td>• All ROW limits and parcel information are identified in the base map design files necessary for designing and constructing the connectivity ring.</td>
</tr>
<tr>
<td>Cost of Independent PE Certification</td>
<td>• The cost of certification is included in our Turn-Key solution.</td>
</tr>
</tbody>
</table>
| Design and Layout of Fiber-Optic Trunk Line (Backbone) and Distribution Laterals            | • Perform field data collection to include:  
  ✓ Road widths  
  ✓ Right-of-way widths  
  ✓ Hard points or standing structures  
  • Produce CAD drawings of the detailed underground design of the fiber-optic backbone and distribution laterals, including:  
  ✓ Fiber Cable Sizing  
  ✓ Fiber Placement Diagram  
  ✓ Coil/Splice Locations  
  ✓ Splicing Configurations  
  ✓ Splicing Spider Maps  
  ✓ Termination Panel Configurations  
  ✓ Other drawings as required                                                                                                                                 |
| Detailed Underground Design                                                                 | • All design drawings are produced using the latest version of AutoCAD. The AutoCAD files will be exported directly into ArcMap for use.                                                                                                                                 |
| RCR 100% Design Requirements                                                               | • We provide the following minimum documentation at the completed RCR 100% Design:  
  ✓ Executive Summary  
  ✓ Applicable GIS data,  
  ✓ CAD drawings for each segment                                                                                                                                                                                                 |

Submitter: Global Technical Systems  
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<table>
<thead>
<tr>
<th>PDC-RFP-2020-01 Requirement</th>
<th>Method</th>
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<tbody>
<tr>
<td>Permits and Easements</td>
<td>• The Consortium staff includes Site Acquisition and Permitting Specialists.</td>
</tr>
<tr>
<td></td>
<td>• They obtain all necessary jurisdictional permits and right-of-way authorizations to facilitate the complete installation of the connectivity ring.</td>
</tr>
<tr>
<td>Notes and Specifications</td>
<td>• The 90% and 100% design document submission include all of the necessary project general notes and specifications.</td>
</tr>
<tr>
<td>Labor and Material Records, Detailed Project Cost Estimates</td>
<td>• Preliminary bill of material and labor costs at the completion of the optimized route design stage</td>
</tr>
<tr>
<td></td>
<td>• Final bill of material and labor costs at the completion of the design drawings.</td>
</tr>
<tr>
<td></td>
<td>• Bill of material and labor costs will include all labor and material elements required to construct the design.</td>
</tr>
<tr>
<td>Bi-Weekly Management Meetings</td>
<td>• Bi-weekly project status meetings are hosted by the team at a minimum depending on the phase of the project to update the Authority.</td>
</tr>
<tr>
<td></td>
<td>• Bi-weekly Management Meetings provide status updates on design progress, cyber security issues, right-of-way and permitting, open action items.</td>
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<tr>
<td></td>
<td>• The Consortium Program Manager provides a Meeting Agenda NLT 24 hours prior to commencement.</td>
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<tr>
<td></td>
<td>• The Consortium Program Manger provides Meeting Minutes NLT 48 hours following meeting adjournment.</td>
</tr>
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</table>

### 3.2 Fiber Route Design Services

As documented in “Attachment A – Experience”, the Consortium brings documented success in the design of fiber ring networks of the scope and scale required for the RCR.

Coordinating and managing the efforts of the SNA members is a critical to providing the best value to the Region. MasTec will coordinate and oversee the efforts of the multi-disciplinary design team to ensure compliance with the SNA’s program goals and design standards. Utilizing the insight of BTS, we work closely
with the SNA members to collaborate on their specific needs as they relate to design attributes of the RCR. MasTec will synthesize these requirements with the industry best practice standards, and prioritize cost-efficient, practical components that promote sustainability and resiliency.

**Basis of Design and Standards**

From the start, working with the SNA to establish a unifying set of standards for the program ensures consistency and quality and reflects the SNA members’ agreed upon design attributes. During project design, these services are provided:

- Basis of Design Reports (BODR), considering all feasible alternatives by applying a life-cycle cost analysis
- Where new conduit is installed, any spare conduits will be available per the terms of the agreement (currently, 3 x 2” conduits are called out in the RFP where new conduits are needed). Similarly, spare fiber assignments may be made available per the terms of the agreement prior to design completion
- Investigation of all existing utilities and sub-surface in support of the BODR
- Value Engineering (VE) services to fairly weigh alternatives
- Building Information Modeling Technology (3D, 4D, and 5D)
- System testing when necessary to confirm specific design parameters
- Applicable procurement methods for all necessary equipment
- Preparation of the required construction bid documents for the optimal delivery method based on the project criteria (e.g., design-bid-build, design-build)
- Applicable regulatory permits, as necessary, depending on the delivery method selected
- Supporting the SNA in the construction bid and award process, including contract review, responding to requests for information, reviewing bids, and making recommendations for award
- Provision of design services during construction that include reviewing and responding to all contractor submittals, RFIs, claims, and final certification documents provided by the contractor

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**Clear Definition of Design Scopes**

A clearly defined scope of work will control costs. The Consortium will validate scope-to-budget and define clear expectations and parameters for each project assignment and required milestone. We will also help prepare solicitations for services that define scope, schedule, and budget expectations. In addition, our design staff will meet with project stakeholders to gain consensus on scope and validate that the necessary project elements are captured.

The development and use of standard specifications, design criteria, submittal requirements, operational parameters, stakeholder coordination, and jurisdictional and regulatory requirements will be clearly defined to limit excessive contingency cost build-up and reduce the risk of change orders.

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**Design Reviews through Key Milestones**

Throughout the design process, our design team will schedule and attend regular meetings with the SNA and other key stakeholders to advise and decide on site use and improvements; selection of materials, building systems, and equipment; construction phasing; and constructability. Recommendations will be provided regarding the availability of materials and labor; time requirements for installation and
construction; and factors relating to cost, including preliminary budgets, alternative designs, materials, and operating economics.

Throughout design, our management team will provide review and oversight of scope documents, deliverables, and cost estimates; senior engineering evaluations; interpretation of contract documents; development and oversight of the program’s QC procedures; and design and permitting activities. Design reviews are recommended early in the design process as changes made later in design are far more costly.

**Value Engineering (VE)** encourages the development of innovative solutions that fulfill a project’s function at the least cost. In the best interest of the SNA, we have expanded the goal of VE to not only reduce lifecycle costs, but also to expedite project schedules. A successful VE exercise depends on the ability of the VE professionals to clearly communicate tradeoffs among:

- Cost, flexibility, redundancy, and schedule impacts
- Cost and convenience
- Cost savings, innovation, and risk
- Initial capital savings and operational cost
- Potential for increasing the speed of delivery

Building to best achieve the economic and rapid completion of the SNA’s program is the goal of our VE team.

**Constructability reviews** ensure that technical requirements are met while minimizing redesign, reducing construction costs, expediting project completion, and reducing environmental impacts and long-term maintenance costs. Constructability reviews will be conducted in the earliest project design stages to ensure the clarity of the design documents and to avoid conflicts, delays and added costs. Constructability reviews also measure the ease with which a project design can be built while complying with the drawings, specifications, construction schedule, QC requirements, and budget restraints. The SNA staff and other stakeholders will be encouraged to participate in these reviews.

### Design Requirements

<table>
<thead>
<tr>
<th>PDC-RFP-2020-01 Requirement</th>
<th>Method</th>
</tr>
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<tbody>
<tr>
<td>RCR Segment Design</td>
<td>• Upon approval of the optimized design route map, develop a detailed underground design of the route.</td>
</tr>
<tr>
<td></td>
<td>• The detailed strand map includes all existing utilities, property lines, proposed running conduit running line, hand-holes, manholes, and any other details required by the controlling utilities or municipalities.</td>
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<tr>
<td></td>
<td>• The design includes required drawings detailing plan and profile elements of the conduit, including details of hand-holes/manholes, and specify the required material hardware for such configurations.</td>
</tr>
<tr>
<td>Requirement</td>
<td>Method</td>
</tr>
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</tr>
<tr>
<td><strong>RCR Segment Cost</strong></td>
<td>- Prepare a preliminary bill of material and labor cost at the completion of the optimized route design stage.</td>
</tr>
<tr>
<td></td>
<td>- Final bill of material and labor cost at the completion of the design drawings.</td>
</tr>
<tr>
<td></td>
<td>- Bill of material and labor cost will include all labor and material elements required to construct the design.</td>
</tr>
<tr>
<td><strong>Construction Permits</strong></td>
<td>- Upon completion of detailed design drawings, prepare appropriate municipal applications and submit.</td>
</tr>
<tr>
<td></td>
<td>- Manage applications through municipal approval process resulting in a permit to construct.</td>
</tr>
<tr>
<td><strong>Local, State, and Federal Requirements</strong></td>
<td>- During permitting process all Local, State and Federal requirements are identified and incorporated into design drawings.</td>
</tr>
<tr>
<td><strong>Underground Fiber</strong></td>
<td>- Entire connectivity ring designed utilizing underground conduit (new, existing).</td>
</tr>
<tr>
<td></td>
<td>- No aerial fiber incorporated into the ring design.</td>
</tr>
<tr>
<td><strong>ESRI's ArcGIS Compatibility</strong></td>
<td>- All design drawings will be produced using the latest version of AutoCAD.</td>
</tr>
<tr>
<td></td>
<td>- The AutoCAD files will be exported directly into ArcMap for use.</td>
</tr>
<tr>
<td></td>
<td>- AutoCAD supports shapefiles and native interplay with ESRI software.</td>
</tr>
<tr>
<td><strong>Design Drawings Georeferenced</strong></td>
<td>- We establish horizontal and vertical control during the initial survey phase of the project.</td>
</tr>
<tr>
<td></td>
<td>- All design drawings will be based on these survey controls.</td>
</tr>
<tr>
<td><strong>Projected Coordinate System</strong></td>
<td>- Design drawings will utilize the local NAD 1983 State Plane Virginia South</td>
</tr>
<tr>
<td>PDC-RFP-2020-01 Requirement</td>
<td>Method</td>
</tr>
<tr>
<td>-----------------------------</td>
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</tr>
<tr>
<td></td>
<td>FIPS 4502 feet coordinate system.</td>
</tr>
</tbody>
</table>

**Design Maps and CAD**

- We produce CAD drawings of the detailed underground design of the fiber route, including:
  - Fiber Cable Sizing
  - Fiber Placement Diagram
  - Coil/Splice locations
  - Splicing Configurations
  - Splicing Spider Maps
  - Termination Panel Configurations
  - Additional drawings as required

**Field/Site Surveys**

- All proposed vault locations are field surveyed to confirm existing conditions.

**Underground Facility Conduit**

- Underground conduit design is included in the connectivity ring construction drawings and fiber network design.
- Plans will locate and detail all required conduit and handholes/manholes.

**Rights-of-Way Negotiations**

- The Consortium includes Site Acquisition and Permitting Specialists.
- These specialists obtain all necessary jurisdictional permits and right-of-way authorizations to facilitate the complete installation of the connectivity ring.
- Using the POA&M ensures no project delays caused by right-of-way authorizations. “Plan the Work. Work the Plan.”
- Develop clear communications between POCs with redundant links to ensure no bottlenecks or delays.
- Right-of-Way and Permit status is reviewed with all stakeholders on weekly basis.
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<tr>
<th>PDC-RFP-2020-01 Requirement</th>
<th>Method</th>
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<tbody>
<tr>
<td>Field Notes</td>
<td>• All field information including survey will be stored electronically for use in the design.</td>
</tr>
<tr>
<td></td>
<td>• As part of the Kick-Off phase, we coordinate with the Authority on desired formats for the various field collected data.</td>
</tr>
<tr>
<td>Drawings and Maps in Electronic Format</td>
<td>• All design drawings including permit drawings will be produced in the latest versions of AutoCAD Civil3D and Infraworks for this project. Cross compatibility with ESRI ArcGIS software is noted, and so files will be delivered primarily in .pdf and .dwg formats but can be exported to .shp or other formats upon request.</td>
</tr>
<tr>
<td>Network Component Labeling</td>
<td>• Following the applicable Telecommunications Industry Association (TIA) standard and adhering to all Authority labeling requirements, all network individual network components receive a unique asset identifier as detailed in the design documents.</td>
</tr>
<tr>
<td>Route Staking</td>
<td>• Upon completion of the final design, the entire route will be staked in the field prior to commencement of construction.</td>
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<tr>
<td></td>
<td>• Any changes to the design reveled by the staking process will be noted on the applicable maps and provided via electronic files to the Authority for their use.</td>
</tr>
<tr>
<td>Changes to Conduit Specifications</td>
<td>• The proposed design is based on providing (2) 3” conduits.</td>
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<tr>
<td></td>
<td>• Changes to conduit specifications may be provided by the cities after the 100% design in completed but prior to commencement of construction.</td>
</tr>
<tr>
<td>PDC-RFP-2020-01 Requirement</td>
<td>Method</td>
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</table>
| Default Fiber Ring Specifications | • During the design phase, coordination with the cities will determine any city specific design needs.  
• An effective Configuration Management Program is established to manage and documentation change. |

B.3 Fiber Route Construction Services

MasTec is responsible for contracting and/or providing resources for fiber construction. Project management and oversight duties are split among GTS and BTS using the initial processes developed by MasTec. MasTec is responsible for developing construction documents and project phasing/schedule, with ongoing oversight of the technical project management team. It is key that the Consortium works closely with the Authority to maintain alignment on this project. Providing clear communication on progress to the different phases and functions of the project is planned within our PMP.

Because construction projects cause some level of disruption to traffic and other district operations, a key activity is establishing the construction sequence and duration for each project in the construction documents. By doing so, we develop an efficient phasing and sequencing plan that best meets the project’s requirements while reducing impacts to residents and businesses. Construction scheduling information and roadway and lane closures will be publicized using door knockers, program website, social media, and even going door to door to keep the public informed. The goal of the designers is to develop a set of construction documents that allows us to produce a high-quality product in the least amount of time and with an acceptable amount of disruption to local residents and visitors. Development of the construction documents for the Connectivity Ring program also includes important operational considerations related to municipal operations. Thus, construction sequencing will be developed during the initial design phase, based on coordination with Municipal Operations staff and other stakeholders.

**Maintenance of Traffic**

When executing work in ROW and intersections, we place significant emphasis on Maintenance of Traffic (MOT) as a critical feature of the project. It is imperative that the traveling public, whether in a vehicle or on foot, is safe in or near the project limits and that contractors and inspectors are equally protected.

We are also committed to minimizing the impact of construction on traffic flow and maximizing safety for workers. This will be accomplished by following the approved Traffic Control Plan and making recommendations for improvement, if necessary. Typically, the Designer of Record will provide a detailed Traffic Control Plan as part of the design package. The MOT will include layout of traffic patterns, construction signs, temporary barrier, temporary detours, and other traffic control devices.

The Consortium assumes review responsibility for MOT and also imposes responsibility on the involved contractors. Contractor operations are closely monitored to ensure that access is maintained to those requiring access throughout the program. When portions of the construction work are performed during
nighttime hours, the construction manager monitors the location of lights and noise levels for compliance with noise ordinances and to minimize inconvenience to motorists, residents, and businesses within and/or adjacent to the project limits.

The construction manager, resident engineers, and inspectors perform periodic quality assurance MOT reviews. Also, if heavy traffic conditions, accidents, and/or unforeseen emergencies occur, the appropriate subcontractor are directed to temporarily cease operations and adjust MOT devices.

Construction - Engineering and Inspection
Following the procedures and requirements outlined in the Quality Control Plan (QCP) and Health and Safety Manual (HSM) we perform a broad range of inspection and quality control functions. The project resident engineers and field inspectors for each project are thoroughly familiar with the plans and specifications and are trained in the necessary field procedures prior to beginning construction. They also receive full instructions on proper documentation and claims avoidance measures. Documentation consists of field books, daily reports, photographs, videos, and all other appropriate means of record keeping.

The construction manager maintains a staff of qualified inspectors familiar with all necessary aspects of program construction. Multi-disciplinary inspectors are rotated among the various construction projects, minimizing cost.

Procurement
Successful delivery of the SNA’s program depends on the timely, cost-effective preparation of bid packages and establishment of a competitive environment that maximizes participation and attracts qualified subcontractors to deliver the construction packages. The primary considerations regarding delivery method selection depends on project objectives, such as the need for innovative solutions, an early estimate of project costs, transparency regarding project costs, fast-tracked schedule performance, or establishing a single point of responsibility for project delivery responsibilities.

Evaluating the benefits of each procurement method should consider the following important goals:

- **Transparent.** All procurement processes, methodologies, and selection criteria are fair, objective, and transparent. No work is awarded outside of a well-advertised and fairlyadministered competitive process.
- **Cost-effective.** Any procurement methodology ensures the SNA is receiving the best value for the services purchased. To the extent possible, price is evaluated as part of the selection process.
- **Objective focused.** Procurement selection strategies are based on clearly defined evaluation criteria that mirror project challenges and opportunities for project success. In turn, the evaluation criteria support overall project success.
- **Timely.** Duration for the procurement process is minimized, allowing sufficient response time for bidders in conjunction with a reasonable amount of time to evaluate proposals without other undue delays. Valuable time is conserved and made available for execution of the project scope.
- **Inclusive.** The procurement process ensures that local subconsultants and subcontractors have equal access to opportunities for which they are qualified. Projects are packaged to ensure broad participation.
- **Compatible.** Procurement methodologies are consistent with existing regulatory and procurement policies unless specific changes are approved to accommodate identified benefits of alternative delivery.
• **Scoring.** Development of a transparent scoring methodology drives proposers to solutions that meet the SNA’s needs at the best life-cycle cost, with an understanding of the available capital budget for the project.

**Construction - Technical Considerations**

Pertaining to the practice of locating utilities, both above-ground and underground, as well as test pitting, MasTec uses standard 811 industry practices.

For installation, depending on the fiber optic cable used, tracer wire or locatable mule tape may be required. To protect this cable, manufacturer specifications are adhered to with regards to bend radius, correct installation method, and equipment required, and standard industry practices are employed with regards to overall fiber handling and installation.

Being one of the biggest installers of fiber infrastructure in the United States, MasTec has all the necessary resources for construction. MasTec will leverage its comprehensive fleet of vehicles, bucket trucks, digger derricks, plows, boring machines, and other types of machinery for the preparation, installation, and testing of construction elements.

MasTec will utilize its extensive network of facilities to store materials, and its diverse supply chain organization to ensure timely availability of all materials.

MasTec regularly utilizes storage yards on our projects including open laydown as well as secure and climate-controlled storage. Depending on the items and location, we use a combination of fencing, containers, buildings, and live guards as appropriate.

MasTec provides Work Area Protections (WAP) for many special work task applications. Most frequent is the Management of Traffic/Temporary Traffic Control that follows the Manual on Uniform Traffic Control Devices (MUTCD) and states' Department of Transportation requirements. Employees that provide WAP are required to be trained, at minimum, to the Intermediate Level that includes Flagger training. Some personnel are trained to the Advanced Level. MasTec training department can provide in-house training in MOT/TTC.

For advanced WAP, MasTec will engage the services of professional vendor endorsed by state's DOTs. Other work area protections include that for Excavation, Trenching and Protective Systems, (Permit Required) Confined Space Entry, Critical Lifts, and electrical utility / telecommunication line HDD and OH stringing and raising operations.

A typical fiber build-out of an area would likely consist of the following structure (specific names to be provided at a later date):

- **Program Manager** - Oversight of the entire project responsible for ensuring the complete delivery of the project
- **Operations Manager** - Direct manager of Construction Managers, construction crews, including, but not limited to, onboarding, training, corrective actions, payroll, performance management, etc. Has full understanding of underground construction operations including equipment used, labor skills, safe digging operations, OSHA requirements, etc.
- **Engineering Manager** - Ensures proper timelines of the engineering components are met and that all engineering and design documents are in alignment with customer and jurisdictional requirements
**Construction Managers** - Accountable for scheduling and management of activities and personnel in the safe deployment of construction. Coordinates and schedules site activities and assures that all disciplines directly involved in the project are in phase with the Project goals and objectives.

MasTec will be locally staffed and will provide all manpower and equipment available to support construction. MasTec has facilities across the United States, will leverage one or more of its existing VA locations and will establish a local location as required. The three facilities located in Virginia are:

- 296 Commerce Center Dr. Floyd, VA 24091
- 2014 Exploration Way Hampton, VA 23666
- 10355 Piper Manassas, VA 20136

**B.4 Risk Management Plan**

The identification, quantification, and persistent management of program risks is critical to on-time delivery of the SNA's program. One of our key responsibilities will be developing and maintaining the master list of program risks and mitigation measures, as well as opportunities for enhancing program delivery. Identified risks will be logged in the risk register, indicating the probability of their occurrence, their likely impact, and measures for their mitigation. Our risk management approach includes the following:

- **Aggressive and proactive risk management** initiated and completed at every program phase, project, and in each construction contract
- **Risk workshops held during the first 100 days** and throughout the life of the program to identify and screen potential risk events
- **Assignment of risk “owners”** tasked with developing risk response strategies and mitigation plans
• Development of program- and project-level risk registers to proactively manage risks and develop mitigation plans

B.5 Quality Management Plan

The ISO 9001 standard is endorsed worldwide and is a widely accepted standard system for implementing the pursuit of quality in various types of businesses. It requires a company to maintain an internal quality program, which is audited at least yearly. This provides the SNA with assurance that we will deliver the highest quality services expected from a leader in the industry. Quality Assurance/Quality Control (QA/QC) begins with our commitment to provide professionals that are experienced in all required disciplines.

As part of the program-wide quality management process, our team prepares a program-level Quality Management Plan (QMP), which specifies responsibility for quality at all levels—the program manager, design-build firms, fixed-price contractors, and subcontractors and suppliers. In general, we place responsibility for quality at the “lowest” level possible (e.g., the at-risk contractors and suppliers), with the owner-level entities issuing quality specifications and carrying out quality assurance testing and inspection. MasTec’s Quality Management Plan can be seen in Appendix E.

The objectives for the SNA’s QA/QC program verify that:

• Systems and components fabricated and tested in manufacturers’ facilities conform to the approved specifications, drawings, procedures, and instructions
• Structures, systems, equipment, and materials constructed and tested at the site conform to the specifications, drawings, procedures, and instructions
• Adequate documentation is provided to regulatory agencies to ensure code compliance and licensing requirements
• A system of QA oversight of the contractor’s performance is provided, ensuring the contract provisions are enforced

QC Reviews. To provide quality through project delivery, we administer QC reviews of all program activities to ensure interim milestones are met and deliverables are timely and technically accurate. This achieves program objectives and reduces the likelihood of problems with schedule, work product quality, and constructability issues.

Our QC reviews, performed by independent subject matter experts, will ensure:

• Conformance to the scope and schedule of the contract. Any variances noted in either will immediately be “red-flagged” to allow for development of recovery approaches under the Change Management Plan.
• Compliance and use of all appropriate guidance, examples, and protocols. This includes format and technical approach to ensure compatibility with the work products of the other consultants.
• Overall technical quality. We check each deliverable to make sure it is well documented, that the analysis adequately supports the conclusions, and that the conclusions are reasonable. If the conclusions do not pass this “reality check,” a more detailed review will be conducted. Each deliverable from each consultant must withstand rigorous peer review.
• Reviews of externally produced deliverables. Reviews are documented through a quality review form and closure must be reached on all review comments.
All of our deliverables for the SNA’s program are reviewed by independent subject matter experts selected from our firmwide roster of highly qualified professionals. Rigorous and consistent application of these quality paradigms benefit the SNA by ensuring that work is done correctly and conforms to the contract documents, improving the overall delivery of activities under the program.

B.6 Safety Management Plan

The Consortium team conducts safety-in-design reviews and identifies issues that could create safety problems during construction and/or after the project is operational. During preliminary design, we identify flaws that create unnecessary risk to travelers, such as restricted traffic flow or insufficient emergency egress. As roadway designers ourselves, the team can identify these issues early and work with the design consultant to correct them prior to construction. MasTec’s Health and Safety Manual can be seen in Appendix F.

### Construction Requirements

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| Optimal ConstructionSolution | • Establish POCs with the five Southside Cities to ensure open and effective communications.  
• Review the RCR Master Plan and 30% Pre-Engineering Design report and drawings and make comments on constructability, risk of delay, value engineering and network security.  
• Develop Plan of Action & Milestones (POA&M) to move from the 30% to 100% design of the RCR. “Plan the work. Work the Plan.”  
• GTS will provide oversight of the design parameters to ensure the Consortium partner are complying with industry best practices, new technologies and other industry related new technologies to ensure an optimal solution is developed for the 100% design of the RCR. |
<p>| Construction Methods         | • The Consortium identifies the most cost effective and efficient installation method for all of the ring segments. |</p>
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| Right of Way Compliance                              | • The Authority’s right to occupy public rights-of-way is governed by agreements between the right-of-way owners and the Authority.  
• Right of way requirements are incorporated into POA&M and monitored until completed.  
• Understanding of terms and conditions of agreements, are incorporated into 100% design. |
| Fiber Optics Standards and Best Practices             | • The Consortium has designed fiber optic projects throughout the world. Best practices learned from those projects will be incorporated in the RCR project.  
• Standards and Best Practices are documented and incorporated into the POA&M to ensure compliance and incorporation into design. |
C. Proposed Long-Term Operations & Maintenance Strategy

The program management framework through our Consortium partnership is managed by GTS and their established and proven approach. The first task will be to align our program management approach with SNA’s unique structure, policies, processes and program goals and objectives. These goals and objectives are critical to the SNA’s continued growth and prosperity as it embodies the vision for a sustainable future. Building on this knowledge and working in partnership with the SNA, we develop a strategy for project implementation that encompasses the required policies and procedures, lines of authority, and decision-making processes that promote program transparency and world-class performance.

C.1 Management Framework

Our Consortium partner that is leading the 100% design and build, MasTec, provides the staff fora local, qualified program management team. Working in partnership with the SNA, the Consortium team is prepared to move quickly to implement the following best practices and tools established by our Program Management Center for Excellence:

- **Program Initiation** - provides critical concepts, checklists, outlines, and other tools to facilitate rapid and successful program initiation.
- **Program Delivery Platform** - establishes standards, processes, guidance, and tools to initiate and deliver projects effectively and consistently.
- **Program Performance Portal** - uses commercial, off-the-shelf applications for establishing an information portal and tools for visualizing, managing, and accessing program data.
- **Program Maturity Model and Scorecard** - provides an assessment tool to evaluate our team’s leadership and progress in developing and effectively implementing the program. These tools and our framework for Program Delivery, which identifies the critical activities for program planning, engineering, construction, and startup/commissioning, will ensure the SNA’s program gets off to a quick start and that scheduled milestones are met with high quality deliverables.

C.2 Communication Methodology

Working closely with the SNA brings understanding of the existing communications and coordination program. Our experience shows that successful programs employ a multi-faceted communications plan that integrates program stakeholders in the following ways.

Regular program meetings. Regular coordination and status meetings held at mutually agreeable intervals for the program as a whole and for specific projects. Status reports, meeting minutes, and action item lists are maintained and distributed in accordance with the communications plan. Thorough documentation of key decisions and actions, including decision making with key stakeholders can also be posted on a web-based portal that can be accessed by the SNA and other authorized team members. To avoid the possibility of miscommunication, this interaction follows a “chain of command” scenario established with the SNA at the outset of the program.

Development and distribution of program- and project-level reports. Through our experience on past programs, we understand that the types and frequency of reports are driven by the SNA’s unique needs and the requirements for the Connectivity Ring program. In addition to weekly project meetings with the SNA staff,
successful programs include the following reports: weekly progress status reports, monthly status reports, quarterly progress reports, and special reports, as needed. The weekly reports help identify, address, and track project issues and include items such as schedule updates, an action item log, and a decision tracking log.

**A Single, Unifying Program Controls System**

Operating as an integrated team in the oversight and delivery of Connectivity Ring improvements increases the need for a single, unifying program controls system.

**During the first 90 days of the program, our program controls experts will work with the SNA to identify the controls needed to manage program scope, schedule, documents, budget, and funding.** Our program control experts are knowledgeable in all commercially available software and will apply a proven process for identifying the system best suited to HRPDC’s program. For most large programs, we recommend a fully integrated, web-based PCS using off-the-shelf software.

A web-based system will facilitate ease of use by multiple consultants and the SNA. This secure, easy-to-use “program portal” seamlessly integrates with any standard project management software and provides a single location from which program participants—including the SNA—can access and view real-time program and project information, reports, software applications, and other contract-related information from virtually any location.

The integrated PCS is effective, user-friendly, and scalable to support the following program needs:

- **Scope** – Development of the scope of work and detailed basis of design definitions and project-specific design and design specifications must proceed with precision. The program portal can be used to collaboratively develop and review the scope of work, work breakdown structure (WBS), basis of design, design standards, governance, workflows, and other processes and procedures.

- **Schedule** – The program portal can be used to develop and manage schedules, from conceptual design through closeout; prepare sound baselines that are cost- and resource-loaded, as well as the critical path method (CPM) of scheduling to build the detailed logic that connects activities. The rolled-up construction schedules will be measured against the current approved baseline schedule.

- **Documents** – Effective document control enhances productivity by providing the robust search functionality needed to find specific information in project files. The program portal uses a dynamic document control system that catalogs the hard and soft documents in an easy-to-retrieve repository, typically accessed through SharePoint.

- **Budget** – Program and project budgets will be controlled by first establishing a validated baseline budget and then implementing project budgeting and bid strategy. The SNA and our program leadership will meet regularly to review all aspects of the budget and schedule to identify risks and to manage program costs and contingencies in a collaborative forum.

- **Costs** – Cost and work breakdown coding structures will enable the program team to report at multiple levels within and outside the organization, as well as seamlessly align with the SNA’s financial and procurement systems to ensure accurate and timely reporting.

Tailored dashboards make the information generated by the PCS easy to obtain and view. Properly designed dashboards also track turnaround time for all permits, requests for information (RFIs) and submittal documents, cost and schedule impacts for approved and pending change orders, schedule performance,
programming, noncompliance notices, claims, and safety.

C.3 Community Engagement

Our Consortium consists of companies that have been operating in the areas for years, and intimately understand the necessities of the region. Working with the SNA and our team’s leadership, the Consortium develops an Outreach and Communications Program for the Connectivity Ring program that complements the SNA’s outreach efforts and goals for the program. Our outreach expert develops a plan for community engagement that emphasizes outreach to the SNA’s diverse stakeholders—including the underserved—promoting an understanding of program goals and communicating about program activities that could impact daily lives.

Community engagement is planned and implemented early in the program to inform and engage the public at large. To the average citizen, the SNA’s Connectivity Ring program will be perceived as a construction project that creates dust, noise, and traffic disruptions. They will not appreciate the installation of free of cost as it progresses, but they will be well aware of the traffic problems, the maintenance of traffic detours, and the business disruptions. Program construction also require extensive coordination with VDOT, as well as several Municipal agencies, requiring constant communications. We will work in tandem with our program’s leadership and the SNA’s Public Information office to provide whatever type of materials or services required for the Connectivity Ring program. They provide the full suite traditional communications techniques, as well as several new techniques for widescale public outreach. Traditional techniques include mailings, canvassing, newsletters, open houses, and coordination with local residents, businesses, and homeowner associations.

Today, the public and other stakeholders prefer digital interaction. We provide leading-edge experience in digital interaction including social media, text message alerts, email blasts, and web updates, incorporated into the Community Engagement and Stakeholder Outreach Program. Working with the SNA, the optimal combination of the following services will be provided:

- **Development of program branding and messaging** to ensure the accurate, transparent, and consistent communication of the SNA’s vision, purpose, and goals for the program.

- **Presentations, fact sheets, and displays to help engage and educate the public and foster support for the SNA’s program.** All program materials are branded so that stakeholders know they are viewing materials related to the Connectivity Ring program. The collateral materials have a QR code that, when scanned, take the user to a website or video.

- **Use of social media to ensure the receipt of messaging across a diverse demographic audience.** Work with the SNA to develop social media messaging and responses to ensure message consistency. We filter outreach content through specialized software that measures tone, readability, and messaging so that the community easily understands what is being conveyed.

- **Media relations, management, and coordination and attendance at public meetings.** Our staff can coordinate press conferences to communicate program progress, including working with the SNA’s communications staff to plan and implement appropriate media activities. Of particular importance is media support provided during emergencies or crises. We represent and support clients vis-à-vis the media at the local, national, and international levels daily, planning for and protecting client image and reputation.
• Helping businesses impacted by construction avoid a business downturn by communicating about upcoming construction 6 months before it begins, providing informational materials, and mitigating impacts related to traffic and detours as much as possible.

• Outreach to elected officials. As requested by the SNA, we will provide outreach to elected officials, informing them of upcoming or ongoing work in their districts or municipalities and so they know who to call if there are issues. MasTec maintains a current database of elected officials districtwide, including phone numbers and email addresses, which we will use to forward them information about upcoming and current construction.

**Implementation of Critical Path Projects**

While expediting the program has its advantages, an important part of any program is ensuring that limited resources are being applied to the highest priority projects. Thus, the identification of critical path activities—focusing on those that most directly affect operations and safety—is critical.

**C.4 Service Delivery Planning and Rate Considerations**

Program planning is an essential task as it lays the groundwork for a successful program. Upon notice of selection, we will begin pre-planning activities to ensure we are ready to begin immediately upon receiving the Notice-to-Proceed (NTP). During program planning, the team will perform a variety of services to get project delivery underway. These services program review and validation and development of the program baseline schedule and program execution plan.

**Project Validation**

Working with the SNA, we prioritize and sequence the Connectivity Ring activities based on the evaluation criteria considered most important. These criteria will be developed in concert with the SNA, to reflect the fundamental vision and goals for the program. The evaluation criteria will provide a baseline for comparing the relative contribution of each project toward meeting the RCR program objectives.

To ensure the evaluation process yields sound results, the criteria will have the following attributes:

• **Linked to values.** Criteria are linked to the SNA’s vision and values and articulate what is important for the program to accomplish.

• **Non-redundant.** Criteria do not address overlapping aspects of performance.

• **Independent.** Accomplishment of one criterion is not dictated by any other criterion.

• **Comprehensive.** Criteria cover all key goals for improvement.

• **Separate from cost.** Cost in this initial evaluation matrix can bias the analysis of a project’s true contribution to the SNA’s vision.

After the criteria are weighted, performance measures are developed for each criterion. For each criterion, several “levels” of performance are defined, and a numeric value is assigned to each level based on SNA input. Once the scales have been developed for each criterion, the scores for each candidate project are developed as input into a decision support model to calculate the contribution of each candidate project to the SNA’s weighted goals.
The final step in developing the prioritization model is the consideration of cost. The total benefit value can be divided by cost to produce a measure of the relative efficiency of the candidate projects (i.e., a benefit-cost ratio). The final candidate activity list is based on total value and relative efficiency (benefit-cost relationships). Once complete, the list is used to compile a final recommended list of prioritized activities. The end result is an unbiased evaluation and prioritization of capital activities that allocate limited available capital to the activities that will yield the greatest benefit.

Program Schedule
Development of the master program schedule is an early priority as it provides the framework for project delivery at both a programmatic and project-specific level. The work breakdown schedule (WBS) defines the codes and levels for subconsultants, third-party consultants, and contractors so that they can develop their own contract schedules. All these schedules are then summarized—or rolled-up—into the master program schedule, providing a detailed summary of project and program status information at any point in the program.

The program baseline schedule and individual project schedules are updated periodically—usually monthly—or as required by the SNA. The master program schedule is regularly compared with the updated project schedules to determine if the program and projects are progressing on schedule.

Regulatory Compliance and Permitting
To expedite the permitting process, early during each project, we share our work plan and delivery schedule with the regulators to achieve the required approvals and ensure major milestones are met. As per the Consortium, we will conduct regular meetings with regulatory staff to satisfy questions regarding project status and to better coordinate construction efforts, avoiding schedule delays. Because hundreds of permits will be required for the SNA program, tracking permit status and deadlines will be essential to keep the program on schedule. To expedite the permit tracking process, we can actually track program status on the program dashboard, using visual alerts as permit deadlines approach.

Program Execution Plan (PEP)
The alignment with the SNA’s goals and expectations ensures the services we provide meet your unique needs and that they address the challenges and opportunities inherent in implementing the RCR program. The outcome of the program initiation will be memorialized in detailed PEPs, which will provide the framework for how we support the SNA. The PEPs are developed to provide consistency in project execution, monitoring, communication, and controls, and they are updated as needed throughout the program.

The PEPs are tiered documents developed at a programmatic level and then tiered on a project-specific level. This hierarchy of documentation ensures consistency when implementing the SNA’s activities. Each PEP will include plans for managing risk, change, quality, safety, and data, as described below. The PEP also forms the foundation for training all staff assigned to the program.

Project Bundling to Promote Local Contractor Participation
Programs like the RCR act as a tremendous economic engine for the local community. Thus, we understand that creating program opportunities for local and Small and Disadvantaged Businesses is important to provide a meaningful economic return and improve the quality of life in the Hampton Roads District.
During the validation process, our planning team identifies opportunities to bundle activities that create efficiencies, meet the SNA’s cost and schedule objectives, and engage local contractors in the program. Throughout the program, we keep the local business community informed about program opportunities through a variety of methods, including advertisements in local publications and trade journals and business fairs.

The Consortium can provide the full range of procurement phase activities, including the development of contract documents, procurement documents, and procurement support. For example, we assist the SNA in issuing and managing RFQs/RFPs for selecting design-build contractors and multiple design firms and for soliciting lump sum bids from multiple contractors. We also assist the SNA with evaluating and negotiating design firm proposals, design-builder proposals, and contractor lump sum bids. Finally, our Consortium has the expertise to support the SNA and the SNA Procurement staff in writing and/or reviewing the SNA contracts.

**Operations and Management Requirements**

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<td>Consultant Experience</td>
<td>• The Consortium includes all of the necessary specialists to provide a complete end to end fiber connectivity ring for the Authority, including: ✓ Network Engineers ✓ Civil Engineers ✓ Electrical Engineers ✓ Cyber Security certified specialists ✓ Real Estate specialists ✓ Permitting specialists ✓ Land Use specialists ✓ Infrastructure specialists ✓ Geospatial analysts ✓ Economic analysts</td>
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<td>Multiple City Engagement</td>
<td>• The Consortium has designed many fiber and infrastructure projects (roadways, utilities) that span across multiple municipalities and Authorities Having Jurisdiction (AHJ’s). • Provide seamless coordination between all the necessary departments.</td>
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<td>PDC-RFP-2020-01 Requirement</td>
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| Kick-off Meeting            | • The Kick-Off meeting will be held at the GTS facility at 784 Lynnhaven Parkway, Virginia Beach, VA 23452 within 30 days of the effective date of the contract.  
• Present at the meeting will be the Authority, the Organization, and the Consortium.  
• Kick-Off meeting agenda to include:  
  ✓ Presentation of the Final Scope of Work  
  ✓ The POA&M with Integrated Master Schedule (IMS) for the program  
  ✓ The list of all Authority held material, information, and documents necessary for execution of the contract needed by the Consortium.  
  ✓ Identification of all stakeholder POCs and their backup/alternate.  
  ✓ The Consortium Program Manager provides a Kick-Off Meeting Agenda NLT five (5) business days prior to commencement.  
  ✓ NLT 48 hours prior to Kick-Off Meeting commencement, the PowerPoint slide deck or other presentation materials will be provided to the Authority and Organization for their review.  
  ✓ The Consortium Program Manager provides Meeting Minutes NLT three (3) business days following meeting adjournment.  
  ✓ Meeting Minutes will contain the Final PowerPoint presentation or other presentation materials. |
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<td>Presentations</td>
<td>• Within five (5) business days of notification we present to the City Planning Commissions and City Counsels of the five (5) Southside Cities and/or other public bodies such information as requested.</td>
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<td>• NLT 48 hours prior to Kick-Off Meeting commencement, the PowerPoint slide deck or other presentation materials will be provided to the Authority and Organization for their review.</td>
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<td>• The Consortium Program Manger provides Meeting Minutes NLT three (3) business days following meeting adjournment.</td>
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<td>• Meeting Minutes will contain the Final PowerPoint presentation or other presentation materials.</td>
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<td>• On behalf of Mr. Spitzer, GTS will provide their established presentation team.</td>
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<tr>
<td>Data Rights</td>
<td>• All data and documentation generated or created for the RCR project under our proposed turn-key solution will be shared with the Public Private Partnership members.</td>
</tr>
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<td>Cyber Security Issues</td>
<td>• Review all pertinent Federal, State, and Local Cyber Security requirements and establish Cyber Security Program (CSP) for RCR to include a Cyber Security Working Group (CSWG) which will be chartered to implement all Cyber requirements into RCR design.</td>
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<td>• CSWG to include a CCNP certified professional to manage network security elements and establish best practices.</td>
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<td>• All design elements must be reviewed by CSWG for their approval before implementation of design element.</td>
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<tr>
<td>PDC-RFP-2020-01 Requirement</td>
<td>Method</td>
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| Cyber Security Expertise                    | • As stated above, Cyber Security is integrated into our design process and not an afterthought.  
|                                             | • RCR Cyber Security built upon proven processes supporting DoD/DHS    |
| Federal/State Cyber Security Standards      | • The CSWG develops a Cyber Security Program Plan (CSPP) which identifies all specific government agency requirements germane to RCR and methodology to fulfil the requirement. |
Appendix A: Letter of Bondability

Please refer to the following pages for MasTec’s Letter of Bondability on behalf of Travelers Casualty and Surety Company of America.
May 6th, 2021

Hampton Roads Planning District Commission
723 Woodlake Drive
Chesapeake, VA 23320

Re: RFQ No. SNA-RFQ-2021-01
Prequalification for Construction and Maintenance of Southside Regional Fiber Connectivity Ring

Dear Sir/Madam:

It has been the privilege of Travelers Casualty and Surety Company of America ("Travelers")\(^1\) to provide surety bonds for MasTec, Inc. We maintain a strong surety relationship with MasTec, Inc. and its subsidiaries and have provided bid, performance and payment bonds for a wide variety of owners. They currently have single bond capacity in the $250,000,000 range with an aggregate program of approximately $1,500,000,000.

At their request, we will give favorable consideration to providing required bonds. Please note that the decision to issue bid, performance and payment bonds is a matter between MasTec, Inc. and Travelers, and will be subject to our standard underwriting at the time of each bond request, which will include but not be limited to the acceptability of the contract documents, bond forms and financing. We assume no liability to third parties or to you if for any reason we do not execute bonds.

If you have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,

Camille M. Cruz, Attorney in Fact
Travelers Casualty and Surety Company of America

---

\(^1\) Travelers Casualty and Surety Company of America is rated A++ (Superior) by A.M. Best Financial Size Category XV ($2 Billion or greater).

A.M. Best's rating of A++ applies to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit [www.travelers.com](http://www.travelers.com). Ratings listed herein are as of November 5, 2020, are used with permission, and are subject to changes by the rating services. For the latest rating, access [www.ambest.com](http://www.ambest.com).
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint Camille M. Cruz of Atlanta, Georgia, their true and lawful Attorney-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this 3rd day of February, 2017.

[Signature]

Robert L. Raney, Senior Vice President

State of Connecticut
City of Hartford ss.

By: ____________________________

Robert L. Raney, Senior Vice President

On this the 3rd day of February, 2017, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2021

[Signature]

Maria C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary, and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature of facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 6th day of May, 2021

[Signature]

Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.

Please refer to the above-named Attorney-in-Fact and the details of the bond to which the power is attached.
Appendix C: MasTec Financials

Please refer to the following pages for the most recent financials for Global Technical Systems.
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2020

OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __ to __

Commission File Number 001-08106

MasTec, Inc.
(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation or organization)

65-0829355
(I.R.S. Employer Identification No.)

800 S. Douglas Road, 12th Floor
Coral Gables, Florida
(Address of principal executive offices)

33134
(Zip Code)

(305) 599-1800
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, $0.10 Par Value
Trading symbol(s)
MTZ
Name of each exchange on which registered
New York Stock Exchange

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Accelerated filer ☐
Non-accelerated filer ☐
Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262 (b)) by the registered public accounting firm that prepared or issued its audit report. ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act.) Yes ☐ No ☑

The aggregate market value of the registrant’s outstanding common stock held by non-affiliates of the registrant computed by reference to the price at which the common stock was last sold as of the last business day of the registrant’s most recently completed second fiscal quarter was approximately $2.5 billion, based on the closing price per share for the registrant’s common stock on the New York Stock Exchange on June 30, 2020.

There were 74,208,646 shares of common stock outstanding as of February 22, 2021.

The registrant’s definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A for the 2021 annual meeting of shareholders is incorporated by reference in Part III of this Form 10-K to the extent stated herein.
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Cautionary Statement Regarding Forward-Looking Statements

The Company is making this statement pursuant to the safe harbor provisions for forward-looking statements described in the Private Securities Litigation Reform Act of 1995. We make statements in this Annual Report on Form 10-K (“this Form 10-K” or this “Annual Report”) and in the documents that we incorporate by reference into this Annual Report that are forward-looking. When used in this Annual Report or in any other presentation, statements which are not historical in nature, including the words “anticipate,” “estimate,” “could,” “should,” “may,” “might,” “plan,” “seek,” “expect,” “believe,” “intend,” “target,” “will,” “project,” “forecast,” “continue” and variations of these words and negatives thereof and similar expressions are intended to identify forward-looking statements. They also include statements regarding:

- our future growth and profitability;
- our competitive strengths; and
- our business strategy and the trends we anticipate in the industries and economies in which we operate.

These forward-looking statements are based on our current expectations. These statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Important factors that could cause actual results to differ materially from those in forward-looking statements include:

- market conditions, technological developments, regulatory or policy changes, including permitting processes and tax incentives that affect us or our customers’ industries;
- the effect of federal, local, state, foreign or tax legislation and other regulations affecting the industries we serve and related projects and expenditures;
- the effect on demand for our services of changes in the amount of capital expenditures by our customers due to, among other things, economic conditions, including potential adverse effects of public health issues, such as the coronavirus outbreak on economic activity generally, the availability and cost of financing, and customer consolidation in the industries we serve;
- activity in the industries we serve and the impact on our customers’ expenditure levels caused by fluctuations in commodity prices, including for oil, natural gas, electricity and other energy sources;
- our ability to manage projects effectively and in accordance with our estimates, as well as our ability to accurately estimate the costs associated with our fixed price and other contracts, including any material changes in estimates for completion of projects and estimates of the recoverability of change orders;
- the timing and extent of fluctuations in operational, geographic and weather factors affecting our customers, projects and the industries in which we operate;
- the highly competitive nature of our industry and the ability of our customers, including our largest customers, to terminate or reduce the amount of work, or in some cases, the prices paid for services, on short or no notice under our contracts, and/or customer disputes related to our performance of services and the resolution of unapproved change orders;
- risks related to completed or potential acquisitions, including our ability to identify suitable acquisition or strategic investment opportunities, to integrate acquired businesses within expected timeframes and to achieve the revenue, cost savings and earnings levels from such acquisitions at or above the levels projected, including the risk of potential asset impairment charges and write-downs of goodwill;
- our dependence on a limited number of customers and our ability to replace non-recurring projects with new projects;
- the effect of state and federal regulatory initiatives, including costs of compliance with existing and potential future safety and environmental requirements, including with respect to climate change;
- risks associated with potential environmental issues and other hazards from our operations;
- disputes with, or failures of, our subcontractors to deliver agreed-upon supplies or services in a timely fashion, and the risk of being required to pay our subcontractors even if our customers do not pay us;
- risks related to our strategic arrangements, including our equity investments;
- any exposure resulting from system or information technology interruptions or data security breaches;
- any material changes in estimates for legal costs or case settlements or adverse determinations on any claim, lawsuit or proceeding;
- the adequacy of our insurance, legal and other reserves;
- the outcome of our plans for future operations, growth and services, including business development efforts, backlog, acquisitions and dispositions;
- our ability to maintain a workforce based upon current and anticipated workloads;
- our ability to attract and retain qualified personnel, key management and skilled employees, including from acquired businesses, and our ability to enforce any noncompetition agreements;
- fluctuations in fuel, maintenance, materials, labor and other costs;
• risks associated with volatility of our stock price or any dilution or stock price volatility that shareholders may experience in connection with shares we may issue as consideration for earn-out obligations or as purchase consideration in connection with past or future acquisitions, or as a result of other stock issuances;
• restrictions imposed by our credit facility, senior notes and any future loans or securities;
• our ability to obtain performance and surety bonds;
• risks related to our operations that employ a unionized workforce, including labor availability, productivity and relations, as well as risks associated with multiemployer union pension plans, including underfunding and withdrawal liabilities;
• risks associated with operating in or expanding into additional international markets, including risks from fluctuations in foreign currencies, foreign labor and general business conditions and risks from failure to comply with laws applicable to our foreign activities and/or governmental policy uncertainty;
• a small number of our existing shareholders have the ability to influence major corporate decisions; and
• other factors referenced in this Annual Report, including, without limitation, under Item 1. “Business,” Item 1A. “Risk Factors,” Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other factors detailed from time to time in the reports and other filings we make with the Securities and Exchange Commission (the “SEC”).

We believe these forward-looking statements are reasonable; however, you should not place undue reliance on any forward-looking statements, which are based on current expectations. Furthermore, forward-looking statements speak only as of the date they are made. If any of these risks or uncertainties materialize, or if any of our underlying assumptions are incorrect, our actual results may differ significantly from the results that we express in, or imply by, any of our forward-looking statements. These and other risks are detailed in this Form 10-K, in the documents that we incorporate by reference into this Form 10-K and in other documents that we file with the SEC. We do not undertake any obligation to publicly update or revise these forward-looking statements after the date of this Form 10-K to reflect future events or circumstances, except as required by applicable law. We qualify any and all of our forward-looking statements by these cautionary factors.
PART I

ITEM 1. BUSINESS

We are a leading infrastructure construction company operating mainly throughout North America across a range of industries. Our primary activities include the engineering, building, installation, maintenance and upgrade of communications, energy, utility and other infrastructure, such as: wireless, wireline/fiber and customer fulfillment activities; power generation, including from clean energy and renewable sources; pipeline infrastructure; electrical utility transmission and distribution; heavy civil; and industrial infrastructure. Our customers are primarily in these industries. Including our predecessor companies, we have been in business for over 90 years. For the twelve month period ended December 31, 2020, we had an average of approximately 10,000 employees and 420 locations. We offer our services primarily under the MasTec service mark. We have been consistently ranked among the top specialty contractors by Engineering News-Record for the past several years.

We provide our services to a diversified base of customers. We often provide services under master service and other service agreements, which are generally multi-year agreements. The remainder of our work is generated pursuant to contracts for specific projects or jobs that require the construction or installation of an entire infrastructure system or specified units within an infrastructure system.

We seek to grow and diversify our business organically and through acquisitions and/or other strategic arrangements in order to deepen our market presence, broaden our geographic reach and expand our service offerings. For discussion of our recent acquisitions, see Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Business,” which is incorporated by reference.

We manage our operations under five operating segments, which represent our five reportable segments: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Electrical Transmission and (5) Other. This structure is generally focused on broad end-user markets for our labor-based construction services. During the second quarter of 2020, we renamed our Power Generation and Industrial segment as the Clean Energy and Infrastructure segment to better represent the nature of the segment’s operations, end markets and customer characteristics. There was no change to the composition of the segment or its historical results.

Our Communications segment performs engineering, construction, maintenance and customer fulfillment activities related to communications infrastructure, primarily for wireless and wireline/fiber communications and install-to-the-home customers, as well as infrastructure for utilities, among others. Our Clean Energy and Infrastructure segment primarily serves energy, utility and other end-markets through the installation and construction of power generation facilities, including from clean energy and renewable sources such as wind, solar and biomass, as well as various types of heavy civil and industrial infrastructure. We perform engineering, construction and maintenance services for pipelines and processing facilities for the energy and utilities industries through our Oil and Gas segment. Our Electrical Transmission segment primarily serves the energy and utility industries through the engineering, construction and maintenance of electrical transmission lines and substations. The Other segment includes certain equity investees, the services of which vary from those provided by our primary segments, as well as other small business units that perform construction and other services for a variety of international end-markets. See Note 13 - Segments and Related Information and Note 14 - Commitments and Contingencies in the notes to the audited consolidated financial statements, which are incorporated by reference, for segment related information and significant customer concentrations.

In this Form 10-K, “$” means U.S. dollars unless otherwise indicated.

Industry Trends

Our industry is composed of national, regional and local companies that provide services to customers in a range of industries. We believe the following industry trends affect demand for our services:

**Opportunities in our Communications Segment**

Significant advances in technology and rapid innovation in service offerings to data consumers continue to increase demand for faster and more reliable wireless and wireline/fiber communications network services. The amount of network data traffic is experiencing significant and accelerating levels of growth from increased usage of mobile devices, advancements in the “Internet of Things (IoT)” and a significant increase in the use of mobile and remote technologies in response to the COVID-19 pandemic, which has accelerated trends that were underway prior to the pandemic. Increased data usage is expected to significantly increase data traffic, resulting in the need for new and upgraded networks. Contributing to the increase in data usage are video and streaming technologies, ‘smart’ technologies, including ‘Smart City’ and ‘Smart Home’ applications, artificial intelligence and other advanced data services, including video surveillance, robotics, drones, digital health applications and autonomous vehicles, among others. Cisco Systems, Inc. (“Cisco”) predicts that broadband connection speeds in North America will more than double by 2023, from approximately 55 Mbps in 2018 to over 140 Mbps in 2023, according to its March 2020 Annual Internet Report, 2018-2023.

According to Deloitte & Touche LLP’s (“Deloitte”) 2021 Outlook for the US Telecommunications, Media and Entertainment Industry publication, in 2020, US telecommunications networks were key in driving changes in how people live, work and learn amidst the COVID-19 pandemic, and helped to mitigate the pandemic’s negative effects by keeping people and communities connected. The publication predicts that telecommunications providers will serve as the bedrock for the ability of businesses to recover and thrive in 2021 by continuing to enable new modes of communication. Telecommunications companies are projected to have an even larger role in shaping the future as next generation 5G wireless technology gains traction among both businesses and consumers. 5G, the next generation of wireless and fixed wireless network capacity, is expected to provide a platform for the IoT, which can be harnessed to drive innovation and improvements in healthcare, education, public safety, the development of Smart Cities, Smart Homes and Smart Farming, among many other applications. 5G is expected to provide businesses with significant real-time visibility, insight and control over assets, products and services, with the potential to transform how businesses operate and deliver new products and services.

In response to these growing opportunities, communications service providers (“CSPs”) are expanding, densifying and optimizing current wireless and wireline/fiber communications network capacity, while initiating a build-out of 5G infrastructure. Additionally, changes in CSPs, such as the T-Mobile acquisition of Sprint and the related creation of Dish Network as an additional nationwide CSP, are further accelerating the build-out.
of 5G infrastructure. An August 2019 Gartner, Inc. publication indicates that to achieve nationwide coverage levels, changes to the structure of the network architecture for 5G wireless communications will require a longer period of installation when compared to past generation changes in wireless infrastructure. In order to maintain performance standards as 5G is built-out, CSPs will need to undertake targeted strategic improvements to their 4G legacy networks by upgrading 4G core infrastructure alongside 5G deployment areas. Cisco, in its Annual Internet Report, predicts that 5G devices and connections will be over 10 percent of global mobile devices and connections by 2023. Large scale 5G deployments, which are expected over the next several years, will include additional and improved tower capacity, as well as deployment of numerous higher bandwidth small/micro cells, distributed antenna systems and fiber network expansion to densify network performance.

We believe that nationwide 5G tower deployments, along with the future impact of newly available C-band spectrum, deployment of small/micro cells and fiber network expansion by major carriers in support of 5G will lead to significant demand for 5G telecommunications infrastructure over multiple years. A December 2020 report by Grand View Research indicated that the global 5G infrastructure market is expected to expand at a compound annual growth rate of almost 80% from 2020 to 2027, and a September 2020 publication by Boston Consulting Group projects that U.S. telecommunications companies will invest over $250 billion to build 5G networks from 2020-2025. In August 2020, the Federal Communications Commission’s (the “FCC”) initiatives to speed deployment of 5G technology in the United States through the Facilitate America’s Superiority in 5G Technology, or “FAST” Plan, were upheld by the U.S. Court of Appeals. The FAST Plan is designed to make more spectrum available to the market and encourage implementation of and investment in 5G technology across the United States by streamlining regulatory processes and updating infrastructure policies. During 2019, the FCC completed its first set of high-band airwaves auctions to make spectrum available for 5G wireless, IoT and other advanced spectrum-based services and, in January 2021, the FCC completed a separate auction of significant mid-band 5G spectrum, making a portion of the C-band available in its largest mid-band spectrum auction to date, years ahead of schedule. According to the FCC’s release, this spectrum holds the potential to be prime spectrum for 5G services given its combination of geographic coverage and capacity.

Several initiatives designed to drive development of telecommunications and 5G infrastructure in rural areas are also underway. The Connect America Fund (“CAF”) program is designed to improve the quality and expand the availability of high-speed internet service in rural areas, and in January 2020, the FCC announced its Rural Digital Opportunity Fund (“RDOF”), which is a follow-up initiative to the CAF program. RDOF will make over $20 billion in funding available over the next 10 years to build and connect gigabit broadband speeds in unserved rural areas. Additionally, in October 2020, the FCC established the 5G Fund for Rural America, which will provide up to $9 billion in funding over the next decade to bring 5G wireless broadband connectivity to rural America.

The market for Smart City initiatives, in which cities use IoT technologies to collect and use insights gained from data to manage city assets, resources and services more efficiently, is a developing trend that is expected to accelerate due to the combination of increased data speeds and data capacity capabilities of wireless and wireline networks and developing IoT applications. To address the expected escalating demands for resources of so many residents living, working, driving and interacting with each other, cities are looking at ways to become ‘smarter’ and more efficient in responding to these needs, including through Smart City initiatives to address and improve traffic flow, public safety and energy efficiency. According to CTIA’s Smart Cities Playbook, smart lighting solutions have the potential to save more than $1 billion per year across the United States and smart traffic management systems have the potential to reduce congestion by 40% and save $100 million annually. According to a recent Axios article, cities are projected to invest over $8 billion in smart street lighting technologies over the next ten years. Forbes Magazine in 2019 estimated that two-thirds of cities globally are investing in Smart City technologies, including such technologies as Wi-Fi kiosks, smart lighting solutions, utility meters, smart traffic management systems, video sensors, weather sensors, drone sensors for public safety efforts and radio frequency identification sensors in the pavement. Global spending on Smart City initiatives is expected to total almost $125 billion in 2020, according to a February 2020 report by International Data Corporation.

Smart Home technologies represent a wide range of solutions for monitoring, controlling and automating functions in a home. These technologies are expected to benefit from the global rollout of 5G and improvements in Wi-Fi technologies, which are revolutionizing the delivery of IoT services. According to Mordor Intelligence’s Global Smart Home Market 2020-2025 report, the demand for smart home solutions is expected to increase significantly as consumers look to add smart home technologies such as connected cameras, video doorbells and security systems, energy management solutions and entertainment controls. Mordor Intelligence predicts that the Smart Home market will grow from approximately $80 billion in 2019 to approximately $224 billion in 2025. We believe that opportunities for installation and maintenance of both Smart City and Smart Home technologies will provide our install-to-the-home group opportunities for future growth, providing an offset to declining trends in subscription for satellite TV.

We believe that we are well-positioned, as one of the largest providers of communications infrastructure services, to substantially benefit from the expected multi-year significant and broad opportunities in the telecommunications market as previously described.

Opportunities in our Clean Energy and Infrastructure Segment

Climate change initiatives and the desire to reduce carbon emissions continue to gain momentum in 2020, continuing the change in the mix of fuel sources used in energy generation toward cleaner and more sustainable energy sources. According to Deloitte’s Industry Outlooks 2021: Power, Utilities & Renewables report, businesses, states, cities and utilities continued to announce decarbonization plans in 2020, with many utilities and their customers announcing and accelerating plans to fully decarbonize over the next three decades. Demand for clean energy sources continues to grow, with renewables reporting rising levels of usage and capacity as well as declining costs. Potential new governmental and policy initiatives, including from the United States rejoining the Paris Agreement, could drive even further growth in renewable energy infrastructure. According to a January 2021 publication by BloombergNEF, global investment in low-carbon energy transition projects totalled $501 billion in 2020, a 9% increase from 2019, with renewables totaling $304 billion of the total global 2020 investment, for which wind and solar were the primary drivers.

Growing corporate initiatives for smaller, standalone distributed generation facilities, together with regulatory and other policy initiatives at the federal, state and municipal levels, have spurred demand for clean energy production from sustainable power sources, including electrical power production from renewable sources such as wind, solar and biomass. Currently, almost 40 states, as well as the District of Columbia and four territories, have adopted renewable portfolio standards (“RPS”) or renewable energy goals. States have created these standards to diversify their energy resources, promote domestic energy production and encourage economic development. According to Deloitte’s 2021 Renewable Energy
Industry Outlook, rising state renewable portfolio standards, increasing levels of corporate and residential demand, and improving economic competitiveness of renewable sources continue to be key drivers for their growth, with potential future federal policy initiatives, mandates and stimulus providing additional growth drivers. Renewable energy policies have helped to drive the U.S. market for wind, solar and other renewable energy sources. According to BloombergNEF’s January 2021 publication, U.S. investment in renewable energy capacity approximated $49 billion in 2020. In addition, growing efforts to address electric grid resiliency are expected to drive growth in renewables, as utilities and their customers increasingly consider renewable microgrids combined with energy storage solutions to support critical facilities.

In 2020, renewable energy production experienced record-high levels of penetration. The Department of Energy’s (“DOE”) Annual Energy Outlook 2021 projects that renewable electric generating technologies, such as wind and solar, are expected to represent 60% of new capacity additions through 2050 due to a combination of declining capital costs, expected increases in state RPS targets and current and potential tax incentives. Renewable power generation is expected to contribute over 40% of U.S. power generation capacity by 2050, with solar and wind projected at 47% and 34%, respectively, of the total renewable power generation mix in 2050. Advancing technologies and improvements in cost and scalability of renewable energy projects are making these energy sources increasingly viable.

As a result of the trends and factors discussed above, we expect a continued drive in demand for construction of renewable infrastructure in the coming years. In addition, we believe that replacement and repowering of existing wind turbines and foundations with next generation, higher efficiency turbines, as well as maintenance of aging wind farms, will provide increased opportunities for wind infrastructure projects.

We believe that industrial plant construction opportunities exist in a wide variety of industries, including in the renewable energy industry, as power companies explore ways to reduce their carbon footprint. The low price and environmental advantage of cleaner burning natural gas is expected to continue to drive demand for gas-fired electrical generating plants and conversions of coal-fired power plants to natural gas. A wide variety of industries may seek to expand, convert or construct new plants to take advantage of this economical, cleaner, lower cost and lower carbon fuel source. Biofuel and biomass as alternative fuel sources also present opportunities for the renewable energy market. Industrial facilities and power plants in the biofuels/biomass, food processing, natural gas and related industries present opportunities as additional domestic energy reserves are produced, transported and processed.

We also provide heavy civil infrastructure construction services, including the construction and maintenance of buildings, roads, bridges, water/sewer systems and other civil infrastructure. We believe that initiatives to upgrade and replace aging infrastructure, along with potential governmental stimulus programs and other policy incentives, should lead to increased investment and future growth opportunities in this area.

We are one of the leading renewables contractors in North America, with expertise in wind, solar and biomass, as well as construction of industrial and other power plants and heavy civil infrastructure, and we expect to benefit from market trends in these industries.

**Opportunities in our Electrical Transmission Segment**

The U.S. electrical transmission and distribution infrastructure (the “grid”) is composed of a network of electric generating facilities, high voltage transmission lines, substations and distribution lines that bring power to homes and businesses. The grid will continue to require significant ongoing maintenance, upgrade and expansion to continue delivery of reliable and affordable power. This will include strengthening aging infrastructure, addressing future grid resiliency and modernization efforts (“Smart Grid”) and adapting to changing energy supply and distribution requirements. According to a December 2020 IBIS World report, U.S. industry revenue for construction and repair work on electric power transmission infrastructure is projected to approximate $40 billion in 2020. While overall industry activity in 2020 was negatively affected by restrictions associated with the COVID-19 pandemic, we expect future growth in electric transmission and distribution infrastructure from projects to digitize, modernize, harden and secure the grid against increasing levels of disruption from natural and man-made disasters, including extreme weather events, wildfires and potential cyber-attacks, as well as to address changing energy supply requirements and grid reliability.

Clean energy production trends are expected to lead to increased investment in electric infrastructure, with a changing fuel mix that is moving toward cleaner and more sustainable energy sources, such as natural gas and renewables. Deloitte’s 2021 Power and Utilities Industry Outlook reported intermittent record-high levels of renewable energy production in 2020. Additionally, the report indicated that many utilities and their customers announced plans in 2020 to fully decarbonize over the next three decades, with the effects of the COVID-19 pandemic helping to drive industry convergence toward energy transition. These trends, along with potential changes in governmental policy toward national net zero carbon emission targets, are expected to drive significant future investment in electric infrastructure. According to the DOE’s Annual Energy Outlook 2021, the percentage of U.S. electricity generated by renewable sources is expected to double to over 40% by 2050. Renewable electric generating technologies are expected to represent 60% of new capacity additions through 2050, with the balance coming almost entirely from natural gas. The expected growth in electrical power generation from renewable energy sources will require significant investment in transmission lines, as wind, solar and other renewable power generation resources are typically located in remote areas of the country, far from industrial users and major population centers. Growth in electrical power generation from renewable sources in the U.S. will also require grid updates to provide for storage of electricity from renewable energy sources and capabilities that can accommodate supply and demand for these new energy sources.

Future demand for electrical transmission and distribution infrastructure is also expected to result from ‘Smart Utility’ initiatives, which seek to address growing populations, environmental goals and the need to optimize resources, as well as electric vehicles, as consumers and automakers increasingly shift toward electric vehicle technologies.

According to the DOE’s Annual Energy Outlook 2021, approximately 760 net gigawatts of new electricity generating capacity are expected to be added in the U.S. through 2050, requiring significant investment in transmission and distribution by electric utility companies. We believe significant capital investment in the transmission and distribution system will continue to be required to meet the above-mentioned needs, and that we are well-positioned to benefit from these trends.
Opportunities in our Oil and Gas Segment

We are one of the largest pipeline contractors in North America, with a balanced portfolio of service offerings, including union and non-union services. Our pipeline offerings include the construction and maintenance of large diameter ("long-haul") pipeline, midstream pipeline, gathering lines and related compressor, pumping stations and treatment plants, as well as gas utility distribution services and pipeline integrity maintenance, including replacement and rehabilitation of aging infrastructure.

Disruptions in economic activity as a result of the COVID-19 pandemic have reduced overall demand for fossil energy products, affecting commodity production and price levels, and negatively affecting demand for oil, natural gas and product pipeline construction activity. While we expect energy consumption and related demand to re-accelerate as the effects of the COVID-19 pandemic recede, the expected cost, time and complexity for the construction of new long-haul large diameter pipeline projects have increased due to regulatory, judicial and environmental challenges, as well as the impact of recent or future governmental actions. Despite these trends, our oil and gas pipeline backlog remains strong as of December 31, 2020, and we anticipate having significant long-haul construction project work in 2021, and likely into 2022, from existing long-haul pipeline project awards. The effect that the above mentioned trends may have on future long-haul large diameter project awards, or the timing of future project work, however, is uncertain.

We believe that energy commodity production in the United States will continue at elevated levels for the next several years, and that this will require additional investment in midstream pipeline construction, gathering lines and related compressor, pumping stations and treatment plants, as the sources of production change within and across multiple geographic areas, such as the Permian, Bakken and Marcellus/Utica basins. We also expect that natural gas power generation will remain a fuel of choice for both primary power generation and baseload backup power generation to support intermittent clean energy sources, and this trend will drive the growth of natural gas as a source of base load lower-carbon power generation, both in the U.S. and abroad. According to the DOE’s Annual Energy Outlook 2021, U.S. natural gas was the leading fuel type for electric power generation in 2020, representing 40% of total electric power generation, more than double the rates of both coal and hydroelectric power. We believe that trends in natural gas power generation will require continued construction of pipeline infrastructure to provide fuel safely and efficiently to these facilities. In addition, according to the DOE’s Short-Term Energy Outlook December 2020 report, the United States continues to be a net exporter of natural gas, and industry reporting indicates that demand for liquefied natural gas ("LNG") exports has risen substantially in recent years, driven in part by the easing of certain export regulations. This trend is expected to drive construction of pipeline infrastructure for the transport of LNG to coastal export facilities in North America. Additionally, we believe that gas utility distribution spending for replacement and rehabilitation of aging infrastructure will accelerate over the next several years due to regulatory, sustainability and safety concerns. Similarly, we expect that aging oil and natural gas pipeline infrastructure will increasingly require replacement lines and pipeline integrity services as our customers look to enhance the safety, productivity and lives of existing pipeline infrastructure.

We believe that the above-mentioned trends will support continued levels of future project activity across multiple service offerings we provide and that we are well-positioned to benefit from these trends.

Competitive Strengths

Our competitive strengths include:

Diverse Customer Relationships. We serve a diversified customer and industry base. Our customers include some of the largest communications, utility and power companies in North America, among others. We have longstanding relationships and have developed strong alliances with many of our customers, and we strive to maintain these customer relationships and our status as a preferred vendor to our customers.

Reputation for Reliable Customer Service and Technical Expertise. We have established a reputation for quality customer service and technical expertise. Our reputation gives us an advantage when competing for new work, both from existing and potential customers. In addition, we have broad capabilities and expertise in a wide variety of service offerings, including wireless, wireline/fiber and customer fulfillment activities, clean energy power generation, electrical utility, pipeline, heavy civil and industrial infrastructure.

North American Footprint. Including our predecessor companies, we have been in business for over 90 years and are one of the largest companies in the infrastructure construction services industry in North America, with approximately 420 locations and an average of 18,000 employees for the twelve month period ended December 31, 2020, operating primarily in the United States and Canada. We offer comprehensive end-to-end infrastructure services to our customers and believe that our experience, technical expertise, geographic reach, financial resources and size are important to our customers.

Ability to Respond Quickly and Effectively. The skills required to serve our end-markets are similar, which allows us to utilize qualified personnel across multiple end-markets and projects. We are able to respond quickly and effectively to industry and technological changes, demand and major weather events by allocating our employees, fleet and other assets as and where they are needed, enabling us to provide cost-effective and timely services for our customers.

Experienced Management Team. Our management team plays a significant role in establishing and maintaining long-term relationships with our customers, supporting the growth of our business, integrating acquired businesses and managing the financial aspects of our operations. Our executive management team, business unit presidents and project management teams have broad industry experience and a deep understanding of our customers and their requirements. Key management personnel of acquired businesses generally continue to work for us under employment or services agreements.

Sustainability

As a leading infrastructure construction services provider, we are committed to conducting our operations in a safe, diverse, inclusive and socially responsible manner that benefits our stakeholders, including our employees, customers, subcontractors, suppliers, investors and the communities in which we operate. Sustainability principles and practices are embedded within our strategy, risk management and day-to-day operations. We strive to be recognized as a company that achieves customer expectations safely, profitably and in a manner that is environmentally responsible, socially aware and rewarding for all our stakeholders. We strive to achieve these goals through an organizational structure that provides
excellent service delivery; establishes a reputation of integrity within the communities in which we work; and provides our team members growth opportunities in an injury-free environment.

**Sustainability Governance.** We believe that sustainability is central to our mission and success. We have recently formalized sustainability as part of our Board of Directors’ oversight function. Our Nominating, Sustainability and Corporate Governance Committee oversees and periodically reviews our integration of corporate responsibility and sustainability, including environmental, social and governance principles, into our business strategy and decision-making processes. We also formalized our policies on Human and Labor Rights and Safety, Health and Environmental matters in 2020. Our Sustainability Framework, along with our updated Nominating, Sustainability and Corporate Governance Board Committee charter and the aforementioned policies can be found on our website at https://investors.mastec.com. No reference to our website or our website address in this report constitutes incorporation by reference of the information contained on the website and such information is not part of this report.

**Stakeholder Engagement.** Stakeholder engagement is a key element of our sustainability efforts and communications. We engage with our investors, employees, customers, subcontractors, suppliers and communities to understand the priority sustainability issues for our business. The feedback we receive from these engagement efforts informs our understanding of the issues most significant to our stakeholders. We seek to monitor these issues and effectively communicate with our stakeholders to strengthen these relationships.

**Investing in a Sustainable Future**

Through the services we provide, we help to modernize, connect and make our communities safer and more sustainable while helping to build our nation’s infrastructure, including the development and expansion of our nation’s renewable energy footprint. Investment in sustainable business opportunities is a key component of our business strategy for future growth, with selected examples highlighted below.

**Renewables infrastructure.** We are one of the largest renewables contractors in North America, having constructed a significant percentage of North America’s wind farms. Our clean energy and infrastructure group provides engineering, procurement and construction services and project management solutions to the power market, including for renewable energy power sources, such as wind, solar, biofuel, biomass, waste-to-energy (WtE) and biogas, cogeneration or combined heat and power projects and gas-fired power projects. We continue to invest in our renewable energy infrastructure business, which has grown significantly in the past few years to approximately 18% of our total revenue for the year ended December 31, 2020. We project that our renewables business will approximately double in size to 30% of our total revenue over the next several years. As interest in climate change solutions continues to increase, together with potential new governmental and policy initiatives, including from the United States rejoining the Paris Agreement, we anticipate continued strong growth opportunities in our renewables infrastructure business and we expect to continue to invest in this area to support and nurture this growth.

**Electrical transmission and distribution infrastructure.** We build the infrastructure that connects our nation’s power generation to consumers, including solutions to access new renewable and efficient natural gas generation sources. We also work with our customers to design and build innovative, smart energy solutions, including for the modernization of overstressed sections of the electric grid with insufficient capacity, and to upgrade aging electric infrastructure. Our projects improve the performance, safety, resiliency and efficiency of the nation’s electrical grid and advance the goal of modern, smart energy solutions for our nation’s future.

**Communications infrastructure.** We build wireless and wireline/fiber infrastructure that connects communities and improves communications infrastructure across our nation. Our projects incorporate cutting edge technological advances that improve speed, connectivity and bandwidth nationwide, including dense urban areas, and expand services into new areas, including rural communities. We are proud to be participating in the buildout and expansion of FirstNet™, the nation’s first wireless official public safety network for first responders. We are also participating in the buildout of the nation’s 5G telecommunications infrastructure, helping to revolutionize telecommunications technologies. The faster speeds and reduced latency associated with 5G will serve as the foundation for transformative technological innovations, including Smart City and urbanization projects and advances in connected technologies, such as connected cars, healthcare, industrial applications and entertainment.

**Pipeline infrastructure.** Our state-of-the-art pipelines provide a lower carbon emission and environmentally safer transportation alternative for oil and gas products versus traditional truck and rail transport. Additionally, our natural gas pipeline construction services help our customers access and distribute cleaner burning natural gas throughout the United States, assisting in the transition from high carbon emission electricity sources to natural gas as a cleaner burning and lower carbon emission fuel source. Our pipeline integrity and replacement services help promote environmental and public safety while enhancing the safety, productivity and life of our customers’ assets.

**Water pipelines.** Our water pipeline services increase the efficiency of water used in energy field operations in an environmentally focused manner. We build expansive water pipeline networks, which allow for the recycling of water, thereby reducing freshwater requirements as well as the amount of water disposed. Additionally, the use of water pipelines reduces truck traffic, resulting in lower carbon emissions.

**Environmental Stewardship**

We believe that we all play a role in environmental stewardship. We help our customers find solutions to their environmental goals and requirements and are likewise committed to responsibly managing the environmental impacts of our operations. Our customers rely on our expertise with governmental and regulatory agencies to meet increasingly stringent regulatory requirements. Environmental matters are an integral part of our business planning and decision-making processes. Our corporate policies and Code of Business Conduct and Ethics require that all applicable environmental regulations and compliance requirements are met in the course of our operations. Our planning processes incorporate procedures to ensure compliance with all such laws and regulations.

**Community and Social Matters**

At MasTec, we are proud to serve the communities in which we operate. Partnering with our communities and our customers is fundamental to our business operations. We plan and act for the future, for the long-term good of our company, our customers and our communities. We are active in our local communities and participate in charitable giving, community outreach and community building programs, including...
disaster relief efforts for communities affected by hurricanes, flooding and similar events. We also have an unwavering commitment to our team members in times of need. In addition to community outreach programs, we seek to develop strong relationships with our local communities, businesses, subcontractors and suppliers.

Leadership and Governance

Integrity, honesty, and fairness are at the heart of our Company. Our leadership team and Board of Directors are committed to fostering a strong organizational culture built upon accountability, business and personal ethics, integrity and compliance. We believe that an ethical culture builds credibility and trust. We hold ourselves accountable to the highest standards of professionalism, and respect the opinions, ideas and perspectives of our team members, customers, subcontractors, suppliers and those in the communities we serve.

Management Structure and Shareholder Alignment. We seek to align the interests of our Board of Directors and management with those of our shareholders and stakeholders. We believe that an independent, well-diversified Board makes us a better corporate citizen, and we have a Board with racial, ethnic, gender and skill diversity. We also believe that our separation of Chairman and CEO further enhances accountability and social responsibility. Our management team and our Board of Directors have significant ownership in MasTec’s common stock, which further aligns their interests with those of our other shareholders. Our single class structure is grounded on the “one-share, one-vote” principle, which we believe is aligned with strong corporate governance standards. We have detailed governance procedures, including an Audit Committee Charter, a Compensation Committee Charter and a Nominating, Sustainability and Corporate Governance Committee Charter, as well as a comprehensive Code of Business Conduct and Ethics and Board of Director Governance Principles, all of which can be viewed on the “Investors” page of our website at MasTec.com.

Risk Mitigation Practices. We believe that responsible corporate governance requires great attention to potential business and other risks. As part of our corporate risk mitigation strategy, we regularly assess potential risks and hazards within our business and operations, including potential risks associated with climate change. Risk assessments are performed on an ongoing basis at both the organizational and at the project level. We also apply a risk-based approach with respect to cyber security, and we regularly evaluate cyber risks to properly safeguard our systems and business operations.

Strategy

The key elements of our business strategy are as follows:

Focus on Growth Opportunities. We believe that our end-markets offer multiple growth opportunities, and we expect continued spending by key customers in many of the industries we serve. We expect development of wireless and wireline/fiber infrastructure; development of clean energy infrastructure; expansion, maintenance and upgrades of electrical transmission capacity and the electrical distribution grid; oil and natural gas pipeline infrastructure, including pipeline integrity work; and heavy civil and industrial infrastructure construction projects to be areas of investment and opportunity in the coming years. We intend to use our broad geographic presence, technical expertise, financial and operational resources, customer relationships and full range of services to capitalize on these trends and grow our business.

Operational Excellence. We seek to improve our profit margins and cash flows by focusing on services and projects that have high margin potential. We also strive to identify opportunities for leverage within our business, such as deploying resources across multiple customers and projects in order to enhance our operating effectiveness and utilization rates. We also seek to maintain strong working capital management practices. Our management team pursues actions and programs designed to achieve these goals, such as increasing accountability throughout our organization, effectively managing customer contract bidding procedures, evaluating opportunities to improve our working capital cycle time, hiring and retaining experienced operating and financial professionals, and developing, expanding and integrating the use of financial systems and information technology capabilities within our business.

Maintain Conservative Capital Structure. We evaluate our capital structure on an ongoing basis and have expanded our financial resources in recent years. We believe that we have sufficient capital resources to fund our planned operations. As of December 31, 2020, we had approximately $1.2 billion of borrowing availability under our revolving credit facility, with aggregate borrowing commitments of $1.75 billion under our senior secured credit facility and $600 million of 4.50% senior notes due 2028. We may consider opportunities to borrow additional funds, or to refinance, repurchase or retire outstanding debt or repurchase shares as part of our ongoing capital structure evaluation. See Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Summary of Financial Condition, Liquidity and Capital Resources,” for details pertaining to our debt instrument and share repurchase activities.

Leverage Core Performance and Expertise through Strategic Acquisitions and Other Arrangements. We may pursue selected acquisitions, investments and strategic arrangements that allow us to expand our operations, service offerings, customer base or geographic reach. We have diversified our business and expanded our service offerings and geographic footprint in recent years, both organically and through acquisition. In order to maximize their potential, our strategy is to integrate acquired businesses into our operations and internal control environment in a timely and efficient manner. We evaluate our business on a regular basis, and from time to time, we may divest certain businesses or assets, or curtail selected business activities or operations that do not produce adequate revenue or margin or that no longer fit within our long-term business strategy.

Services

Our core services are the engineering, building, installing, maintaining and upgrading of infrastructure, primarily for communications, power generation, pipeline and utility customers. We provide similar services to each of these customers, including:

Build. We build infrastructure projects for customers across a range of industries. We specialize in building underground and overhead distribution systems, including trenches, conduits, cell towers, cable and power lines, which provide wireless and wireline/fiber communications; clean energy infrastructure, including renewable energy; natural gas, crude oil and refined product transport pipelines; electrical power generation,
transmission and distribution systems; heavy industrial plants; compressor and pump stations and treatment plants; water and sewer infrastructure, including water pipelines; and other civil construction infrastructure.

**Install.** We install electrical and other energy distribution and transmission systems, power generation facilities, buried and aerial fiber optic and other cables, satellite dishes, home automation and energy management solutions in a variety of environments for our customers. In connection with our installation work, we deploy and manage network connections that involve our customers’ hardware, software and network equipment.

**Maintain and Upgrade.** We offer 24 hour/365 days-a-year maintenance and upgrade support to our customers. Our comprehensive service offerings include the regular maintenance of our customers’ distribution facilities, networks and infrastructure, including communications, power generation, pipeline, electrical distribution and transmission and heavy civil infrastructure. We also provide emergency services for accidents or storm damage. Our upgrade work ranges from routine replacements and upgrades to major overhauls.

**Customers**

We have longstanding relationships with many customers, and often provide services under master service and other service agreements, which are generally multi-year agreements. Our master service agreements are typically exclusive up to a specified dollar amount per work order for each defined geographic area, but do not obligate our customers to undertake any infrastructure projects or other work with us. Work performed under master service and other service agreements is usually generated through work orders, each of which is performed for a fixed fee. Services provided under these agreements range from engineering, project management and installation work to maintenance and upgrade services. Master service and other service agreements are frequently awarded on a competitive bidding basis, although customers are sometimes willing to negotiate contract extensions beyond their original terms without re-bidding. Our master service and other service agreements have various terms, depending upon the nature of the services provided, and typically provide for termination on short or no advance notice. For each of the years ended December 31, 2020 and 2019, revenue derived from projects performed under master service and other service agreements totaled 36% of consolidated revenue, and in 2018, totaled 35%.

The remainder of our work is generated pursuant to contracts for specific projects or jobs requiring the construction and installation of an entire infrastructure system or specified units within an entire infrastructure system. Customers are billed with varying frequency, the timing of which is generally dependent upon advance billing terms, milestone billings based on completion of certain phases of the work, or when services are provided. Under the typical payment terms of master and other service agreements and contracts for specific projects, the customer makes progress payments based on quantifiable measures of performance as defined in the agreements. Some of our contracts include retainage provisions, under which a portion of the contract amount (generally, from 5% to 10% of billings) can be retained by the customer until final contract settlement.

We believe that our industry experience, technical expertise and reputation for customer service, as well as the relationships developed between our customers and our senior management and project management teams are important to our being retained by our customers. See Note 13 - Segments and Related Information and Note 14 - Commitments and Contingencies in the notes to the audited consolidated financial statements, which are incorporated by reference, for customer concentration information.

**Backlog**

Estimated backlog represents the amount of revenue we expect to realize over the next 18 months from future work on uncompleted construction contracts, including new contracts under which work has not begun, as well as revenue from change orders and renewal options. Our estimated backlog also includes amounts under master service and other service agreements and includes our proportionate share of estimated revenue from proportionately consolidated non-controlled contractual joint ventures. Estimated backlog for work under master service and other service agreements is determined based on historical trends, anticipated seasonal impacts, experience from similar projects and estimates of customer demand based on communications with our customers. Based on current expectations of our customers’ requirements, we expect to realize approximately 80% of our estimated year end 2020 backlog in 2021. The following table presents 18-month estimated backlog by reportable segment, as of the dates indicated:

<table>
<thead>
<tr>
<th>Reportable Segment (in millions):</th>
<th>December 31, 2020</th>
<th>September 30, 2020</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>$ 3,806</td>
<td>$ 3,853</td>
<td>$ 4,228</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
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<td>891</td>
<td>1,289</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>2,486</td>
<td>2,413</td>
<td>1,929</td>
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<tr>
<td>Electrical Transmission</td>
<td>557</td>
<td>545</td>
<td>512</td>
</tr>
<tr>
<td>Other</td>
<td>---</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Estimated 18-month backlog</td>
<td>$ 7,874</td>
<td>$ 7,702</td>
<td>$ 7,959</td>
</tr>
</tbody>
</table>

As of December 31, 2020, 45% of our backlog is attributable to amounts under master service or other service agreements, pursuant to which our customers are not contractually committed to purchase a minimum amount of services. Most of these agreements can be canceled on short or no advance notice. Timing of revenue for construction and installation projects included in our backlog can be subject to change as a result of customer, regulatory or other delays or cancellations, including from the potential adverse effects of the COVID-19 pandemic on economic activity, and/or other project-related factors. These changes could cause estimated revenue to be realized in periods later than originally expected, or not at all. We occasionally experience postponements, cancellations and reductions in expected future work from master service agreements and/or construction projects due to changes in our customers’ spending plans, market volatility, changes in governmental permitting, regulatory delays and/or other factors. There can be no assurance as to our customers’ requirements or if actual results will be consistent with the estimates included in our forecasts. As a result, our backlog as of any particular date is an uncertain indicator of future revenue and earnings.
Backlog is a common measurement used in our industry. Our methodology for determining backlog may not, however, be comparable to the methodologies used by others. Backlog differs from the amount of our remaining performance obligations, which are described in Note 1 - Business, Basis of Presentation and Significant Accounting Policies in the notes to the audited consolidated financial statements, which is incorporated by reference. As of December 31, 2020, total 18-month backlog differed from the amount of our remaining performance obligations due primarily to the inclusion of $3.1 billion of estimated future revenue under master service and other service agreements within our backlog estimates, as described above, and the exclusion of approximately $0.2 billion of remaining performance obligations and estimated future revenue under master service and other service agreements in excess of 18 months, which amount is not included in the backlog estimates above. Backlog expected to be realized in 2021 differed from the amount of remaining performance obligations expected to be recognized for the same period due primarily to the inclusion of approximately $1.7 billion of estimated future revenue under master service and other service agreements that is included within the related backlog estimate.

Sales and Marketing

Our customers increasingly require resources from multiple disciplines. Therefore, our subsidiary services companies market their services not only individually, but also in combination with other companies, including other MasTec companies and independent companies, to provide what we believe are the most efficient and effective solutions to meet our customers’ demands. Through our unified MasTec® brand and an integrated organizational structure designed to permit rapid deployment of labor, equipment, and materials, we are able to quickly and efficiently allocate resources to meet customer needs. We offer services that are branded under the MasTec® service mark and other service marks.

We have developed a marketing plan emphasizing the MasTec® registered service mark and trade names of certain acquired companies, as well as an integrated service offering to position ourselves as a provider of a full range of service solutions, providing services including installation as well as sophisticated engineering, design and integration. We believe our longstanding relationships with customers and our reputation for reliability and efficiency facilitate our recurring business. Our marketing efforts are principally carried out by the management of our business units and project groups in coordination with our corporate business development organization. Our management team has many years of industry experience, both at the service provider level, and in some cases, with the customers we serve. Our business unit and project group managers market directly to existing and potential customers for new contracts and also seek our inclusion on lists of vendors invited to submit proposals for service agreements and individual projects. We also market our services in conjunction with certain business partners, strategic investments and arrangements. Our executive management supplements these efforts at the national and international level.

Safety and Risk Management

We have a proactive safety culture and we strive to instill and enforce safe work habits in our employees. Our employees are required to participate in training programs relevant to their employment, including all those required by law. We actively train our workforce in everyday safety practices and provide detailed guidelines that are required to be followed as work tasks are contemplated and completed. Training programs are tailored to an employee’s job function, responsibilities and level of experience and are designed in accordance with industry best practices and standards. We evaluate employees in part based upon their safety records and the safety records of the employees they supervise. Team members are responsible for preventing incidents, injuries and occupational illnesses, and our project leadership team is tasked with ensuring that projects are accomplished in a safe, productive, environmentally and quality-focused manner. Our business units have established robust safety programs to monitor and improve compliance with safety procedures and regulations, and through our risk management programs, we educate our staff, subcontractors and suppliers on safety matters. We also provide company-wide training where appropriate, including for information technology and cyber security, emergency preparedness and other potential workplace hazards, and workplace and employee awareness programs.

Our business involves the use of heavy equipment and exposure to potentially dangerous workplace conditions. While we are committed to operating safely and prudently, we are subject to claims by employees, customers and third parties for property damage and personal injuries that occur in connection with our work. Our insurance policies are subject to high deductibles and we are self-insured up to the amount of the deductible. We maintain insurance policies for workers’ compensation, general liability and automobile liability that are subject to per claim deductibles. We also maintain excess umbrella coverage and an insurance policy with respect to employee group medical claims, which is subject to annual per employee maximum losses. We are required to post collateral to certain of our insurance carriers, generally in the form of letters of credit, surety bonds and cash. See Note 14 - Commitments and Contingencies in the notes to the audited consolidated financial statements, which is incorporated by reference.

Suppliers, Materials and Working Capital

Under many of our contracts, our customers provide the necessary materials and supplies for projects and we are responsible for the installation of, but not the cost or warranty of those materials. Under certain other contracts, we purchase the necessary materials and supplies on behalf of our customers from third-party providers. We are not dependent on any one vendor and have not experienced significant difficulty in obtaining project-related materials or supplies as and when required for the projects we manage.

We utilize independent contractors to assist on projects and to help us manage our work flow. Our independent contractors typically provide their own vehicles, tools and insurance coverage. We are not dependent on any one independent contractor. We need working capital to support seasonal variations in our business, including the spending patterns of our customers and the effects of weather conditions on external construction and maintenance work, both of which can influence the timing of spending to support related customer demand. See Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition, Liquidity and Capital Resources - Working Capital,” which is incorporated by reference.

Competition

Our industry is highly competitive and highly fragmented. We compete with a number of companies in the markets in which we operate, ranging from small local independent companies to large national firms, including Quanta Services, Inc., MYR Group, Inc., Dycom Industries, Inc., Jacobs Engineering Group Inc., Primoris Services Corporation, Pike Electric, Inc., Bechtel Corporation, D.H. Blattner & Sons, Inc., M.A. Mortenson Company, Black & Veatch and Nexius.
Certain barriers to entry exist in the markets in which we operate, including adequate financial resources, technical expertise, high safety ratings and a proven track record of operational success. Some of our customers employ their own personnel to perform infrastructure services of the type we provide. We compete based upon our industry experience, technical expertise, financial and operational resources, geographic presence, industry reputation, safety record and reputation for customer service. While we believe our customers consider a number of factors when selecting a service provider, they award most of their work through a bid process, and price is often a principal factor in determining which service provider is selected.

**Regulation, Environmental and Climate Change Matters**

We are subject to state and federal laws that apply to businesses generally, including laws and regulations related to labor relations, wages, worker safety and environmental protection. While many of our customers operate in regulated industries (for example, utilities regulated by the public service commission or communications companies regulated by the Federal Communications Commission ("FCC")), we are not generally subject to such regulation and oversight.

In addition to environmental laws and regulations, as a contractor, our operations are subject to various laws, including:

- regulations related to worker safety and health, including those established by the Occupational Safety and Health Administration ("OSHA") and state equivalents;
- regulations related to vehicle registrations, including those of the states and the U.S. Department of Transportation ("DOT");
- contractor licensing requirements;
- permitting and inspection requirements; and
- building and electrical codes.

We are also subject to numerous environmental laws, regulations and programs, including the handling, transportation and disposal of non-hazardous and hazardous substances and wastes, laws governing emissions and discharges into the environment, including discharges into air, surface water, groundwater and soil, and programs related to the protection of endangered species and critical habitats. In particular, our oil and gas related activities require careful adherence to environmental regulations because such operations may have impacts on groundwater, surface waters and other environmentally sensitive areas. Similarly, our electrical transmission and distribution construction operations often require us to operate in remote areas involving environmentally sensitive habitats.

We have a substantial investment in construction equipment that utilizes fuel. Any changes in laws requiring us to use equipment that runs on alternative fuels could require a significant investment, which could have a material adverse effect on our results of operations, cash flows and liquidity.

We also are subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment. Under certain of these laws and regulations, liabilities can be imposed for cleanup of properties, regardless of whether we directly caused the contamination or violated any law at the time of discharge or disposal. The presence of contamination from such substances or wastes could interfere with ongoing operations or adversely affect our business.

In addition, we could be held liable for significant penalties and damages under certain environmental laws and regulations. Our contracts with customers may also impose liabilities on us regarding environmental issues that arise through the performance of our services. From time to time, we may incur unanticipated and substantial costs and obligations related to environmental compliance and/or remediation matters.

We believe we have all material licenses and permits needed to conduct operations and that we are in material compliance with all applicable regulatory and environmental requirements. We could, however, incur significant liabilities if we fail to comply with such requirements.

The potential effects of climate change on our operations is highly uncertain. Climate change may result in, among other things, changes in rainfall patterns, storm patterns and intensities and temperature levels. Our operating results are significantly influenced by weather. Therefore, major changes in weather patterns could have a significant effect on our future operating results. For example, if climate change results in significantly more adverse weather conditions in a given period, we could experience reduced productivity, which could negatively affect our revenue and profitability. Climate change could also affect our customers and the projects that they award. Demand for power projects, underground pipelines or other projects could be negatively affected by significant changes in weather or from legislation or regulations governing climate change.

**Financial Information About Geographic Areas**

We operate throughout North America, primarily in the United States and Canada. See Note 13 - Segments and Related Information in the notes to the audited consolidated financial statements, which is incorporated by reference.

**Human Capital Management**

At MasTec, our employees are an integral part of our growth and success. MasTec began as a family business, and every member of the MasTec team is considered part of the MasTec family. The safety, health and welfare of our employees is at the heart of our operations. We are committed to diversity and inclusion in the workplace and value the diverse and varied perspectives and experiences of our employees. We believe that our commitment to our employees, together with our team culture, fosters an environment of strong employee engagement. When our employees are safe, healthy and engaged, we are most productive. We believe that our employees and our customers benefit from the collective and well-coordinated efforts that result from effective employee engagement, teamwork and collaboration, which, in turn, allows us to deliver the highest level of excellence to our stakeholders.

For the twelve month period ended December 31, 2020, we had an average of approximately 18,000 employees, of which approximately 1,700 were represented by unions or were subject to collective bargaining agreements. Approximately 97% of our employees are located in the U.S.
**Safety.** Safety is a core value at MasTec. It is a mindset that permeates all aspects of our operations, and an attitude that our employees exhibit, strongly and openly. We recognize the need of our workforce to have a safe workplace and are committed to maintaining a strong and sustainable safety culture within our organization. We continually evaluate our safety programs to protect our most important asset – our team members. For example, the COVID-19 pandemic presented unprecedented challenges in many parts of our business and operations, including with respect to keeping our employees safe. Accordingly, we have adjusted our standard operating procedures within our business operations to ensure employee and customer safety and are continually monitoring evolving health guidelines and responding to changes as appropriate. We have also developed human resource guidance to assist our employees.

We have a proactive safety culture, and our safety leadership structure is designed to create accountability within each of our businesses and at the corporate level, including continuously monitoring, reporting and addressing our key safety performance indicators. Our “Zero Harm” culture is fundamental to our goal of world class safety performance, and we work to instill safety values in every team member, such that safe behavior becomes instinctive and automatic. We strive continuously to improve our safety performance. We provide regular safety training and skill-level improvement programs and, through our risk management programs and other safety initiatives, we educate our staff, subcontractors and suppliers on safety matters. We have memberships and participate in numerous safety and other organizations that promote industry safety. Our safety performance is periodically recognized by our customers as well as by safety organizations.

**Health and Wellness.** Encouraging good health and following a healthy lifestyle is a MasTec philosophy. We encourage all our employees to take an active role in living a healthy lifestyle and offer wellness tools and resources to help achieve and maintain good health. We offer a comprehensive and flexible benefits program, including medical, dental, vision and prescription insurance, as well as access to telehealth services, which we expanded in 2020 in light of the COVID-19 pandemic to assist employees with medical and mental health matters. In addition, to help our employees build a financially secure future, we offer a 401(k) plan with matching benefits, an employee stock purchase plan, life and disability insurance plans and a flexible spending account to help employees cover medical expenses. We also offer employees support for personal and work-life issues, including health, legal and financial matters.

**Professional and Career Development.** We believe that professional development is essential to the success of our business, as it drives employee engagement and ensures that our team members have the requisite skills and training to deliver the highest level of excellence to our customers. We invest significant resources in education, certification, training programs, and other professional development opportunities, including apprenticeship- and leadership-oriented training programs, tuition reimbursement for qualified training programs, sponsored attendance at industry conferences, departmental and divisional leadership conferences, employee training centers and advancement opportunities within and across businesses and divisions. These programs are designed to create high performing teams, improve productivity, positively affect employee motivation and retention and further enhance career development opportunities. We believe that our team culture, along with competitive salary and benefits packages and our focus on employee training and career development, including opportunities for promotion and mobility within our organization, helps us to attract and retain a diverse and experienced workforce.

**Diversity and Inclusion.** At MasTec, we are committed to diversity and inclusion in the workplace and to fostering an environment where our employees can freely bring diverse perspectives and varied experiences to work. We seek to attract the best talent and foster a culture of inclusion, teamwork, support and empowerment where all talented individuals have access to opportunities and can achieve success. Our commitment to diversity, equality and inclusion, together with our culture of belonging allows us to recruit and retain highly talented employees so that we are able to deliver exceptional results to our customers. In 2020, 49% of our overall U.S. workforce and 43% of our U.S. management team was represented by women and minorities.

Certain of our businesses have incorporated the use of annual diversity assessments and goal setting targets to expand diversity within our management and employee teams, and we expect to continue in these efforts. We also have an extensive military veteran workforce, and actively engage in outreach programs tailored to military veterans.

**Available Information**

A copy of this Form 10-K, as well as our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 are available free of charge on our website, www.mastec.com, as soon as reasonably practicable after we electronically file these reports with, or furnish these reports to, the SEC. Copies of our Board of Directors Governance Principles and Code of Business Conduct and Ethics, which applies to all of our directors, officers, including our principal executive, financial and accounting officers, and employees and includes additional criteria that are applicable to our Chief Executive Officer and senior financial officers, and the charters for each of our Audit, Compensation, and Nominating, Sustainability and Corporate Governance Committees are also available on our website in the Investors section under the tab “Corporate Governance,” or may be obtained by contacting our Vice President of Investor Relations by phone at (305) 406-1815, or by email at investor.relations@mastec.com. We intend to provide any amendments or waivers to our Code of Business Conduct and Ethics for any of our directors and senior officers on our website within four business days of any such amendment or waiver. The reference to our website address does not constitute incorporation by reference of the information contained on the website and such information is not part of this report. Our reports filed with the SEC may be accessed at the SEC’s website at www.sec.gov.

**Use of our Website to Distribute Material Company Information**

We use our website as a channel of distribution for important Company information. We routinely post on our website important information, including press releases, investor presentations and financial information, which may be accessed by clicking on the Investors section of www.mastec.com. We also use our website to expedite public access to time-critical information regarding our Company in advance of or in lieu of distributing a press release or a filing with the SEC disclosing the same information. Therefore, investors should look to the Investor Relations subpage of our website for important and time-critical information. Visitors to our website can also register to receive automatic e-mail and other notifications alerting them when new information is made available on the Investor Relations subpage of our website.
ITEM 1A. RISK FACTORS

Our business is subject to a variety of risks and uncertainties, including, but not limited to, the risks and uncertainties described below. Additional risks and uncertainties not described to us or not described below could also negatively affect our operations. If any of the risks described below or other risks that are unknown to us were to occur, our business, financial condition, results of operations and cash flows could suffer, and/or the trading price of our common stock could decline. We also may not be able to achieve our goals or expectations. You should carefully consider the risks described below, together with all of the other information in this Form 10-K, including our Cautionary Statement Regarding Forward-Looking Statements described above.

Risks Related to the Industries We Serve

Changes to laws, governmental regulations and policies, including governmental permitting processes and tax incentives, could affect demand for our services. Additionally, demand for construction services depends on industry activity and expenditure levels, which can be affected by a variety of factors. Our inability or failure to adjust to such changes or activity could result in decreased demand for our services and adversely affect our results of operations, cash flows and liquidity.

The industries we serve are subject to effects of governmental regulation, climate change initiatives and political or social activism, any of which could result in reduced demand for our services, delays in timing of construction of projects, or cancellations of current or planned future projects. Many of our customers face stringent regulatory and environmental requirements and permitting processes, including governmental regulations and policies. Most of our communications customers are regulated by the FCC, and our energy customers are regulated by the Federal Energy Regulatory Commission (“FERC”), among others. In addition, our utility customers are regulated by state public utility commissions. These agencies or governments could change their interpretation of current regulations and/or may impose additional regulations, which could have an adverse effect on our customers, reduce demand for our services and adversely affect our results of operations, cash flows and liquidity. Our customers in the oil and gas industry could be adversely affected by regulatory initiatives or additional requirements, restrictions or legislation imposed by federal, state, local, or foreign governments. We build renewable energy infrastructure, including wind, solar and other renewable energy facilities, for which the development may be partially dependent upon federal tax credits, existing renewable portfolio standards and other tax or state incentives. Elimination of, or changes to, existing renewable portfolio standards, tax incentives or similar environmental policies could negatively affect demand for our services.

All of the above factors could result in fewer projects than anticipated or a delay in the timing of construction of these projects and the related infrastructure, which could negatively affect demand for our services, and have a material adverse effect on our results of operations, cash flows and liquidity. Many of the industries we serve are highly competitive and subject to rapid technological and regulatory changes, as well as customer consolidation, any of which could result in decreased demand for our services and adversely affect our results of operations, cash flows and liquidity.

Our industry is highly fragmented, and we compete with other companies in most of the markets in which we operate, ranging from small independent firms servicing local markets to larger firms servicing regional and national markets. We also face competition from existing and prospective customers that employ in-house personnel to perform some of the services we provide. There are relatively few barriers to entry into certain of the markets in which we operate and, as a result, any organization that has adequate financial resources and access to technical expertise and skilled personnel may become a competitor. Most of our customers’ work is awarded through bid processes, and our project bids may not be successful. Our results of operations, cash flows and liquidity could be materially and adversely affected if we are unsuccessful in bidding for projects or renewing our master service agreements, or if our ability to win such projects or agreements requires that we accept lower margins.

We derive a substantial portion of our revenue from customers in industries that are subject to rapid changes in technology, governmental regulation, changing consumer demands and consolidation. Technological advances in the markets we serve could render existing projects or technologies uncompetitive or obsolete, and/or our ability to win such projects or agreements requires that we accept lower margins. Our failure to rapidly adopt and master new technologies as they are developed or adapt to changing customer requirements could reduce demand for our services. Additionally, consolidation among our customers could result in the loss of customer revenue or could negatively affect demand for the services we provide and have a material adverse effect on our results of operations, cash flows and liquidity.

Unfavorable market conditions, market uncertainty, health outbreaks such as the COVID-19 pandemic, and/or economic downturns could reduce capital expenditures in the industries we serve or could adversely affect our customers, which could result in decreased demand or impair our customers’ ability to pay for our services.

Demand for our services has been, and will likely continue to be, cyclical in nature and vulnerable to general downturns in the U.S. economy and the economies of the countries in which we operate. Unfavorable market conditions, market uncertainty, health outbreaks such as the COVID-19 pandemic, and/or economic downturns could have a negative effect on demand for our customers’ services or the profitability of their services. We continually monitor our customers’ industries and their relative health compared to the economy as a whole. Our customers may not have the ability to fund capital expenditures for infrastructure or may have difficulty obtaining financing for planned projects during economic downturns. Uncertain or adverse economic conditions or the lack of availability of debt or equity financing for our customers could reduce their capital spending and/or result in project cancellations or deferrals. Any of these conditions could materially and adversely affect our results of operations, cash flows and liquidity, and could add uncertainty to our backlog determinations.

The oil and gas markets have historically been volatile and are likely to continue to be volatile. Oil and gas prices are subject to large fluctuations in response to changes in supply and demand, including from disruptions in global economic activity as a result of the COVID-19 pandemic, demand for alternative energy sources and legislative and regulatory changes, including from climate change initiatives, as well as market uncertainty and a variety of other factors that are beyond our control. Demand for pipeline construction services is sensitive to the level of activity in the oil and gas industry as well as industrial and utility customer demand and regulatory constraints. Other economic factors can also negatively affect demand for our services, including economic downturns affecting our communications and customer fulfillment customers, if services are
ordered at a reduced rate, or not at all. A decrease in demand for the services we provide from any of the above factors, among others, could materially and adversely affect our results of operations, cash flows and liquidity.

An impairment of the financial condition of one or more of our customers due to economic downturns, or due to the potential adverse effects of the COVID-19 pandemic on economic activity, could hinder their ability to pay us on a timely basis. In the past, we have incurred significant losses from customers who filed for bankruptcy or experienced financial difficulties following a general economic downturn, in which certain industry factors worsened the effect of the overall economic downturn on those customers. In difficult economic times, some of our clients may find it difficult to pay for our services on a timely basis, increasing the risk that our accounts receivable could become uncollectible and ultimately be written off. In certain cases, our clients are project-specific entities that do not have significant assets other than their interests in the project. From time to time, it may be difficult for us to collect payments owed to us by these clients. Delays in client payments may require us to make a working capital investment, which could negatively affect our cash flows and liquidity. Our results of operations, cash flows and liquidity could be materially and adversely affected if a client fails to pay us on a timely basis or defaults in making payments on a project for which we have devoted significant resources.

Risks Related to Our Business and Operations

Our failure to properly manage projects, or project delays, including those resulting from difficult work sites and environments, could result in additional costs or claims, which could have a material adverse effect on our operating results, cash flows and liquidity.

Certain of our engagements involve large-scale, complex projects that may occur over extended time periods. The quality of our performance on such a project depends in large part upon our ability to manage our client relationship and the project itself, such as the timely deployment of appropriate resources, including third-party contractors and our own personnel. Our results of operations, cash flows and liquidity could be adversely affected if we miscalculate the resources or time needed to complete a project with capped or fixed fees, or the resources or time needed to meet contractual milestones.

We perform work under a variety of conditions, including, but not limited to, challenging and hard to reach terrain and difficult site conditions. Performing work under such conditions can result in project delays or cancellations, potentially causing us to incur unanticipated costs, reductions in revenue or the payment of liquidated damages. In addition, some of our contracts require that we assume the risk should actual site conditions vary from those expected. Some of our projects involve challenging engineering, procurement and construction phases, which may occur over extended time periods. We may encounter difficulties in engineering, delays in designs or materials provided by the customer or a third-party, equipment and material delivery delays, permitting delays, schedule changes, delays from customer failure to timely obtain rights-of-way, weather-related delays, delays by subcontractors in completing their portion of projects and governmental, market and political or other factors, some of which are beyond our control and could affect our ability to complete a project as originally scheduled. In some cases, delays and additional costs may be substantial, and/or we may be required to cancel or defer a project and/or compensate the customer for the delay. We may not be able to recover any of such costs. Any such delays, cancellations, errors or other failures to meet customer expectations could result in damage claims substantially in excess of the revenue associated with a project. Delays or cancellations could also negatively affect our reputation or relationships with our customers, which could adversely affect our ability to secure new contracts.

We could also encounter project delays due to local opposition, including political and social activism, which could include injunctive actions or public protests related to the siting of our projects, and such delays could adversely affect our project margins. In addition, some of our agreements require that we share in cost overages or pay liquidated damages if we do not meet project deadlines; therefore, any failure to properly estimate or manage cost, or delays in the completion of projects, could subject us to penalties, which could adversely affect our results of operations, cash flows and liquidity. Further, any defects or errors, or failures to meet our customers’ expectations, could result in large damage claims against us. Due to the substantial cost of, and potentially long lead-times necessary to acquire certain of the materials and equipment used in our complex projects, damage claims could substantially exceed the amount we can charge for our associated services.

Our failure to recover adequately on claims against project owners, subcontractors or suppliers for payment or performance could have a material adverse effect on our financial results.

We occasionally bring claims against project owners for additional costs that exceed the contract price or for amounts not included in the original contract price. Similarly, we present change orders and claims to our subcontractors and suppliers. We could incur reduced profits, cost overruns or project losses if we fail to properly document the nature of change orders or claims or are otherwise unsuccessful in negotiating an expected settlement. These types of claims can often occur due to matters such as owner-caused delays or changes from the initial project scope, which result in additional costs, both direct and indirect, or from project or contract terminations. From time to time, these claims can be the subject of lengthy and costly proceedings, and it is often difficult to accurately predict when these claims will be fully resolved. When these types of events occur and unresolved claims are pending, we may invest significant working capital in projects to cover cost overruns pending the resolution of the relevant claims. A failure to promptly recover on these types of claims could have a material adverse effect on our liquidity and financial results.

Additionally, we generally warrant the work we perform following substantial completion of a project. Warranty claims have historically not been material, but such claims could potentially increase. The costs associated with such warranties, including any warranty-related legal proceedings, could have a material adverse effect on our results of operations, cash flows and liquidity.

We may not accurately estimate the costs associated with services provided under fixed price contracts, which could impair our financial performance. Additionally, we recognize revenue for certain projects using the cost-to-cost method of accounting; therefore, variations of actual results from our assumptions could reduce our profitability.

We derive a significant portion of our revenue from fixed price master service and other service agreements. Under these contracts, we typically set the price of our services on a per unit or aggregate basis and assume the risk that costs associated with our performance may be greater than what we estimated. We also enter into contracts for specific projects or jobs that require the installation or construction of an entire infrastructure system or specified units within an infrastructure system, many of which are priced on a fixed price or per unit basis. Our profitability will be reduced if actual costs to complete a project exceed our original estimates. Our profitability is therefore dependent upon our ability to

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accurately estimate the costs associated with our services and our ability to execute in accordance with our plans. A variety of factors could negatively affect these estimates, including changes in expected productivity levels, conditions at work sites differing materially from those anticipated at the time we bid on the contract and higher than expected costs of labor and/or materials. These variations, along with other risks inherent in performing fixed price contracts, could cause actual project results to differ materially from our original estimates, which could result in lower margins than anticipated, or losses, which could reduce our profitability, cash flows and liquidity.

In addition, we recognize revenue from fixed price contracts, as well as for certain projects pursuant to master and other service agreements, over time utilizing the cost-to-cost measure of progress, or the "cost-to-cost" method of accounting, under which the percentage of revenue to be recognized in a given period is measured by the percentage of costs incurred to date on the contract to the total estimated costs for the contract. The cost-to-cost method, therefore, relies on estimates of total expected contract costs. Contract revenue and total contract cost estimates are reviewed and revised on an ongoing basis as the work progresses. Adjustments arising from changes in the estimates of contract revenue or costs are reflected in the fiscal period in which such estimates are revised. Estimates are based on management's reasonable assumptions, judgment and experience, but are subject to the risks inherent in estimates, including unanticipated delays or technical complications, changes in job performance, job conditions and management's assessment of expected variable consideration. Variances in actual results from related estimates on a large project, or on several smaller projects, could be material. The full amount of an estimated loss on a contract is recognized in the period such losses are determined. Any such adjustments could result in reduced profitability and negatively affect our results of operations.

We derive a significant portion of our revenue from a few customers, and the loss of one or more of these customers, or a reduction in their demand for our services, could impair our financial performance. In addition, many of our contracts, including our service agreements, do not obligate our customers to undertake any infrastructure projects or other work with us, and most of our contracts may be canceled on short or no advance notice.

Our business is concentrated among relatively few customers, and a substantial portion of our services are provided on a non-recurring, project-by-project basis. Our revenue could significantly decline if we were to lose one or more of our significant customers, or if one or more of our customers reduce the amount of business they provide to us. In addition, our results of operations, cash flows and liquidity could be negatively affected if we complete the required work on non-recurring projects and cannot replace them with similar projects. See Note 1 - Business, Basis of Presentation and Significant Accounting Policies, Note 13 - Segments and Related Information and Note 14 - Commitments and Contingencies in the notes to the audited consolidated financial statements, which are incorporated by reference, for revenue concentration information.

We derive a significant portion of our revenue from multi-year master service and other service agreements. Under these agreements, our customers have no obligation to undertake any infrastructure projects or other work with us. In addition, most of our contracts are cancelable on short or no advance notice, ranging from immediate cancellation to cancellation upon 180 days notice, even if we are not in default under the contract. This makes it difficult to estimate our customers' demand for our services. A significant decline in the volume of work our customers request us to perform under these service agreements could negatively affect our results of operations, cash flows and liquidity.

Many of our contracts, including our service agreements, are periodically open to public bid. We may not be the successful bidder on existing contracts that are re-bid. We could experience a reduction in revenue, profitability and liquidity if we fail to win a significant number of existing contracts upon re-bid, or, for services that are provided on a non-recurring basis, if we complete the required work under a significant number of projects and cannot replace them with similar projects. Additionally, from time to time, we enter into contracts that contain financing or other conditions that must be satisfied before we can begin work. Certain of these contracts may not result in revenue or profits if our customers are unable to obtain financing or to satisfy other conditions associated with such projects.

Amounts included in our backlog may not result in actual revenue or translate into profits. Our backlog is subject to cancellation and unexpected adjustments and is, therefore, an uncertain indicator of future operating results.

Our backlog consists of the estimated amount of revenue we expect to realize from future work on uncompleted contracts, including new contracts under which work has not begun, as well as revenue from change orders and renewal options and our proportionate share of estimated revenue from proportionately consolidated non-controlled contractual joint ventures. A significant portion of our 18-month backlog is attributable to master service agreements and other service agreements, none of which require our customers to purchase a minimum amount of services and are cancelable on short or no advance notice. The balance of our backlog is our estimate of work to be completed under contracts for specific projects. Backlog amounts are determined based on estimates that incorporate historical trends, anticipated seasonal impacts, experience from similar projects and estimates of customer demand based on communications with our customers. These estimates may prove inaccurate, which could cause estimated revenue to be realized in periods later than originally expected, or not at all. In the past, we have experienced postponements, cancellations and reductions in expected future work due to changes in our customers' spending plans, market volatility, regulatory delays and/or other factors. There can be no assurance as to our customers' requirements or that actual results will be consistent with the estimates included in our forecasts. As a result, our backlog as of any particular date is an uncertain indicator of future revenue and earnings. In addition, contracts included in our backlog may not be profitable. If our backlog fails to materialize, our results of operations, cash flows and liquidity would be materially and adversely affected.

Our business and operations, and the operations of our customers, may be adversely affected by epidemics or pandemics such as the COVID-19 pandemic.

We may face risks related to health epidemics and pandemics or other outbreaks of communicable diseases. The global spread of COVID-19 has created significant volatility, uncertainty and economic disruption, including significant volatility in the U.S. economy and financial markets. The extent to which the COVID-19 pandemic could affect our business, operations, financial results and the trading price of our common stock will depend on numerous evolving factors that we may not be able to accurately predict, including the duration and scope of the pandemic and new information that may emerge concerning the severity and effect of COVID-19, the continued emergence of new strains of COVID-19, the development and availability of effective treatments and vaccines and the speed with which they are administered to the public. Additional factors include governmental and business actions that have been and continue to be taken in response to the pandemic, including mitigation efforts such as "stay-at-home," "shelter-in-place," social distancing, travel restrictions and other similar orders, as well as the impact of the pandemic on the U.S. economy, global economic and market activity and actions taken in response, including from governmental stimulus efforts.
A public health epidemic or pandemic, such as the COVID-19 pandemic, poses the risk that we or our employees, customers and/or business partners may be prevented from conducting ordinary course business activities for an indefinite period of time, including due to shutdowns or cancellations that may be mandated or requested by governmental authorities or others, or that the pandemic may otherwise interrupt or affect business activities. While our business model has, thus far, proven resilient, the COVID-19 pandemic has had a negative effect on our operations, and we expect this to continue into at least early 2021. It is currently unclear how long an economic recovery could take, and we cannot predict the extent or duration of potential negative effects on our operations. We have adjusted standard operating procedures within our business operations to ensure continued employee and customer safety and are continually monitoring evolving health guidelines as well as market conditions and responding to changes as appropriate. We cannot be certain, however, that these efforts will prevent further disruption due to effects of the pandemic on business and market conditions. Additionally, we could be exposed to increased risks and costs associated with workplace health claims. To comply with health guidelines implemented to control the spread of COVID-19, we have incorporated work-at-home programs as appropriate for our administrative offices and, despite our implementation of information technology security measures, there is no guarantee that the data security and privacy safeguards we have put in place will be completely effective or that we will not encounter some of the common risks associated with employees accessing Company data and systems remotely.

Disruptions in global economic activity as a result of the COVID-19 pandemic have had, and may continue to have, adverse effects across our end markets, particularly in the oil and gas sector, which has experienced significant volatility in oil prices and demand. Unfavorable market conditions and market uncertainty due to the COVID-19 pandemic could have a negative effect on demand for our customers’ services and/or the profitability of services. Our customers may not have the ability to fund capital expenditures for infrastructure, or may have difficulty obtaining financing for planned projects, which could reduce their capital spending and/or result in reduced demand for our services and/or delays or cancellations of current or planned future projects. Delay in the receipt of regulatory approvals due to pandemic-related disruptions could also affect project timing and activity levels. We could also incur incremental costs to operate in the current environment or experience lower levels of overhead absorption from a reduction in revenue, both of which could negatively affect our margins and profitability. Additionally, the economic and market disruptions resulting from COVID-19 could also lead to greater than normal uncertainty with respect to the realization of estimated amounts, including our estimates for backlog, revenue recognition, recoverability of goodwill, intangible assets and other investments and our provisions for credit losses. Our customers could seek to delay payments to us as a result of the pandemic’s financial effects on them, which could negatively affect our cash flows and liquidity. The COVID-19 pandemic or any other future pandemics could also precipitate or aggravate other risk factors presented in this Annual Report on Form 10-K, which in turn could materially adversely affect our business, financial condition and results of operations.

The ultimate extent, duration and impact of the COVID-19 pandemic is uncertain, the effects of which could be significant, and we cannot predict or quantify with any certainty the extent to which it could adversely affect our future financial condition, results of operations, liquidity, cash flows or the market price of our common stock. We maintain a workforce based upon current and anticipated workloads. We could incur significant costs and reduced profitability from underutilization of our workforce if there is a significant reduction in the level of services we provide or if contract awards are delayed or not received.

Our estimates of future performance and results of operations depend, among other factors, on whether and when we receive new contract awards, which affect the extent to which we are able to utilize our workforce. The rate at which we utilize our workforce is affected by a variety of factors, including our ability to forecast the need for our services, which allows us to maintain an appropriately sized workforce, our ability to transition employees from completed projects to new projects, our ability to manage attrition and our need to devote resources to non-chargeable activities such as training or business development. While our estimates are based upon our good faith judgment, professional knowledge and experience, these estimates may not be accurate and can frequently change based on newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether and when we will receive a contract award. The uncertainty of contract award timing can present difficulties in matching our workforce size to our project needs. If an expected contract award is delayed or not received, we could incur costs resulting from underutilization of our workforce, redundancy of facilities, or from efforts to right-size our workforce and/or operations, which could reduce our profitability and cash flows.

Our financial results are based, in part, upon estimates and assumptions that may differ from actual results. In addition, changes in accounting principles may cause unexpected fluctuations in our reported financial information.

In preparing our consolidated financial statements in conformity with U.S. GAAP, management makes a number of estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. These estimates and assumptions must be made because certain information used in the preparation of our consolidated financial statements is either dependent on future events or cannot be calculated with a high degree of precision from data available. In some cases, these estimates are particularly uncertain and we must exercise significant judgment. See Note 1 - Business, Basis of Presentation and Significant Accounting Policies in the notes to the audited consolidated financial statements, which is incorporated by reference, for details of key estimates. Actual results could differ materially from the estimates and assumptions that we use, which could have a material adverse effect on our results of operations, cash flows and liquidity.

In addition, accounting rules and regulations are subject to review and interpretation by the Financial Accounting Standards Board (the “FASB”), the SEC and various other governing bodies. A change in U.S. GAAP could have a material effect on our reported financial results, and the adoption of new or revised accounting principles could require that we make significant changes to our systems, processes and controls, which could have an adverse effect on our results of operations, cash flows and liquidity.

Our business is subject to operational risk, including from operational and physical hazards that could result in substantial liabilities and weaken our financial condition.

Our business is subject to operational hazards due to the nature of services we provide and the conditions in which we operate, including electricity, fires, explosions, mechanical failures and weather-related incidents. While we invest substantial resources in occupational health and safety programs, there can be no assurance that we will be able to mitigate all such hazards or avoid significant liability. Construction projects
undertaken by us expose our employees to electrical lines, pipelines carrying potentially explosive or toxic materials, heavy equipment, transportation accidents, adverse weather conditions and the risk of damage to equipment and property. These risks and hazards, among others, can cause personal injuries and loss of life, severe damage to or destruction of property and equipment and other consequential damages and could lead to suspension of operations, large damage claims which could, in some cases, substantially exceed the amount we charge for the associated services, government enforcement actions or regulatory penalties, civil litigation or criminal prosecution. Personal injury claims for damages, including for bodily injury or loss of life, could result in substantial costs and liabilities, which could materially and adversely affect our financial condition, results of operations or cash flows. In addition, if serious accidents or fatalities occur, or if our safety records were to deteriorate, we may be restricted from bidding on certain work or obtaining new contracts, and certain existing contracts could be terminated. Our safety processes and procedures are monitored by various agencies and ratings bureaus. The occurrence of accidents in the course of our business could result in significant liabilities, employee turnover or an increase the costs of our projects or harm our ability to perform under our contracts or enter into new customer contracts, all of which could materially adversely affect our revenue, profitability and liquidity.

Our business is seasonal and affected by the spending patterns of our customers and timing of governmental permitting, as well as weather conditions and natural catastrophes, which exposes us to variations in quarterly results.

Some of our customers reduce their expenditures and work order requests towards the end of the calendar year. In addition, adverse weather conditions, particularly during the winter season, can affect our ability to perform outdoor services in certain regions. As a result, we generally experience reduced revenue in the first quarter of each calendar year. Natural catastrophes such as hurricanes or other severe weather, wildfires or flooding could affect our ability to perform outdoor services or utilize equipment and crews in affected regions. The effects of the COVID-19 pandemic and changes in governmental permitting could also result in greater seasonal and cyclical volatility than would otherwise exist under normal conditions. These events, as well as other global and/or economic effects, could adversely affect demand for our services and our results of operations, cash flows and liquidity.

In the ordinary course of our business, we may become subject to lawsuits, indemnity or other claims, which could materially and adversely affect our business, results of operations and cash flows.

From time to time, we are subject to various claims, lawsuits and other legal proceedings brought or threatened against us in the ordinary course of our business. These actions and proceedings may seek, among other things, compensation for alleged personal injury, workers’ compensation, employment discrimination and other employment-related damages, breach of contract, property damage, environmental liabilities, liquidated damages, consequential damages, punitive damages and civil penalties or other losses, or injunctive or declaratory relief. We may also be subject to litigation in the normal course of business involving allegations of violations of the Fair Labor Standards Act and state wage and hour laws. In addition, we generally indemnify our customers for claims related to the services we provide and actions we take under our contracts, and, in some instances, we may be allocated risk through our contract terms for actions by our joint venture partners, equity investments, customers or other third parties.

Claimants may seek large damage awards and defending claims can involve significant costs. When appropriate, we establish accruals for litigation and contingencies that we believe to be adequate in light of current information, legal advice and our indemnity insurance coverages. We reassess our potential liability for litigation and contingencies as additional information becomes available and adjust our accruals accordingly. We could experience a reduction in our profitability and liquidity if we do not properly estimate the amount of required accruals for litigation or contingencies, or if our insurance coverage proves to be inadequate or becomes unavailable, or if our self-insurance liabilities are higher than expected. The outcome of litigation is difficult to assess or quantify, as plaintiffs may seek recovery of very large or indeterminate amounts and the magnitude of the potential loss may remain unknown for substantial periods of time. Furthermore, because litigation is inherently uncertain, the ultimate resolution of any such claim, lawsuit or proceeding through settlement, mediation, or court judgment could have a material adverse effect on our business, financial condition or results of operations. In addition, claims, lawsuits and proceedings may harm our reputation or divert management’s attention from our business or divert resources away from operating our business and cause us to incur significant expenses, any of which could have a material adverse effect on our business, results of operations or financial condition.

We rely on information, communications and data systems in our operations. Systems and information technology interruptions and/or data security breaches could adversely affect our ability to operate and our operating results or could result in harm to our reputation.

We are heavily reliant on information and communications technology, computer and other related systems in order to operate. We also rely, in part, on third-party software and information technology to run certain of our critical accounting, project management and financial information systems. From time to time, we experience system interruptions and delays. Our operations could be interrupted or delayed, or our data security could be breached, if we are unable to deploy software and hardware, gain access to, or effectively maintain and upgrade our systems and network infrastructure and/or take other steps to improve and otherwise protect our systems. In addition, our information technology and communications systems, including those associated with acquired businesses, and our operations could be damaged or interrupted by cyber-attacks and/or physical security risks. These risks include natural disasters, power loss, telecommunications failures, intentional or inadvertent user misuse or error, failures of information technology solutions, computer viruses, phishing attacks, social engineering schemes, malicious code, ransomware attacks, acts of terrorism and physical or electronic security breaches, including breaches by computer hackers, computer and other data security breaches, including breaches by computer hackers, cyber-terrorists and/or unauthorized access to or disclosure of our and/or our employees’ or customers’ data. Furthermore, such unauthorized access or cyber-attacks could go unnoticed for some period of time.

These events, among others, could cause system interruptions, delays and/or the loss or release of critical or sensitive data, including the unintentional disclosure of customer, employee or our information, and could delay or prevent operations, including the processing of transactions and reporting of financial results or cause processing inefficiency or downtime, all of which could have a material adverse effect on our business, results of operations and financial condition and could harm our reputation and/or result in significant costs, fines or litigation. Similar risks could affect our customers, subcontractors or suppliers, indirectly affecting us.

While we have security, internal control and technology measures in place to protect our systems and network, if these measures fail as a result of a cyber-attack, other third-party action, employee error, malfeasance or other security failure, and someone obtains unauthorized access to
our or our employees’ or customers’ information, our reputation could be damaged, our business may suffer and we could incur significant liability, or, in some cases, we may lose access to our business data. In the ordinary course of business, we have been targeted by malicious cyber-attacks, although our systems have been sufficiently resilient to prevent disruption of our operations; however, because the techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, our current or future defenses may not be adequate to protect against new or revised techniques. As a result, we may be required to expend significant resources to protect against the threat of system disruptions and security breaches or to investigate and mitigate problems caused by these disruptions and breaches. Any of these events could damage our reputation and have a material adverse effect on our business, results of operations, financial condition and cash flows. Furthermore, while we maintain insurance policies that we consider to be adequate, our coverage may not specifically cover all types of losses or claims that may arise.

In addition, the unauthorized disclosure of confidential information and current and future laws and regulations governing data privacy may pose complex compliance challenges and/or result in additional costs. Failure to comply with such laws and regulations could result in penalties, fines and/or legal liabilities and/or harm our reputation. The continuing and evolving threat of cyber-attacks has also resulted in increased regulatory focus on risk management and prevention. New cyber-related regulations or other requirements could require significant additional resources and/or cause us to incur significant costs, which could have an adverse effect on our results of operations and cash flows.

We regularly evaluate the need to upgrade, enhance and/or replace our systems and network infrastructure to protect our information technology environment, to stay current on vendor supported products and to improve the efficiency and scope of our systems and information technology capabilities. The implementation of new systems and information technology could adversely impact our operations by requiring substantial capital expenditures, diverting management’s attention, and/or causing delays or difficulties in transitioning to new systems. In addition, our system implementations may not result in productivity improvements at the levels anticipated. System implementation and/or any other information technology disruptions, if not anticipated and appropriately mitigated, could have an adverse effect on our business and remediation of any such disruptions could result in significant costs.

Our subcontractors and suppliers may fail, or be unable to, satisfy their obligations to us or other parties, or we may be unable to maintain these relationships, either of which could have a material adverse effect on our results of operations, cash flows and liquidity.

We depend on subcontractors to perform work for some of our projects. There is a risk that we could have disputes with subcontractors arising from, among other things, the quality and timeliness of the work they perform, customer concerns, or our failure to extend existing work orders or issue new work orders under a subcontracting arrangement. Our ability to fulfill our obligations as a prime contractor could be jeopardized if any of our subcontractors fail to perform the agreed-upon services on a timely basis and/or deliver the agreed-upon supplies. In addition, the absence of qualified subcontractors with whom we have satisfactory relationships could adversely affect our ability to perform under some of our contracts, or the quality of the services we provide. Additionally, in some cases, we pay our subcontractors before our customers pay us for the related services. We could experience a material decrease in profitability and liquidity if we pay our subcontractors for work performed for customers that fail to or delay paying us for the related work. Any of these factors could have a material adverse effect on our results of operations, cash flows and liquidity.

We also rely on suppliers, equipment manufacturers and lessors to obtain or provide the materials and equipment we require to conduct our operations. Any substantial limitation on the availability of suppliers or equipment, including from economic, regulatory or market conditions, could negatively affect our operations. Our results of operations, cash flows and liquidity could be adversely affected if we were unable to acquire sufficient materials or equipment to conduct our operations.

We may have additional tax liabilities associated with our domestic and international operations.

We are subject to income taxes in the United States and certain foreign jurisdictions. Management must exercise significant judgment in determining our provision for income taxes due to lack of clear and concise tax laws and regulations in certain jurisdictions. Tax laws are dynamic and subject to change as new laws are passed and new interpretations of laws are issued or applied, and such changes could materially affect our tax provisions. The federal government signed various relief measures into law in 2020 in response to the COVID-19 pandemic, including the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”), which provides various tax relief and incentive measures, including provisions permitting the deferral and/or reduction of certain federal and payroll tax amounts. We have pursued certain of these relief provisions, which require significant judgments and estimates to be made. Our interpretations of these provisions could differ from those of the U.S. Treasury Department or the Internal Revenue Service (the “IRS”). The foregoing items, as well as any other future changes in tax laws, could have a material adverse effect on our business, cash flow, financial condition, or results of operations.

In addition, we are audited by various U.S. and foreign tax authorities, and in the ordinary course of our business, there are many transactions and calculations for which the ultimate tax determination may be uncertain. The final outcome of income tax examinations could be materially different from our expectations and the estimates that are reflected in our consolidated financial statements, which could have a material adverse effect on our results of operations, cash flows and liquidity.

We could incur goodwill and intangible asset impairment charges, which could harm our profitability.

We have significant amounts of goodwill and intangible assets. We periodically review the carrying values of goodwill and intangible assets to determine whether such carrying values exceed their fair market values. Declines in the profitability of individual reporting units due to economic or market conditions or otherwise, as well as adverse changes in financial, competitive and other conditions, including declines in the operating performance of our reporting units or other adverse changes in the key valuation assumptions contributing to the estimated fair value of our reporting units, could adversely affect the estimated fair values of the related reporting units, which could result in an impairment of the recorded balances of goodwill or intangible assets. See Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which is incorporated by reference, for additional details.

We are self-insured against many potential liabilities.
We maintain insurance policies with respect to automobile liability, general liability, employer’s liability, worker’s compensation and other type of coverages. These policies are subject to high deductibles or self-insured retention amounts. We are effectively self-insured for substantially all claims because most claims against us do not exceed the deductibles under our insurance policies and there can be no assurance that our insurance coverages will be sufficient or effective under all circumstances, or against all claims or liabilities to which we may be subject, which could expose us to significant liabilities and materially and adversely affect our business, financial condition, results of operations and cash flows. In addition, insurance liabilities are difficult to assess and estimate due to many factors, the effects of which are often unknown or difficult to estimate, including the severity of an injury, the determination of our liability in proportion to other parties’ liability, the number of incidents not reported and the effectiveness of our safety programs. If our insurance costs exceed our estimates of insurance liabilities, or if our insurance claims increase, or if our insurance coverage proves to be inadequate or becomes unavailable, we could experience increased exposure to risk and/or a decline in profitability and liquidity.

If we are unable to attract and retain qualified managers and skilled employees, we will be unable to operate efficiently, which could reduce our revenue, profitability and liquidity.

Our business is labor intensive, and some of our operations experience a high rate of employee turnover. In addition, given the nature of the highly specialized work we perform, many of our employees are trained in, and possess, specialized technical skills that are necessary to efficiently operate our business and maintain productivity and profitability. At times of low unemployment, it can be difficult for us to find appropriately skilled and qualified personnel at affordable rates. We may be unable to hire and retain a sufficiently skilled labor force to support our operating requirements and growth strategy. Our labor and training expenses could increase as a result of a shortage in the supply of skilled personnel, which could adversely affect our profitability. Additionally, our business is managed by a number of key executive and operational officers, many of whom have extensive industry experience, and is dependent upon retaining and recruiting qualified management to execute our business strategy. Labor shortages, increased labor or training costs, or the loss of key personnel could materially adversely affect our results of operations, cash flows and liquidity.

The use of a unionized workforce and any related obligations could subject us to liabilities that could adversely affect our liquidity, cash flows and results of operations.

Certain of our employees are represented by labor unions and collective bargaining agreements. Although all such collective bargaining agreements prohibit strikes and work stoppages, we cannot be certain that strikes or work stoppages will not occur despite the terms of these agreements. Strikes or work stoppages could adversely affect our relationships with our customers and cause us to lose business. Additionally, as current agreements expire, the labor unions may not be able to negotiate extensions or replacements on terms favorable to their members, or at all, or avoid strikes, lockouts or other labor actions that could affect their members. Therefore, we cannot assure you that new agreements will be reached with employee labor unions as existing contracts expire, or on desirable terms. Any action against us relating to the union workforce we employ could have a material adverse effect on our liquidity, cash flows and results of operations.

Substantially all of our union and collective bargaining agreements require us to participate with other companies in multiemployer pension plans. We may be subject to substantial liabilities in the event of a complete or partial withdrawal from, or upon termination of, an underfunded U.S.-registered multiemployer pension plan, which are governed by the Employee Retirement Income Security Act (“ERISA”), as amended. In addition, the Pension Protection Act of 2006, as amended, requires underfunded pension plans to improve their funding ratios within prescribed intervals, under which benefit reductions may apply and/or participating employers could be required to make additional contributions. If a multiemployer defined benefit plan fails to satisfy certain minimum funding requirements, the Internal Revenue Service can impose on the contributing employers a non-deductible excise tax of 5% of the amount of the accumulated funding deficiency.

Based upon the information available to us from plan administrators as of December 31, 2020, several of the multiemployer pension plans in which we participate are underfunded, and, as a result, we could be required to increase our contributions. The amount we may be obligated to pay or contribute in the future cannot be estimated, as these amounts are based on future levels of work of the union employees covered by these plans, investment returns and the level of underfunding of such plans. Although we do not have current plans to withdraw from any of the multiemployer pension plans in which we participate and are not aware of circumstances that would reasonably lead to material claims against us in connection with these plans, we could be assessed withdrawal liabilities, requirements to pay increased contributions and/or excise taxes in the future, any of which could adversely affect our cash flows, liquidity and results of operations.

A failure of our internal control over financial reporting could materially affect our business.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. An internal control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Internal control over financial reporting may not prevent or detect misstatements due to inherent limitations in internal control systems. Any failure to maintain an effective system of internal control over financial reporting could limit our ability to report our financial results accurately and timely or to detect and prevent fraud, and could expose us to litigation, harm our reputation, and/or adversely affect the market price of our common stock.

Risks Related to Regulation and Compliance

Our operations could affect the environment or cause exposure to hazardous substances. In addition, our properties could have environmental contamination, which could result in material liabilities.

Our operations are subject to various environmental laws and regulations, including those dealing with the handling and disposal of waste products, polychlorinated biphenyls, fuel storage, air quality and the protection of endangered species. Certain of our current and historical construction operations have used hazardous materials and, to the extent that such materials are not properly stored, contained or recycled, they could become hazardous waste. Additionally, some of our contracts require that we assume the environmental risk of site conditions and require that we indemnify our customers for any damages, including environmental damages, incurred in connection with our projects. We may be subject to claims under various environmental laws and regulations, federal and state statutes and/or common law doctrines for toxic torts and other damages, as well
as for natural resource damages and the investigation and clean-up of soil, surface water, groundwater, and other media under laws such as the Comprehensive Environmental Response, Compensation and Liability Act. Such claims may arise, for example, out of current or former conditions at project sites, current or former properties owned or leased by us, or contaminated sites that have always been owned or operated by third parties. For example, we own and lease several facilities at which we store our equipment. Some of these facilities contain fuel storage tanks that may be above or below ground. If these tanks were to leak, we could be responsible for the cost of remediation as well as potential fines. Liability may be imposed without regard to fault and may be strict and joint and several, such that we may be held responsible for more than our share of any contamination or other damages, or even for the entire share, and we may be unable to obtain reimbursement from the parties that caused the contamination. The obligations, liabilities, fines and costs or reputational harm associated with these and other events could be material and could have a material adverse impact on our business, financial condition, results of operations and cash flows.

We perform work in underground environments, which could affect the environment. A failure to comply with environmental laws could result in significant liabilities or harm our reputation, and new environmental laws or regulations could adversely affect our business.

Some of the work we perform is in underground environments. If the field location maps supplied to us are not accurate, or if objects are present in the soil that are not indicated on the field location maps, our underground work could strike objects in the soil containing pollutants and result in a rupture and discharge of pollutants. In such a case, we could incur significant costs, including clean-up costs, and we may be liable for significant fines and damages and could suffer reputational harm. Additionally, we sometimes perform directional drilling operations below certain environmentally sensitive terrains and water bodies. Due to the inconsistent nature of terrain and water bodies, it is possible that such directional drilling could cause a surface fracture releasing subsurface materials or drilling fluid. These releases alone or, in combination with releases that may contain contaminants in excess of amounts permitted by law, could potentially expose us to significant clean up and remediation costs, damages, fines and reputational harm, which could have a material adverse effect on our results of operations, cash flows and liquidity.

New environmental laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, or the imposition of new clean-up requirements could require us to incur significant costs or result in new or increased liabilities that could have a material adverse effect on our results of operations, cash flows and liquidity. We may incur work stoppages to avoid violating these laws and regulations, or we may risk fines or other sanctions if we inadvertently violate these laws and regulations, which could adversely affect our business.

We are subject to risks associated with climate change.

In recent years, there has been an increased focus on climate change, greenhouse gas and other emissions and other potential damage to the environment caused by human activities. The potential effects of climate change on our operations is highly uncertain. Climate change may result in, among other things, an increase in extreme weather events, such as floods, hurricanes, wildfires, rising sea levels and limitations on water availability and quality. Extreme weather conditions could limit the availability of resources or increase the costs of our projects, or could cause projects to be delayed or canceled. Our operating results are significantly influenced by weather. Therefore, major changes in weather patterns could have a significant effect on our future operating results. We could experience project cancellations, reduced demand or reduced productivity if climate change results in a significant increase in adverse weather conditions in a given period, which could negatively affect our revenue and profitability.

Climate change could also affect our customers and the projects they award. Concerns about climate change could result in potential new regulations, regulatory actions or requirements to fund energy efficiency activities, any of which could negatively affect our customers, decrease the projects they award and decrease demand for our services, including for power projects, underground pipeline and other projects, or result in increased costs associated with our operations. Legislative and/or regulatory responses related to climate change could also affect the availability of goods, increase our costs or otherwise negatively affect our operations.

There are significant environmental regulations and policies under consideration or reconsideration to encourage the use of clean energy technologies and regulate emissions of greenhouse gases to address climate change. For example, in January 2021, the new presidential administration announced its intentions that the United States would return to the 2015 Paris Agreement, among other initiatives. We cannot predict future changes to environmental regulations and policies, nor can we predict the effects that any conceivable changes would have on our business. The establishment of rules limiting greenhouse gas emissions could affect customer demand as well as our ability to perform construction services or to perform these services at current levels of profitability. For example, if new regulations were adopted regulating greenhouse gas emissions from sources such as cars and trucks, we could experience a significant increase in environmental compliance costs in light of our large fleet and the amount of construction machinery we own. New regulations may require us to acquire different equipment or change processes. The new equipment may not be available, or we may not be able to purchase or rent this equipment in a cost-effective manner. Compliance with any new laws or regulations regarding the reduction of greenhouse gases could result in significant changes to our operations and a significant increase in the cost of conducting our business. In addition, our reputation could suffer and/or we could experience a reduction in the amount of future work we are awarded if our operations are perceived to result in high greenhouse gas emissions or to otherwise pose environmental risks. Reductions in project awards, project deferrals, delays or cancellations, or increases in costs related to the effects of climate change, climate change initiatives or climate change regulations could have a material adverse effect on our results of operations, cash flows and liquidity.

Our failure to comply with the regulations of federal, state and local agencies that oversee transportation and safety compliance could reduce our revenue, profitability and liquidity.

OSHA establishes certain employer responsibilities, including maintenance of a workplace free of recognized hazards likely to cause death or serious injury, compliance with standards promulgated by OSHA and various recordkeeping, disclosure and procedural requirements. Various standards, including standards for notices of hazards and safety in excavation and demolition work, may apply to our operations. We incur capital and operating expenditures and other costs in the ordinary course of business in complying with OSHA and other state and local laws and regulations, and could incur penalties and fines in the future from violations of health and safety regulations, including, in extreme cases, criminal sanctions. Our customers could cancel existing contracts and not award future business to us if we were in violation of these regulations.
From time to time, we have received notice from the DOT that our motor carrier operations will be monitored and that the failure to improve our safety performance could result in suspension or revocation of vehicle registration privileges. Our ability to service our customers could be damaged if we were not able to successfully resolve such issues, which could lead to a material adverse effect on our results of operations, cash flows and liquidity.

Risks Related to Strategic Transactions and Foreign Operations

Acquisitions and strategic investments involve risks that could negatively affect our operating results, cash flows and liquidity and may not enhance shareholder value.

We have made, and may continue to make, strategic acquisitions and investments, including share repurchases. Acquisitions may expose us to operational challenges and risks, including the ability to profitably manage the acquired business or successfully integrate the operations, internal controls and procedures and financial reporting and accounting systems of the acquired business into our business; increased indebtedness and contingent earn-out obligations; the ability to fund cash flow shortages that may occur if anticipated revenue is not realized or is delayed, whether by general economic or market conditions, or other unforeseen difficulties; the expense of integrating acquired businesses; the availability of funding sufficient to meet increased capital needs; diversion of management’s attention; and the ability to retain or hire qualified personnel required for expanded operations.

In addition, we may not be able to identify suitable acquisition or strategic investment opportunities or may be unable to obtain the required consent of our lenders and therefore, may not be able to complete such acquisitions or strategic investments. We may pay for acquisitions or strategic investments with our common stock or with debt instruments, including convertible debt securities, which could dilute the ownership interests of our common shareholders, or we may decide to pursue acquisitions with which our investors may not agree. Borrowings or issuances of debt associated with these acquisitions could also result in higher levels of indebtedness, which could negatively affect our ability to service our debt within the scheduled repayment terms. In addition, in connection with most of our acquisitions, we agree to substantial future earn-out arrangements. To the extent we defer payment of an acquisition’s purchase price through a cash earn-out arrangement, it will reduce our cash flows in subsequent periods.

Acquired companies may have liabilities that we failed, or were unable, to discover in the course of performing due diligence investigations. We cannot assure you that the indemnifications granted to us by sellers of acquired companies will be sufficient in amount, scope or duration to fully offset potential liabilities associated with acquired businesses. We may learn additional information about the businesses we have acquired that could materially adversely affect us, such as unknown or contingent liabilities, unprofitable projects and liabilities related to compliance with applicable laws. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business. We generally require that key management and former principals of the businesses we acquire enter into non-competition agreements in our favor. If we are unable, and the courts refuse to enforce the non-competition agreement entered into by such person or persons, we might be subject to increased competition. Failure to successfully manage the operational challenges and risks associated with, or resulting from, our acquisitions could adversely affect our results of operations, cash flows and liquidity.

Additionally, we have repurchased shares of our common stock in the past and may continue to do so in the future. We cannot provide assurance that any stock repurchases will enhance shareholder value because the market price of our common stock may decline below the levels at which we repurchased such shares.

Our participation in strategic arrangements, including joint ventures and equity investments, exposes us to numerous risks.

We have certain strategic arrangements, including joint ventures and equity investments, which provide us the opportunity to combine our skills and resources with those of others to allow for the performance of particular projects for which we do not control the day-to-day operations. The success of these arrangements depends, in large part, on whether our partners satisfy their contractual and performance obligations. In certain of these arrangements, we and our partners are jointly and severally liable for liabilities and obligations of the entity or joint venture. If one of our partners fails to perform or is financially unable to bear its portion of required capital contributions or other obligations, including liabilities stemming from claims or lawsuits, we could be required to make additional investments, provide additional services or pay more than our proportionate share of a liability to make up for our partner’s shortfall. Further, if we are unable to adequately address our partner’s performance issues, the projects could be terminated, which could result in legal liability, harm our reputation and/or impair our ability to participate in future investment and project opportunities, all of which could adversely affect our results of operations, cash flows and liquidity. We also could be subject to a write-down of a portion or all of the net investment related to such arrangements. Market or other conditions, such as the inability of our investees to complete certain transactions, could subject us to a loss of some or all of the value of our investment. See Note 14 - Commitments and Contingencies and Note 4 - Fair Value of Financial Instruments in the notes to the audited consolidated financial statements, which are incorporated by reference, for additional information.

Our existing operations in international markets, or expanding into additional international markets, may not be successful and could expose us to risks, including failure to comply with the U.S. Foreign Corrupt Practices Act and/or similar anti-bribery laws, which could harm our business and prospects.

We derive a portion of our revenue from international markets, and we may further expand the volume of international services we provide, as well as the foreign geographic territories in which we operate. See Note 13 - Segments and Related Information in the notes to the audited consolidated financial statements, which is incorporated by reference, for foreign revenue information. Our foreign operations are presently conducted primarily in Canada, but we have performed work in various other foreign countries, and the revenue we derive from, or the number of countries in which we operate, could expand in the future. Economic conditions, including those resulting from health outbreaks, wars, geopolitical shifts, civil unrest, acts of terrorism and other conflicts, or volatility in the global markets could adversely affect our customers, their demand for our services and/or their ability to pay for our services. In addition, there are numerous risks inherent in conducting business internationally, including, but not limited to, potential instability in international markets, changes in regulatory requirements applicable to international operations, including evolving consumer protection and data use and security standards, foreign currency fluctuations, exchange controls and other limits on our ability to repatriate and reinvest earnings, political, economic and social conditions in foreign countries, tariffs and duties, and complex U.S. and
foreign laws and treaties, including taxation laws and the U.S. Foreign Corrupt Practices Act (the “FCPA”). These risks could restrict our ability to provide services to foreign customers or to operate our international businesses profitably, and our overall business and results of operations could be negatively affected by our foreign activities.

The FCPA and similar anti-bribery laws in other jurisdictions prohibit U.S.-based companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. We pursue opportunities in certain parts of the world that experience corruption to some degree, and, in certain circumstances, compliance with anti-bribery laws may conflict with local customs and practices. Our policies mandate compliance with these anti-bribery laws, and our subcontractors, agents and others who work for us or on our behalf are expected to comply with the FCPA and other anti-bribery laws. There is no assurance that our employees and agents will comply with the FCPA, or that anti-bribery laws will protect us against liability under the FCPA or other laws for actions taken by our agents, employees and/or intermediaries. We could incur severe criminal or civil penalties or other sanctions if we are found to be liable for FCPA violations, either due to our own acts or our inadver tence, or due to the acts or inadver tence of others, which could have a material adverse effect on our reputation, business, results of operations and cash flows.

In addition, detecting, investigating and resolving actual or alleged FCPA violations is expensive and can consume significant time and attention of our senior management.

Risks Related to Our Common Stock

We have a significant amount of debt, which could adversely affect our business, financial condition and results of operations or could affect our ability to access capital markets in the future. In addition, our debt contains restrictive covenants that may prevent us from engaging in transactions that might benefit us.

Our outstanding debt and debt service requirements could have significant consequences on our future operations, including: making it more difficult for us to meet our payment and other obligations; an event of default if we fail to comply with the financial and other restrictive covenants contained in our debt agreements, which could in turn result in all of our debt becoming immediately due and payable; reducing the availability of our cash flows to fund working capital, capital expenditures, acquisitions or strategic investments, and limiting our ability to obtain additional financing for these purposes; subjecting us to the risk of increasing interest expense on variable rate indebtedness; limiting our flexibility in planning for, or reacting to changes in our business, the industries in which we operate and the general economy; and placing us at a competitive disadvantage compared to our competitors that have less debt or are less leveraged.

The terms of our indebtedness contain customary events of default and covenants that prohibit us from taking certain actions without satisfying certain financial tests or obtaining the consent of the lenders. Should we be unable to comply with the terms and covenants of our indebtedness, including our credit facility, we would be required to obtain consents from our bank group, modify our credit facility or other debt instruments or secure another source of financing to continue to operate our business, none of which may be available to us on reasonable terms or at all. A default could also result in the acceleration of our obligations. In addition, these covenants may prevent us from engaging in transactions that benefit us, including responding to changing business and economic conditions or securing additional financing, if needed.

Any of these factors could have an adverse effect on our business, financial condition and results of operations. Our ability to meet our payment and other obligations under our debt instruments depends on our ability to generate significant cash flow in the future, which can be subject to many factors, some of which are beyond our control. We cannot assure that our business will generate future cash flow from operations, or that future borrowings will be available to us in an amount sufficient to enable us to meet our payment obligations and to fund other liquidity needs. Our business is capital intensive, and if we are not able to generate sufficient cash flow to service our debt obligations, we may need to refinance or restructure our debt, sell assets, reduce or delay capital investments, or seek to raise additional capital, and some of these activities could have terms that are unfavorable or could be highly dilutive. Our ability to obtain additional financing or to refinance our existing indebtedness will depend on the capital markets and our financial condition at such time. Any of the above factors could adversely affect our results of operations, cash flows and liquidity.

In addition, regulatory changes and/or reforms, such as the phase-out of the London Inter-bank Offered Rate (“LIBOR”), which is expected to occur by June 30, 2023, could lead to additional volatility in interest rates for our variable rate debt and other unpredictable effects. While our material financing arrangements indexed to LIBOR have procedures for determining an alternative base rate, such alternative base rate could perform differently than the current LIBOR-indexed rate and could result in an increase in the cost of our variable rate indebtedness, which could negatively affect our results of operations and cash flows.

We may be unable to obtain sufficient bonding capacity to support certain service offerings, and the need for performance and surety bonds could reduce availability under our credit facility.

Some of our contracts require performance and payment bonds. If we are not able to renew or obtain a sufficient level of bonding capacity in the future, we may be precluded from being able to bid for certain contracts or successfully contract with certain customers. In addition, even if we are able to successfully renew or obtain performance or payment bonds, we may be required to post letters of credit in connection with the bonds, which would reduce availability under our credit facility. Furthermore, under standard terms in the surety market, sureties issue bonds on a project-by-project basis and can decline to issue bonds at any time or require the posting of additional collateral as a condition to issuing or renewing any bonds. If we were to experience an interruption or reduction in the availability of bonding capacity, we may be unable to compete for or work on projects that require bonding.

Risks Related to Our Common Stock

There may be future sales of our common stock or other dilution of our equity that could adversely affect the market price of our common stock and dilute your share ownership and could lead to volatility in our common stock price.

We are not restricted from issuing additional common stock. Our Amended and Restated Articles of Incorporation provide that we may issue up to a total 145.0 million shares of common stock, of which approximately 74.2 million shares were outstanding as of December 31, 2020. We grow our business organically as well as through acquisition. One method of acquiring companies or otherwise funding our corporate activities...
is through the issuance of equity securities. In connection with certain completed acquisitions, we have the option to issue shares of our common stock instead of cash as consideration for future earn-out obligations. The issuance of additional shares of our common stock in connection with future acquisitions, financing transactions, share-based payment awards or other issuances of our common stock will dilute the ownership interest of our common shareholders. Sales of a substantial number of shares of our common stock or other equity-related securities in the public market could depress the market price of our common stock and impair our ability to raise capital through the sale of additional equity or equity-linked securities. We cannot predict the effect that future sales of our common stock or other equity-related securities would have on the market price of our common stock.

The market price of our common stock has been, and may continue to be, highly volatile.

The market price of our common stock on the New York Stock Exchange has been volatile in recent years. We may continue to experience significant volatility in the market price of our common stock. Numerous factors could have a significant effect on the price of our common stock, including: announcements of fluctuations in our operating results or the operating results of one of our competitors; market conditions in our customers' industries; capital spending plans of our significant customers; volatility in energy and fuel prices; announcements of new or terminated customers or contracts; announcements of acquisitions by us or our competitors; changes in recommendations or earnings estimates by securities analysts; announcements of share repurchase programs, or activity under existing repurchase programs; and issuances of our common stock or other securities, including in connection with acquisition or financing transactions.

In addition, the stock market has recently experienced significant volatility, which has sometimes been unrelated or disproportionate to operating performance. Volatility in the market price of our common stock could cause shareholders to lose some or all of their investment in our common stock.

A small number of our existing shareholders have the ability to influence major corporate decisions.

Jorge Mas, our Chairman, and José R. Mas, our Chief Executive Officer, beneficially owned approximately 24% of the outstanding shares of our common stock as of December 31, 2020. Accordingly, they are in a position to influence: the vote of most matters submitted to our shareholders, including any merger, consolidation or sale of all or substantially all of our assets; the nomination of individuals to our Board of Directors; and a change in our control.

These factors may discourage, delay or prevent a takeover attempt that shareholders might consider in their best interests or that might result in shareholders receiving a premium for their common stock.

Our articles of incorporation and certain provisions of Florida law contain anti-takeover provisions that may make it more difficult to effect a change in our control.

Certain provisions of our articles of incorporation, by-laws and the Florida Business Corporation Act could delay or prevent an acquisition or change in control and the replacement of our incumbent directors and management, even if doing so might be beneficial to our shareholders by providing them with the opportunity to sell their shares at a premium over the then market price of our common stock. For example, our Board of Directors is divided into three classes. At any annual meeting of our shareholders, our shareholders only have the right to appoint approximately one-third of the directors on our Board of Directors. Consequently, it will take at least two annual shareholder meetings to effect a change in control of our Board of Directors, which may discourage hostile takeover bids. In addition, our articles of incorporation authorize our Board of Directors, without further shareholder approval, to issue preferred stock. The issuance of preferred stock could also dilute the voting power of holders of our common stock, including the granting of voting control to others, which could delay or prevent an acquisition or change in control.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

Our operations are conducted from different locations, primarily within the United States and Canada, including our corporate headquarters located in Coral Gables, Florida. Substantially all of these properties, including our corporate headquarters, are leased facilities, none of which is material to our operations. We believe that our existing facilities are adequate for our current and planned levels of operation.

ITEM 3. LEGAL PROCEEDINGS

The information set forth in Note 14 - Commitments and Contingencies in the notes to the audited consolidated financial statements in Item 8 of this Form 10-K is incorporated by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT’S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is listed on the New York Stock Exchange ("NYSE") under the symbol "MTZ."
**Holders.** As of February 22, 2021, there were 1,686 holders of record of our common stock. In calculating the number of shareholders, we consider clearing agencies and security position listings as one shareholder for each agency or listing.

**Dividends.** We have historically not paid cash dividends and do not currently anticipate paying a cash dividend. We intend to retain future earnings for reinvestment. Our Board of Directors will make any future determination as to the payment of dividends at its discretion, and this determination will depend upon our operating results, financial condition and capital requirements, general business conditions and such other factors that the Board of Directors considers relevant. The indenture governing our senior notes, as well as our credit agreements, contains covenants that may restrict our ability to make certain payments, including the payment of dividends. See Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition, Liquidity and Capital Resources.”

**Issuer Purchases of Equity Securities.** During the year ended December 31, 2020, we repurchased a total of 3,597,009 shares of our common stock under our share repurchase programs. See Note 11 - Equity in the notes to the audited consolidated financial statements, which is incorporated by reference, for additional information pertaining to our share repurchase programs.

The following table provides information about repurchases of our common stock during the three month period ended December 31, 2020:

<table>
<thead>
<tr>
<th>Total Number of Shares Purchased (a)</th>
<th>Average Price Paid per Share</th>
<th>Total Number of Shares Purchased as Part of Publicly Announced Program</th>
<th>Approximate Dollar Value of Shares that May Yet be Purchased under the Programs (b)</th>
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</thead>
<tbody>
<tr>
<td>October 1 through October 31</td>
<td>—</td>
<td>—</td>
<td>$158,617,588</td>
</tr>
<tr>
<td>November 1 through November 30</td>
<td>393</td>
<td>$53.85</td>
<td>$158,617,588</td>
</tr>
<tr>
<td>December 1 through December 31</td>
<td>—</td>
<td>—</td>
<td>$158,617,588</td>
</tr>
<tr>
<td>Total</td>
<td>393</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

(a) Reflects shares withheld for income tax purposes in connection with shares issued under compensation and benefit programs.

(b) As of December 31, 2020, the remaining amount available for share repurchases includes $8.6 million under our December 2018 $100 million share repurchase program, which was publicly announced on December 21, 2018, and the full amount under our March 2020 $150 million share repurchase program, which was publicly announced on March 19, 2020.
**Performance Graph**

The performance graph below compares the cumulative five year total return for our common stock with the cumulative total return (including reinvestment of dividends) of the Standard and Poor’s 500 Composite Stock Index (“S&P 500”), and with that of our peer group, which is composed of Quanta Services, Inc., MYR Group, Inc., Dycom Industries, Inc., Jacobs Engineering Group Inc. and Primoris Services Corporation. The graph assumes that the value of the investment in our common stock, as well as that of the S&P 500 and our peer group, was $100 on December 31, 2015 and tracks it through December 31, 2020. The comparisons in the graph are based upon historical data and are not intended to forecast or be indicative of possible future performance of our common stock.

The performance graph shall not be deemed incorporated by reference by any general statement incorporating by reference this Annual Report into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such acts.

**COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN**

Among MasTec, Inc., the S&P 500 Index, and a Peer Group

* $100 invested on 12/31/15 in stock or index, including reinvestment of dividends. 

Fiscal year ending December 31.

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<thead>
<tr>
<th></th>
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<td>MasTec, Inc.</td>
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<td>$281.65</td>
<td>$233.37</td>
<td>$369.16</td>
<td>$392.29</td>
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<td>$136.40</td>
<td>$130.42</td>
<td>$171.49</td>
<td>$203.04</td>
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<tr>
<td>Peer Group</td>
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<td>$142.08</td>
<td>$168.11</td>
<td>$130.37</td>
<td>$181.20</td>
<td>$257.66</td>
</tr>
</tbody>
</table>

**ITEM 6. SELECTED FINANCIAL DATA**

The following selected consolidated financial data has been derived from our audited consolidated financial statements and should be read together with our audited consolidated financial statements and notes thereto, as well as Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) in this Form 10-K. Our consolidated results of operations are not necessarily comparable from year to year due to the effect of acquisitions and certain other items, which are further described within MD&A.
Our 2020 results include $5.6 million of pre-tax debt extinguishment losses.

Our 2017 results include a non-cash tax benefit of $120.1 million related to the Tax Cuts and Jobs Act of 2017 (the “2017 Tax Act”).

Our 2019 results include $3.3 million of pre-tax intangible asset impairment charges.

Our 2018 results include $47.7 million of pre-tax goodwill impairment charges. See Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which is incorporated by reference, for additional information.

Our 2017 results include a non-cash tax benefit of $120.1 million related to the Tax Cuts and Jobs Act of 2017 (the “2017 Tax Act”).

The World Health Organization declared a global pandemic related to the rapidly growing outbreak of a novel strain of coronavirus (“COVID-19”) in the first quarter of 2020. The COVID-19 pandemic has disrupted business activities and significantly affected global economic conditions as federal, state and local governments imposed mitigation measures to address the public health crisis, including “stay-at-home,” “shelter-in-place,” social distancing, travel restrictions and other similar orders, resulting in workforce, supply chain and production disruptions, along with reduced demand and spending in many industry sectors, creating significant uncertainties in the U.S. and global economies. Restrictions have been enacted, lifted, and reenacted during 2020 and into 2021, and the possibility of future restrictions remains. The extent of such restrictions and/or how long an economic recovery could take is currently unclear. The extent to which the COVID-19 pandemic could affect our business, operations and financial results will depend upon numerous evolving factors that we may not be able to accurately predict, including the development and availability of effective treatments and vaccines and the speed with which they are administered to the public and the length and extent of the economic and market disruption.

Most of our construction services have been deemed essential under state and local pandemic mitigation orders and all of our business segments continue to operate. As our services have been deemed essential, our customers have generally directed us, where safe and possible, to maintain normal work schedules. Our business model has, thus far, proven resilient, and we continue to make efforts to adapt to the changing operational and economic environment resulting from the COVID-19 pandemic. Our top priority has been to take appropriate actions to protect the health and safety of our employees, customers and business partners. We have adjusted our business operations to ensure employee and customer safety and are continually monitoring evolving health guidelines and responding to changes as appropriate. These procedures include implementation of specialized training programs, appropriate social distancing procedures and required use of personal protective equipment for our crew operations, as well as appropriate sanitation measures for key equipment and facilities. We have reduced non-essential business travel and incorporated work-at-home programs as appropriate for our administrative offices. For in-office operations,
appropriate safety and social distancing measures have been incorporated. We have also developed human resource guidance to assist our employees. In certain locations where our operations have experienced challenges as a result of the pandemic, we are collaborating with our customers to minimize potential service disruptions and operational impacts.

The COVID-19 pandemic had a negative impact on our operations in 2020 and is expected to continue to affect our future business activities for an unknown period of time. These impacts include lost productivity from governmental permitting approval delays, reduced crew productivity due to social distancing, other mitigation measures or other factors, the health and availability of work crews or other key personnel, including subcontractors or supply chain disruptions, and/or delayed project start dates or project shutdowns or cancellations that may be mandated or requested by governmental authorities or others, all of which could result in lower revenue or higher operating costs and/or create lower levels of overhead cost absorption. We continue to actively monitor the effects of the COVID-19 pandemic on our operations and may take further actions, as necessary, that we determine to be in the best interests of our employees, customers, business partners and stakeholders, or as required by federal, state, or local authorities. Additionally, disruptions in economic activity as a result of the COVID-19 pandemic have had, and may continue to have, adverse effects across our end markets, particularly in the oil and gas sector. To the extent that future business activities are adversely affected by the pandemic, we intend to take appropriate actions designed to mitigate these impacts. Given the uncertainty regarding the magnitude and duration of the pandemic’s effects, we are unable to predict with specificity or quantify any potential future impact on our business, financial condition and/or results of operations.

The CARES Act, which provides for various tax relief and incentive measures, including provisions permitting the deferral and/or reduction of certain federal and payroll tax amounts, was signed into law in March 2020 in response to the COVID-19 pandemic. Under certain of the relief provisions of the CARES Act, we deferred approximately $59 million of payroll taxes for the year ended December 31, 2020, of which half are due by December 31, 2021, with the remainder due by December 31, 2022. Additionally, the Coronavirus Response and Relief Supplemental Appropriations Act (the “Coronavirus Relief Act”), which provides additional COVID-19 relief measures, was signed into law in December 2020. We will continue to evaluate the potential effects of the CARES Act, along with any potential effects of the Coronavirus Relief Act, on our financial position, results of operations and cash flows, and will continue to monitor all other available federal and other COVID-19 relief provisions to determine our qualification for, and the usefulness to us, of any such relief measures.

As of December 31, 2020, we maintained a strong balance sheet, have strong relationships with our banking partners and had ample liquidity totaling approximately $1.6 billion, comprising $1.2 billion of availability under our Credit Facility and $423 million of cash. We believe that our financial position, strong cash flows and operational strengths will enable us to manage the current challenges and uncertainties resulting from the COVID-19 pandemic. Our business operations typically generate significant cash flow, affording us the flexibility to invest strategically in our efforts to maximize shareholder value through mergers and acquisitions, share repurchases and capital expenditures. We are carefully managing liquidity and are monitoring any potential effects from the pandemic on our financial results, cash flows and/or working capital and intend to take appropriate actions in efforts to mitigate any impacts.

**Business**

See Item 1. “Business” for discussion pertaining to our business and reportable segments.

**Recent acquisitions.** During the year ended December 31, 2020, we completed five acquisitions. These acquisitions included the equity interests of two entities, one that specializes in heavy civil infrastructure that is included within our Clean Energy and Infrastructure segment, and one that specializes in utility service and telecommunications construction that is included within our Communications segment. We also acquired the assets of three entities, one that specializes in wireless telecommunications and one that specializes in install-to-the-home services, both of which are included within our Communications segment and one that specializes in electrical transmission services that is included within our Electrical Transmission segment. During the year ended December 31, 2019, we completed six acquisitions, one of which specializes in water infrastructure for pipeline companies and is included within our Oil and Gas segment, four of which are included within our Communications segment, including a wireline/fiber deployment construction contractor and a telecommunications company specializing in a broad range of end-to-end wireless telecommunications solutions, and one of which specializes in construction projects in the power industry and is included in our Clean Energy and Infrastructure segment. During the year ended December 31, 2018, we completed two acquisitions, including a construction management firm specializing in steel building systems and a wind turbine service company, both of which are included in our Clean Energy and Infrastructure segment. For additional information, see Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which is incorporated by reference.

**Economic, Industry and Market Factors**

In addition to the effects of the pandemic noted above, we closely monitor the effects of changes in economic and market conditions on our customers. General economic and market conditions can negatively affect demand for our customers’ products and services, which can affect our customers’ planned capital and maintenance budgets in certain end-markets. Market, regulatory and industry factors could affect demand for our services, including (i) changes to our customers’ capital spending plans, including any potential effects from public health issues, such as the recent COVID-19 pandemic; (ii) new or changing regulatory requirements or other governmental policy changes or political developments or uncertainty, including from changes in governmental permitting; (iii) economic, political or other market developments, including any potential effects from public health issues, such as the recent COVID-19 pandemic; and (v) mergers and acquisitions among the customers we serve. Fluctuations in market prices for oil, gas and other fuel sources and availability of transportation and transmission capacity can also affect demand for our services, in particular, on pipeline and energy generation construction projects. These fluctuations, as well as the highly competitive nature of our industry, can result in lower levels of activity and profit on the services we provide. In the face of increased pricing pressure or other market developments, we strive to maintain our profit margins through productivity improvements, cost reduction programs and/or business streamlining efforts. While we actively monitor economic, industry and market factors that could affect our business, we cannot predict the effect that changes in such factors may have on our future results of operations, liquidity and cash flows, and we may be unable to fully mitigate, or benefit from, such changes.

**Effect of Seasonality and Cyclical Nature of Business**
Our revenue and results of operations can be subject to seasonal and other variations. These variations are influenced by weather, customer spending patterns, bidding seasons, project schedules, public health matters, holidays and/or timing, in particular, for large non-recurring projects. Typically, our revenue is lowest at the beginning of the year and during the winter months because cold, snowy or wet conditions cause project delays. Revenue is generally higher during the summer and fall months due to increased demand for our services when favorable weather conditions exist in many of the regions in which we operate, but continued cold and wet weather can often affect second quarter productivity. In the fourth quarter, many projects tend to be completed by customers seeking to spend their capital budgets before the end of the year, which generally has a positive effect on our revenue. However, the holiday season and inclement weather can cause delays, which can reduce revenue and increase costs on affected projects. Any quarter may be positively or negatively affected by adverse or unusual weather patterns, including warm winter weather, excessive rainfall, flooding or natural catastrophes such as hurricanes or other severe weather, making it difficult to predict quarterly revenue and margin variations.

Additionally, our industry can be highly cyclical. Fluctuations in end-user demand within the industries we serve, or in the supply of services within those industries, can affect demand for our services. As a result, our business may be adversely affected by industry declines or by delays in new projects. Variations in project schedules or unanticipated changes in project schedules, in particular, in connection with large construction and installation projects, can create fluctuations in revenue, which may adversely affect us in a given quarter, even if not for the full year. In addition, revenue from master service and other service agreements, while generally predictable, can be subject to volatility. The financial condition of our customers and their access to capital; variations in project margins; regional, national and global economic, political and market conditions; regulatory or environmental influences; and acquisitions, dispositions or strategic investments/other arrangements can also materially affect quarterly results in a given period. Accordingly, our operating results in any particular period may not be indicative of the results that can be expected for any other period. The effects of the COVID-19 pandemic could also result in greater seasonal and cyclical volatility than would otherwise exist under normal conditions.

Understanding Our Results of Operations

Revenue. We provide engineering, building, installation, maintenance and upgrade services to our customers. We derive revenue from projects performed under master and other service agreements as well as from contracts for specific projects requiring the construction and installation of an entire infrastructure system or specified units within an infrastructure system. See Item 1. “Business” for discussion of our business and revenue-generating activities and “Comparison of Fiscal Year Results” below for revenue results by reportable segment.

Costs of Revenue, Excluding Depreciation and Amortization. Costs of revenue, excluding depreciation and amortization, consists principally of salaries, employee incentives and benefits, subcontracted services, equipment rentals and repairs, fuel and other equipment expenses, material costs, parts and supplies, insurance and facilities expenses. Project profit is calculated by subtracting a project’s costs of revenue, including project-related depreciation, from project revenue. Project profitability and corresponding project margins will generally be reduced if actual costs to complete a project exceed our project cost estimates. Estimated losses on contracts, or the excess of estimated costs to complete a contract over the contract’s remaining revenue, are recognized in the period in which such losses are determined. Factors impacting our costs of revenue, excluding depreciation and amortization, include:

Project Mix. The mix of revenue derived from the projects we perform impacts overall project margins, as margin opportunities can vary by project. For example, installation work, which is often performed on a fixed price basis, has a higher level of margin risk than maintenance or upgrade work, which is often performed under pre-established or time and materials pricing arrangements. As a result, changes in project mix between installation work and maintenance or upgrade services can affect our project margins in a given period. Our project mix by industry can also affect our overall margins, as project margins can vary by industry and over time.

Seasonality, Weather and Geographic Mix. Seasonal patterns, which can be affected by weather conditions, can have a significant effect on project margins. Adverse or favorable weather conditions can affect project margins in a given period. For example, extended periods of rain or snowfall can negatively affect revenue and project margins due to reduced productivity from projects being delayed or temporarily halted. Conversely, when weather remains dry and temperatures are accommodating, more work can be done, sometimes with less cost, which can favorably affect project margins. In addition, the mix of business conducted in different geographic areas can affect project margins due to the particular characteristics of the physical locations where work is being performed, such as mountainous or rocky terrain versus open terrain. Site conditions, including unforeseen underground conditions, can also affect project margins.

Price and Performance Risk. Overall project margins may fluctuate due to project pricing, changes in the cost of labor and materials, job productivity and work volume. Job productivity can be affected by quality of the work crew and equipment, the quality of engineering specifications and designs, availability of skilled labor, environmental or regulatory factors, customer decisions or delays and crew productivity. Crew productivity can be influenced by weather conditions and job terrain, such as whether project work is in a right of way that is open or one that has physical obstructions or legal encumbrances.

Subcontracted Resources. Our use of subcontracted resources in a given period is dependent upon activity levels and the amount and location of existing in-house resources and capacity. Project margins on subcontracted work can vary from those on self-perform work. As a result, changes in the mix of subcontracted resources versus self-perform work can affect our overall project margins.

Material versus Labor Costs. In many cases, our customers are responsible for supplying their own materials on projects; however, under certain contracts, we may agree to provide all or part of the required materials. Project margins are typically lower on projects where we furnish a significant amount of materials due to the fact that margins on materials are generally lower than margins on labor costs. Therefore, increases in the percentage of work with significant materials requirements could decrease our overall project margins.

General and Administrative Expense. General and administrative expenses consist principally of compensation and benefit expenses, travel expenses and related costs for our finance, benefits, insurance and risk management, legal, facilities, information technology services and executive functions. General and administrative expenses also include non-cash stock-based compensation expense, outside professional and
accounting fees, expenses associated with information technology used in administration of the business, acquisition costs, including those related to acquisition integration, and, from time to time, certain restructuring charges.

**Interest Expense, Net.** Interest expense, net, consists of contractual interest expense on outstanding debt obligations, amortization of deferred financing costs and other interest expense, including interest expense related to financing arrangements and mandatorily redeemable non-controlling interests. Interest expense is offset, in part, by interest earned on cash and other investments.

**Other Income or Expense.** Other income or expense consists primarily of gains or losses from sales, disposals of, or changes in estimated recoveries from assets and investments, certain legal/other settlements, gains or losses from changes to estimated earn-out accruals and certain purchase accounting adjustments.

**Financial Performance Metrics**

Our senior management team regularly reviews certain key financial performance metrics within our business, including:

- revenue and profitability on an overall basis, by reportable segment and for selected projects;
- revenue by customer and by contract type;
- costs of revenue, excluding depreciation and amortization; general and administrative expenses; depreciation and amortization; interest expense, net; other income or expense; and provision for income taxes;
- earnings before interest, taxes, depreciation and amortization (“EBITDA”) and adjusted EBITDA, as defined in our non-U.S. GAAP financial measures discussion following the “Comparison of Fiscal Year Results” section below;
- earnings per share and adjusted earnings per share, as defined in our non-U.S. GAAP financial measures discussion;
- days sales outstanding, net of contract liabilities and days payable outstanding;
- interest and debt service coverage ratios; and
- liquidity and cash flows.

Management’s analysis includes detailed discussions of proposed investments in new business opportunities or property and equipment, productivity improvement efforts, acquisition integration efforts, strategic arrangement opportunities and working capital and other capital management efforts. Measuring these key performance indicators is an important tool used by management to make informed and timely operational decisions, which we believe can help us improve our performance.

**Critical Accounting Estimates**

This discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our consolidated financial statements requires the use of estimates and assumptions that affect the amounts reported in our consolidated financial statements and the accompanying notes. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances, including the potential future effects of the COVID-19 pandemic and other relevant global events. These estimates form the basis for making judgments about our operating results, including the results of construction contracts accounted for under the cost-to-cost method and the carrying values of assets and liabilities, that are not readily apparent from other sources. Given that management estimates, by their nature, involve judgments regarding future uncertainties, actual results could differ materially from these estimates if conditions change or if certain key assumptions used in making these estimates ultimately prove to be inaccurate. Our accounting policies and critical accounting estimates are reviewed periodically by the Audit Committee of the Board of Directors.

We believe that our accounting estimates pertaining to: the recognition of revenue and project profit or loss, which we define as project revenue, less project costs of revenue, including project-related depreciation, in particular, on construction contracts accounted for under the cost-to-cost method, for which the recorded amounts require estimates of costs to complete and the amount and probability of variable consideration included in the contract transaction price; fair value estimates, including those related to acquisitions, valuations of goodwill, indefinite-lived intangible assets and acquisition-related contingent consideration; equity investments; income taxes; self-insurance liabilities; and litigation and other contingencies, are the most critical in the preparation of our consolidated financial statements as they are important to the portrayal of our financial condition and require significant or complex judgment and estimates on the part of management. Actual results could, however, vary materially from these accounting estimates. Refer to Note 1 - Business, Basis of Presentation and Significant Accounting Policies in the notes to the audited consolidated financial statements, which is incorporated by reference, for discussion of our significant accounting policies.

**Revenue Recognition**

We recognize revenue from contracts with customers under Accounting Standards Codification (“ASC”) Topic 606 (“Topic 606”). Under Topic 606, revenue is recognized when, or as, control of promised goods and services is transferred to customers, and the amount of revenue recognized reflects the consideration to which an entity expects to be entitled in exchange for the goods and services transferred. We primarily recognize revenue over time utilizing the cost-to-cost measure of progress on contracts for specific projects and for certain master service and other service agreements.

**Contracts.** We derive revenue primarily from construction projects performed under: (i) master and other service agreements, which provide a menu of available services in a specific geographic territory that are utilized on an as-needed basis, and are typically priced using either a time and materials or a fixed price per unit basis; and (ii) contracts for specific projects requiring the construction and installation of an entire infrastructure system or specified units within an infrastructure system, which are subject to multiple pricing options, including fixed price, unit price, time and materials, or cost plus a markup.
The total contract transaction price and cost estimation processes used for recognizing revenue over time under the cost-to-cost method is based on the professional knowledge and experience of our project managers, engineers and financial professionals. Management reviews estimates of total contract transaction price and total project costs on an ongoing basis. Changes in job performance, job conditions and management’s assessment of expected variable consideration are factors that influence estimates of the total contract transaction price, total costs to complete those contracts and our profit recognition. Changes in these factors could result in revisions to revenue in the period in which the revisions are determined, which could materially affect our consolidated results of operations for that period. Provisions for losses on uncompleted contracts are recorded in the period in which such losses are determined. For the year ended December 31, 2020, project profit was affected by less than 5% as a result of changes in contract estimates included in projects that were in process as of December 31, 2019. Revenue recognized for the year ended December 31, 2020 as a result of changes in total contract transaction price estimates, including from variable consideration, from performance obligations satisfied or partially satisfied in prior periods, totaled approximately $13.5 million.

**Performance Obligations.** A performance obligation is a contractual promise to transfer a distinct good or service to a customer, and is the unit of account under Topic 606. The transaction price of a contract is allocated to each distinct performance obligation and recognized as revenue when or as the performance obligation is satisfied. Our contracts often require significant services to integrate complex activities and equipment into a single deliverable, and are therefore generally accounted for as a single performance obligation, even when delivering multiple distinct services. Contract amendments and change orders, which are generally not distinct from the existing contract, are typically accounted for as a modification of the existing contract and performance obligation. The vast majority of our performance obligations are completed within one year.

When more than one contract is entered into with a customer on or close to the same date, management evaluates whether those contracts should be combined and accounted for as a single contract, as well as whether those contracts should be accounted for as one, or more than one, performance obligation. This evaluation requires significant judgment and is based on the facts and circumstances of the various contracts.

**Variable Consideration.** Transaction prices for our contracts may include variable consideration, which comprises items such as change orders, claims and incentives. Management estimates variable consideration for a performance obligation utilizing estimation methods that we believe best predict the amount of consideration to which we will be entitled. Variable consideration is included in the estimated transaction price if it is probable that when the uncertainty associated with the variable consideration is resolved, there will not be a significant reversal of the cumulative amount of revenue that has been recognized. Management’s estimates of variable consideration and the determination of whether to include estimated amounts in transaction prices are based largely on engineering studies and legal opinions, past practices with the customer, specific discussions, correspondence or preliminary negotiations with the customer and all other relevant information that is reasonably available at the time of the estimate. The effect of variable consideration on the transaction price of a performance obligation is typically recognized as an adjustment to revenue on a cumulative catch-up basis, as such variable consideration, which typically pertains to changed conditions and scope, is generally for services encompassed under the existing contract. To the extent unapproved change orders, claims and other variable consideration reflected in transaction prices are not resolved in our favor, or to the extent incentives reflected in transaction prices are not earned, there could be reductions in, or reversals of, previously recognized revenue.

As of December 31, 2020, we included approximately $51 million of change orders and/or claims in transaction prices for certain contracts that were in the process of being resolved in the ordinary course of business, including through negotiation, arbitration and other proceedings. These transaction price adjustments, when earned, are included within contract assets or accounts receivable, net of allowance, as appropriate. As of December 31, 2020, these change orders and/or claims were primarily related to certain projects in our Electrical Transmission and Communications segments. We actively engage with our customers to complete the final approval process, and generally expect these processes to be completed within one year. Amounts ultimately realized upon final agreement by customers could be higher or lower than such estimated amounts.

**Business Combinations**

The determination of the fair value of net assets acquired in a business combination and estimates of acquisition-related contingent consideration, which, for our acquisitions are primarily “earn-out” liabilities, requires estimates and judgments of future cash flow expectations for the acquired business and the related identifiable tangible and intangible assets. Fair values of net assets acquired are calculated using expected cash flows and industry-standard valuation techniques. Fair values of earn-out liabilities are estimated using income approaches such as discounted cash flows or option pricing models.

Due to the time required to gather and analyze the necessary data for each acquisition, U.S. GAAP provides a “measurement period” of up to one year in which to finalize these fair value determinations. During the measurement period, preliminary fair value estimates may be revised if new information is obtained about the facts and circumstances existing as of the date of acquisition, or based on the final net assets and working capital of the acquired business, as prescribed in the applicable purchase agreement. Such adjustments may result in the recognition, or adjust the fair values, of acquisition-related assets and liabilities and/or consideration paid, and are referred to as “measurement period” adjustments, and are recorded to goodwill. Other revisions to these fair value estimates are reflected as income or expense, as appropriate. See Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which is incorporated by reference, for information pertaining to acquisition-related fair value adjustments.

Significant changes in the assumptions or estimates used in the underlying valuations, including the expected profitability or cash flows of an acquired business, could materially affect our operating results in the period such changes are recognized.

**Goodwill and Indefinite-Lived Intangible Assets**

We have goodwill and indefinite-lived intangible assets that have been recorded in connection with our acquisitions of businesses. Goodwill and indefinite-lived intangible assets are not amortized, but instead are tested for impairment at least annually. We perform our annual impairment tests of goodwill and indefinite-lived intangible assets during the fourth quarter of each year, and on a quarterly basis, we monitor these assets for potential indicators of impairment. Goodwill is required to be tested for impairment at the reporting unit level. A reporting unit is an operating segment, or one level below the operating segment, which is referred to as a component. We combine all of the components of our Electrical Transmission operating segment into one reporting unit. All of our other components each comprise one reporting unit.
Following is a summary of goodwill and indefinite-lived intangible assets by segment as of December 31, 2020:

<table>
<thead>
<tr>
<th></th>
<th>Communications</th>
<th>Clean Energy &amp; Infrastructure</th>
<th>Oil and Gas</th>
<th>Electrical Transmission</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill (in millions)</td>
<td>$ 562.1</td>
<td>$ 152.7</td>
<td>$ 378.1</td>
<td>$ 150.1</td>
<td>$ 1,243.0</td>
</tr>
<tr>
<td>Percentage of total</td>
<td>45.2 %</td>
<td>12.3 %</td>
<td>30.4 %</td>
<td>12.1 %</td>
<td>100.0 %</td>
</tr>
<tr>
<td>Indefinite-lived intangible assets (in millions)</td>
<td>$ —</td>
<td>$ 34.5</td>
<td>$ —</td>
<td>$ —</td>
<td>$ 34.5</td>
</tr>
<tr>
<td>Percentage of total</td>
<td>— %</td>
<td>100.0 %</td>
<td>— %</td>
<td>— %</td>
<td>100.0 %</td>
</tr>
</tbody>
</table>

For the year ended December 31, 2020, we performed a qualitative assessment for our goodwill and indefinite-lived intangible assets by examining relevant events and circumstances that could have an effect on their fair values, such as: macroeconomic conditions, industry and market conditions, entity-specific events, financial performance and other relevant factors or events that could affect earnings and cash flows.

Based on the results of the qualitative assessments for the year ended December 31, 2020, we performed quantitative testing for (i) three reporting units within our Oil and Gas operating segment and (ii) one reporting unit in the Communications segment. Factors considered by management in determining the reporting units for which quantitative assessments were performed included the effects of current or expected changes in market conditions on the future business outlook, the potential effects of the COVID-19 pandemic, success rates on new project awards and levels of operating activity.

For the reporting units for which quantitative testing was performed, we estimated their fair values using a combination of market and income approaches. Under the market approach, fair values were estimated using published market multiples for comparable companies and applying them to revenue and EBITDA. Under the income approach, a discounted cash flow methodology was used, considering: (i) management estimates, such as projections of revenue, operating costs and cash flows, taking into consideration historical and anticipated financial results; (ii) general economic and market conditions; and (iii) the impact of planned business and operational strategies. We believe the assumptions used in our quantitative goodwill impairment tests are reflective of the risks inherent in the business models of our reporting units and within our industry. Estimated discount rates were determined using the weighted average cost of capital for each reporting unit at the time of the analysis, taking into consideration the risks inherent within each reporting unit individually. Significant assumptions used in testing the reporting units included terminal values based on terminal growth rates of 2.5%, five to nine years of discounted cash flows prior to the terminal value, and discount rates ranging from 13.0% to 15.0%.

Based on the results of the quantitative assessment, the estimated fair values of the reporting unit within our Communications operating segment and the three reporting units within our Oil and Gas operating segment were determined to substantially exceed their carrying values. A 100 basis point increase in the discount rate would not have resulted in any of the reporting units’ carrying values exceeding their fair values.

As of December 31, 2020, we believe that the recorded balances of goodwill and indefinite-lived intangible assets are recoverable; however, significant changes in the assumptions or estimates used in our impairment analyses, such as a reduction in profitability and/or cash flows, could result in non-cash goodwill and indefinite-lived intangible asset impairment charges in future periods.

See Note 1 - Business, Basis of Presentation and Significant Accounting Policies and Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which are incorporated by reference, for additional discussion.

**Equity Investments**

Our investment and strategic arrangements include equity interests in various business entities and participation in contractual joint ventures. Equity investments, other than those accounted for as equity method investments or those that are proportionately consolidated, are measured at fair value if their fair values are readily determinable. Equity investments that do not have readily determinable fair values are measured at cost, adjusted for changes from observable market transactions, if any, less impairment (“adjusted cost basis”). This impairment evaluation considers a variety of factors, including the earnings performance of the related investments and the economic environment and market conditions in which the investees operate. Significant changes in any of these factors could result in impairment charges in future periods.

**Income Taxes**

Our provision for income taxes uses an effective tax rate based on annual pre-tax income, statutory tax rates, permanent tax differences and tax planning opportunities in the various jurisdictions in which we operate. Significant factors that can affect our annual effective tax rate include our assessment of certain tax matters, the location and amount of taxable earnings, changes in certain non-deductible expenses and expected credits. Although we believe our provision for income taxes is correct and the related assumptions are reasonable, the final outcome of tax matters could be materially different from what we currently anticipate, which could result in significant costs or benefits to us. See Note 12 - Income Taxes in the notes to the audited consolidated financial statements, which is incorporated by reference, for additional discussion.

In the ordinary course of business, there is inherent uncertainty in quantifying income tax positions. We assess our income tax positions and record tax benefits for all years subject to examination based on our evaluation of the facts, circumstances and information available at the reporting date. For those tax positions where it is more likely than not that a tax benefit will be sustained, we have recognized the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where it is not more likely than not that a tax benefit will be sustained, no tax benefit has been recognized in our financial statements.

We file income tax returns in numerous tax jurisdictions, including U.S. federal, most U.S. states and certain foreign jurisdictions.
Although we believe our calculations for tax returns are correct and the positions taken thereon are reasonable, the final outcome of income tax examinations could be materially different from our expectations and the estimates that are reflected in our consolidated financial statements, which could have a material effect on our results of operations, cash flows and liquidity.

**Self-Insurance**

We are self-insured up to the amount of our deductible for our insurance policies. Liabilities under our insurance programs are accrued based upon our estimate of the ultimate liability for claims, with assistance from third-party actuaries. The determination of such claims and expenses and the appropriateness of the related liability is reviewed and updated quarterly. These insurance liabilities are, however, difficult to assess and estimate due to many factors, the effects of which are often unknown or difficult to estimate, including the severity of an injury, the determination of our liability in proportion to other parties and the number of incidents not reported. Accruals are based upon known facts and historical trends. Although we believe such accruals are adequate, a change in experience or actuarial assumptions could materially affect our results of operations in a particular period.

**Litigation and Contingencies**

Accruals for litigation and contingencies are based on our assessment, including advice of legal counsel, of the expected outcome of litigation or other dispute resolution proceedings and/or the expected resolution of contingencies. Significant judgment is required in both the determination of probability of loss and the determination as to whether the amount is reasonably estimable. Accruals are based on information available at the time of the assessment due to the uncertain nature of such matters. As additional information becomes available, we reassess potential liabilities related to pending claims and litigation and may revise our previous estimates, which could materially affect our results of operations in a given period.

**2021 Outlook**

We believe that we are well-positioned to benefit from significant opportunities in each of our business segments. Please see Item 1 “Business - Industry Trends” for additional information on the outlook for the industries we serve and a detailed discussion of our market opportunities. Our 2021 results could be adversely affected by the matters discussed in the “Cautionary Statement Regarding Forward-Looking Statements,” Item 1A. “Risk Factors” and Item 3. “Legal Proceedings” of this Form 10-K.

**Comparison of Fiscal Year Results**

The following table, which may contain slight summation differences due to rounding, reflects our consolidated results of operations in dollar and percentage of revenue terms for the periods indicated (dollar amounts in millions). Our consolidated results of operations are not necessarily comparable from period to period due to the effect of recent acquisitions and certain other items, which are described in the comparison of results section below. In this discussion, “acquisition” results are defined as results from acquired businesses for the first twelve months following the dates of the respective acquisitions, with the balance of results for a particular item attributed to “organic” activity.

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$6,321.0</td>
<td>$7,183.2</td>
<td>$6,909.4</td>
</tr>
<tr>
<td>Costs of revenue, excluding depreciation and amortization</td>
<td>5,270.9</td>
<td>6,070.2</td>
<td>5,939.3</td>
</tr>
<tr>
<td>Depreciation</td>
<td>258.8</td>
<td>212.5</td>
<td>192.3</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>38.9</td>
<td>23.0</td>
<td>20.6</td>
</tr>
<tr>
<td>Goodwill and intangible asset impairment</td>
<td>—</td>
<td>3.3</td>
<td>47.7</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>319.2</td>
<td>299.5</td>
<td>287.3</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>59.6</td>
<td>77.0</td>
<td>82.6</td>
</tr>
<tr>
<td>Equity in earnings of unconsolidated affiliates</td>
<td>(29.7)</td>
<td>(27.4)</td>
<td>(23.9)</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>5.6</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>(27.5)</td>
<td>14.0</td>
<td>(1.8)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>$425.2</td>
<td>$510.9</td>
<td>$365.3</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>(102.5)</td>
<td>(116.8)</td>
<td>(106.1)</td>
</tr>
<tr>
<td>Net income</td>
<td>$322.7</td>
<td>$394.1</td>
<td>$259.2</td>
</tr>
<tr>
<td>Net (loss) income attributable to non-controlling interests</td>
<td>(0.1)</td>
<td>1.8</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Net income attributable to MasTec, Inc.</td>
<td>$322.8</td>
<td>$392.3</td>
<td>$259.7</td>
</tr>
</tbody>
</table>

We review our operating results by reportable segment. See Note 13 - Segments and Related Information in the notes to the audited consolidated financial statements, which is incorporated by reference. Our reportable segments are: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Electrical Transmission and (5) Other. Management’s review of reportable segment results includes analyses of trends in revenue, EBITDA and EBITDA margin. EBITDA for segment reporting purposes is calculated consistently with our consolidated EBITDA calculation. See the discussion of our non-U.S. GAAP financial measures, including certain adjusted non-U.S. GAAP measures, as described, following the comparison of results discussion below. The following table presents revenue, EBITDA and EBITDA margin by reportable segment for the periods indicated (dollar amounts in millions):
For the Years Ended December 31, 2020 and 2019

<table>
<thead>
<tr>
<th>Reportable Segment:</th>
<th>Revenue</th>
<th>EBITDA and EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
</tr>
<tr>
<td>Communications</td>
<td>$2,312.2</td>
<td>$2,618.8</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>1,526.9</td>
<td>1,034.3</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>1,789.8</td>
<td>3,117.2</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>506.5</td>
<td>413.9</td>
</tr>
<tr>
<td>Other</td>
<td>0.6</td>
<td>0.2</td>
</tr>
<tr>
<td>Eliminations</td>
<td>(15.0)</td>
<td>(1.2)</td>
</tr>
<tr>
<td>Corporate</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Consolidated Results</td>
<td>$6,321.0</td>
<td>$7,183.2</td>
</tr>
</tbody>
</table>

NM - Percentage is not meaningful

Comparison of Years Ended December 31, 2020 and 2019

Revenue. For the year ended December 31, 2020, consolidated revenue totaled $6,321 million as compared with $7,183 million in 2019, a decrease of $862 million, or 12%. Revenue increases in our Clean Energy and Infrastructure segment of $493 million, or 48%, and in our Electrical Transmission segment of $93 million, or 22%, were offset by decreases in revenue in our Oil and Gas segment of $1,327 million, or 43%, and in our Communications segment of $107 million, or 4%. Acquisitions contributed $230 million in revenue for the year ended December 31, 2020 and organic revenue decreased by approximately $1,092 million, or 15%, as compared with 2019.

Communications Segment. Communications revenue was $2,512 million in 2020, as compared with $2,619 million in 2019, a decrease of $107 million, or 4%. Acquisitions contributed $156 million of revenue for the year ended December 31, 2020 and organic revenue decreased by approximately $262 million, or 10%, as compared with 2019. The decrease in organic revenue was primarily driven by a decrease in install-to-the-home and wireless revenue, including from the effects of the COVID-19 pandemic, offset, in part, by higher levels of wireline/fiber revenue.

Clean Energy and Infrastructure Segment. Clean Energy and Infrastructure revenue was $1,527 million in 2020, as compared with $1,034 million in 2019, an increase of $493 million, or 48%. Organic revenue increased by approximately $418 million, or 40%, as compared with 2019, and acquisitions contributed $74 million of revenue for the year ended December 31, 2020. The increase in organic revenue was driven primarily by higher levels of clean energy project activity.

Oil and Gas Segment. Oil and Gas revenue was $1,790 million in 2020, as compared with $3,117 million in 2019, a decrease of approximately $1,327 million, or 43%. The expected decrease was primarily due to lower levels of project activity and mix, including the effects of regulatory disruptions on certain pipeline construction activity.

Electrical Transmission Segment. Electrical Transmission revenue was $507 million in 2020, as compared with $414 million in 2019, an increase of $93 million, or 22%, due primarily to higher levels of project activity and timing.

Costs of revenue, excluding depreciation and amortization. Costs of revenue, excluding depreciation and amortization, decreased by $799 million, or 13%, to $5,271 million in 2020 from $6,070 million in 2019. Lower levels of revenue contributed a decrease in costs of revenue, excluding depreciation and amortization, of $729 million, and improved productivity contributed a decrease of approximately $71 million. Costs of revenue, excluding depreciation and amortization, as a percentage of revenue decreased by approximately 110 basis points, from 84.5% of revenue in 2019 to 83.4% of revenue in 2020. The basis point decrease was primarily due to project efficiencies, close-outs and mix across multiple segments, net, offset, in part, by lower levels of revenue and increased costs related to the COVID-19 pandemic.

Depreciation. Depreciation was $259 million, or 4.1% of revenue in 2020, as compared with $212 million, or 3.0% of revenue in 2019, an increase of $46 million, or 22%. Acquisitions contributed $7 million of depreciation for the year ended December 31, 2020 and organic depreciation increased by $39 million due to capital spending in support of expected future levels of activity. As a percentage of revenue, depreciation increased by approximately 110 basis points due, in part, to lower levels of revenue.

Amortization of intangible assets. Amortization of intangible assets was $39 million, or 0.6% of revenue in 2020, as compared with $23 million, or 0.3% of revenue, for the same period in 2019, an increase of $16 million, or 69%. Acquisitions contributed $11 million of intangible asset amortization for the year ended December 31, 2020. As a percentage of revenue, amortization of intangible assets increased by approximately 30 basis points due, in part, to lower levels of revenue, as well as the effects of acquisitions and a change in amortization policy for certain intangible assets. See Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which is incorporated for reference, for additional information.

Goodwill and intangible asset impairment. We did not incur goodwill or intangible asset impairment in 2020. In 2019, we incurred $3 million of goodwill impairment related to a reporting unit in our Oil and Gas segment. For additional details, see Note 3 - Goodwill and Other Intangible Assets in the notes to the audited consolidated financial statements, which is incorporated by reference.

General and administrative expenses. General and administrative expenses were $319 million or 5.0% of revenue in 2020, as compared with $300 million, or 4.2% of revenue in 2019, an increase of $20 million, or 7%. Acquisitions contributed approximately $15 million of general and administrative expenses for the year ended December 31, 2020. Excluding the effects of acquisitions, administrative expenses increased by approximately $5 million as compared with 2019, primarily due to the effect of timing of legal, arbitration and settlement matters and provisions for potential credit losses, offset, in part, by reductions in compensation, travel and professional fee expense. General and administrative expenses as a
percentage of revenue increased by approximately 90 basis points as compared with 2019 due to a combination of lower levels of revenue and higher overall general and administrative expenses, as described above.

**Interest expense, net.** Interest expense, net of interest income, was $60 million, or 0.9% of revenue in 2020, as compared with $77 million, or 1.1% of revenue in 2019, for a reduction of $17 million, or 23%. The decrease in interest expense, net, related primarily to a reduction in interest expense from credit facility activity as well as a decrease in discount charges on financing arrangements for trade receivables, offset, in part, by an increase in interest expense on senior notes and mandatorily redeemable non-controlling interests, as well as the effect of a 2019 arbitration award, under which we recovered $5 million in interest costs. Interest expense from credit facility activity decreased by approximately $22 million as compared with the same period in the prior year due to a combination of lower interest rates and lower average balances. Interest expense on senior notes increased in 2020 due to the third quarter 2020 issuance of $600 million aggregate principal amount of 4.50% Senior Notes, offset by the redemption of $400 million aggregate principal amount of 4.875% Senior Notes.

**Equity in earnings of unconsolidated affiliates.** Equity in earnings or losses of unconsolidated affiliates includes our share of income or losses from equity investees. For the year ended December 31, 2020, equity in earnings from unconsolidated affiliates totaled $30 million, as compared with $27 million in 2019, and related primarily to our investments in the Waha JVs, and to a lesser extent, to investments in certain telecommunications entities.

**Loss on extinguishment of debt.** We incurred a loss on debt extinguishment of approximately $6 million for the year ended December 31, 2020 in connection with the third quarter 2020 repurchase and redemption of our 4.875% Senior Notes, composed of approximately $3 million of early repayment premiums and $2 million from the write-off of unamortized deferred financing costs.

**Other (income) expense, net.** Other (income) expense, net, consists primarily of gains or losses from sales of, or changes in estimated recoveries from, assets and investments, certain legal/other settlements and gains or losses from changes to estimated earn-out accruals. Other income, net, was $27 million in 2020, as compared with other expense, net, of $14 million in 2019. For the year ended December 31, 2020, other income, net, included approximately $16 million of gains on sales of equipment, net, and $12 million, net, of other income, including from certain investments and strategic arrangements, partially offset by $2 million of expense from changes to estimated earn-out accruals, net. For the year ended December 31, 2019, other expense, net, included $51 million of expense from changes to estimated earn-out accruals, net, offset, in part, by $19 million of other income from an arbitration award, $14 million of gains on sales of equipment, net, and $3 million of other income, including from the settlement of an investment and gains on sales of other assets.

**Provision for income taxes.** Income tax expense was $102 million in 2020, as compared with $117 million in 2019. Pre-tax income decreased to $425 million for the year ended December 31, 2020 from $511 million in 2019. The decrease in income tax expense from lower pre-tax income was offset, in part, by a higher effective tax rate, which increased to 24.1% for the year ended December 31, 2020 from 22.9% in 2019. Income tax expense in 2020 included a benefit of approximately $10 million related to the release of certain valuation allowances on Canadian deferred tax assets that were no longer necessary, as well as the benefit of adjustments from the finalization of our 2019 tax returns. Income tax expense in 2019 included the favorable effects of reduced foreign earnings, the recognition of approximately $4 million of excess tax benefits from share-based awards, adjustments from the finalization of our 2018 tax returns and the effects of tax rate changes.

**Analysis of EBITDA by Segment**

**Communications Segment.** EBITDA for our Communications segment was $270 million, or 10.7% of revenue in 2020, as compared with $209 million, or 8.0% of revenue in 2019, an increase of $61 million, or 29%. As a percentage of revenue, EBITDA increased by approximately 280 basis points, or $70 million, due primarily to project efficiencies and mix. The increase in EBITDA from improved EBITDA margins was offset, in part, by the negative effect from lower levels of revenue, which contributed a decrease in EBITDA of approximately $8 million.

**Clean Energy and Infrastructure Segment.** EBITDA for our Clean Energy and Infrastructure segment was $80 million, or 5.3% of revenue, in 2020, as compared with $40 million, or 3.9% of revenue in 2019, for an increase in EBITDA of $40 million, or 100%. As a percentage of revenue, segment EBITDA increased by approximately 140 basis points, or $21 million, due primarily to a combination of improved project efficiencies, close-outs and mix. Higher levels of revenue contributed an increase in EBITDA of approximately $19 million.

**Oil and Gas Segment.** EBITDA for our Oil and Gas segment was $511 million, or 28.5% of revenue in 2020, as compared with $634 million, or 20.3% of revenue in 2019, a decrease of approximately $123 million, or 19%. Lower levels of revenue contributed a decrease in EBITDA of $270 million, whereas improved productivity contributed an increase of approximately $147 million. EBITDA margins increased by approximately 820 basis points, due primarily to improved project efficiencies, close-outs and mix.

**Electrical Transmission Segment.** EBITDA for our Electrical Transmission segment was $15 million, or 2.9% of revenue in 2020, as compared with $30 million, or 7.1% of revenue in 2019, a decrease in EBITDA of approximately $15 million, or 49%. As a percentage of revenue, EBITDA decreased by approximately 420 basis points, or $2 million, due primarily to reduced project efficiencies, close-outs and mix. Higher levels of revenue contributed an increase in EBITDA of approximately $7 million.

**Other Segment.** EBITDA from Other businesses totaled $31 million and $27 million for the years ended December 31, 2020 and 2019, respectively, an increase of approximately $4 million, or 16%. Other segment EBITDA related primarily to equity in earnings from our investment in the Waha JVs.

**Corporate.** Corporate EBITDA was negative $125 million in 2020 as compared with EBITDA of negative $116 million in 2019, for a decrease in EBITDA of approximately $9 million. Corporate EBITDA in 2020 included approximately $6 million of debt extinguishment losses and $2 million of expense from changes to estimated earn-out accruals, net, partially offset by approximately $11 million of income, net, from certain investments and strategic arrangements. Corporate EBITDA in 2019 included $51 million of expense from changes to estimated earn-out accruals, net, and $3 million of intangible asset impairment related to changes in expected customer pre-qualification assets, partially offset by approximately $25 million of income and recovery of costs from a second quarter 2019 arbitration award and $2 million of other income, including from the
settlement of an investment. Excluding the effects of these items, other corporate expenses for the year ended December 31, 2020 increased by approximately $39 million as compared with the prior year, primarily due to the effects of legal and settlement matter timing and share-based compensation expense, partially offset by a reduction in travel expense and professional fees.

Comparison of Years Ended December 31, 2019 and 2018

Refer to Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Comparison of Years Ended December 31, 2019 and 2018” of the Company’s 2019 Annual Report on Form 10-K (“the 2019 Form 10-K”) for a comparison of results for the years ended December 31, 2019 and 2018, which discussion is incorporated herein by reference.

Foreign Operations

Our foreign operations are primarily in Canada and, to a lesser extent, in Mexico and the Caribbean. See Note 13 - Segments and Related Information in the notes to the audited consolidated financial statements, which is incorporated by reference.

Non-U.S. GAAP Financial Measures

As appropriate, we supplement our reported U.S. GAAP financial information with certain non-U.S. GAAP financial measures, including earnings before interest, income taxes, depreciation and amortization (“EBITDA”), adjusted EBITDA (“Adjusted EBITDA”), adjusted net income (“Adjusted Net Income”) and adjusted diluted earnings per share (“Adjusted Diluted Earnings Per Share”). These “adjusted” non-U.S. GAAP measures exclude, as applicable to the particular periods, non-cash stock-based compensation expense; amortization of intangible assets; the loss on debt extinguishment from the redemption of our 4.875% Senior Notes; goodwill and intangible asset impairment; project results from a proportionately consolidated non-controlled Canadian joint venture that was underway when we acquired a Canadian business in 2014, and the sole activity of which involved the construction of a bridge, a business in which we do not otherwise engage, is managed by a third party, and for which we have minimal direct construction involvement and which joint venture automatically terminates upon completion of the project; and, for Adjusted Net Income and Adjusted Diluted Earnings Per Share, the tax effects of the adjusted items, including non-cash stock based compensation expense, and the effects of changes in statutory tax rates, including the effects of the 2017 Tax Act. These definitions of EBITDA and Adjusted EBITDA are not the same as in our Credit Facility or in the indenture governing our senior notes; therefore, EBITDA and Adjusted EBITDA as presented in this discussion should not be used for purposes of determining our compliance with the covenants contained in our debt instruments.

We use EBITDA and Adjusted EBITDA, as well as Adjusted Net Income and Adjusted Diluted Earnings Per Share to evaluate our performance, both internally and as compared with our peers, because these measures exclude certain items that may not be indicative of our core operating results, as well as items that can vary widely across different industries or among companies within the same industry. Non-cash stock-based compensation expense can be subject to volatility from changes in the market price per share of our common stock or variations in the value and number of shares granted, and amortization of intangible assets is subject to acquisition activity, which varies from period to period. We believe that these adjusted measures provide a baseline for analyzing trends in our underlying business.

We believe that these non-U.S. GAAP financial measures provide meaningful information and help investors understand our financial results and assess our prospects for future performance. Because non-U.S. GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies’ non-U.S. GAAP financial measures having the same or similar names. These financial measures should not be considered in isolation from, as substitutes for, or alternative measures of, reported net income or diluted earnings per share, and should be viewed in conjunction with the most comparable U.S. GAAP financial measures and the provided reconciliations thereto. We believe these non-U.S. GAAP financial measures, when viewed together with our U.S. GAAP results and related reconciliations, provide a more complete understanding of our business. We strongly encourage investors to review our consolidated financial statements and publicly filed reports in their entirety and not rely on any single financial measure.

The following table presents a reconciliation of net income to EBITDA and Adjusted EBITDA in dollar and percentage of revenue terms, for the years indicated. The tables below (dollar amounts in millions) may contain slight summation differences due to rounding.
A reconciliation of EBITDA to Adjusted EBITDA and Adjusted EBITDA margin by reportable segment for the years indicated is as follows:

<table>
<thead>
<tr>
<th>Segment</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>$ 270.1</td>
<td>$ 208.8</td>
<td>$ 290.4</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>$ 510.9</td>
<td>$ 634.2</td>
<td>$ 451.6</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>$ 14.9</td>
<td>$ 29.5</td>
<td>$ 10.5</td>
</tr>
<tr>
<td>Other</td>
<td>$ 30.7</td>
<td>$ 26.5</td>
<td>$ 23.4</td>
</tr>
<tr>
<td>Corporate</td>
<td>(97.0)</td>
<td>(95.9)</td>
<td>(95.3)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ 810.0</td>
<td>$ 843.2</td>
<td>$ 721.0</td>
</tr>
</tbody>
</table>

NM - Percentage is not meaningful

The table below, which may contain slight summation differences due to rounding, reconciles reported net income and reported diluted earnings per share, the most directly comparable U.S. GAAP financial measures, to Adjusted Net Income and Adjusted Diluted Earnings Per Share. Beginning in 2020, our computation of Adjusted Net Income includes the effect of intangible asset amortization. We believe this presentation better represents our adjusted results due to the non-operational nature of intangible asset amortization and its inherent volatility, as acquisition activity varies from period to period. We also believe this presentation is common practice in our industry and improves comparability of our results with those of our peers, although each company’s definitions of these adjusted measures may vary as they are not standardized and should be used in light of the provided reconciliations. Accordingly, all prior year periods have been updated to conform with the current year presentation.

For the Years Ended December 31,

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income (in millions)</th>
<th>Diluted Earnings Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$ 322.7</td>
<td>$ 4.38</td>
</tr>
<tr>
<td>2019</td>
<td>$ 394.1</td>
<td>$ 5.17</td>
</tr>
<tr>
<td>2018</td>
<td>$ 259.2</td>
<td>$ 3.26</td>
</tr>
</tbody>
</table>

Reported U.S. GAAP measure

<table>
<thead>
<tr>
<th>Adjustments</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-cash stock-based compensation expense</td>
<td>$ 21.9</td>
<td>$ 0.30</td>
<td>$ 16.4</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>$ 38.9</td>
<td>$ 0.53</td>
<td>$ 23.0</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>$ 5.6</td>
<td>$ 0.08</td>
<td>$ 23.0</td>
</tr>
<tr>
<td>Goodwill and intangible asset impairment</td>
<td>$ —</td>
<td>$ 3.3</td>
<td>$ 47.7</td>
</tr>
<tr>
<td>Project results from non-controlled joint venture</td>
<td>$ —</td>
<td>$ (1.0)</td>
<td>$ (0.01)</td>
</tr>
<tr>
<td>Total adjustments, pre-tax</td>
<td>$ 66.4</td>
<td>$ 0.90</td>
<td>$ 80.8</td>
</tr>
<tr>
<td>Income tax effect of adjustments (a)</td>
<td>(15.2)</td>
<td>(13.2)</td>
<td>(10.5)</td>
</tr>
<tr>
<td>Statutory tax rate effects (b)</td>
<td>2.5</td>
<td>0.03</td>
<td>(12.8)</td>
</tr>
<tr>
<td>Adjusted non-U.S. GAAP measure</td>
<td>$ 376.4</td>
<td>$ 415.9</td>
<td>$ 316.7</td>
</tr>
</tbody>
</table>

(a) Represents the tax effect of the adjusted items that are subject to tax, including the tax effects of non-cash stock-based compensation expense, which for the years ended December 31, 2020, 2019 and 2018, included net tax benefits of $0.5 million, $3.9 million and $1.6 million, respectively, from the vesting of share-based payment awards. Tax effects are determined based on the tax treatment of the related item, the incremental statutory tax rate of the jurisdictions pertaining to the adjustment, and their effect on pre-tax income. For the years ended December 31, 2020, 2019 and 2018, our consolidated effective tax rates, as reported, were 24.1%, 22.9% and 29.0%, respectively, and as adjusted, including the effects of intangible asset amortization, as discussed above, were 23.4%, 24.9%, and 29.0%, respectively.

(b) For the year ended December 31, 2020, includes the effect of changes in state tax rates and for the year ended December 31, 2019, includes the effects of changes in Canadian provincial statutory tax rates, as well as changes in state tax rates. For the year ended December 31, 2018, relates primarily to the effects of the 2017 Tax Act.
Financial Condition, Liquidity and Capital Resources

Our primary sources of liquidity are cash flows from operations, availability under our Credit Facility and our cash balances. Our primary liquidity needs are for working capital, capital expenditures, insurance and performance collateral in the form of cash and letters of credit, earn-out obligations, equity investment funding requirements, debt service and income taxes. We also evaluate opportunities for strategic acquisitions, investments and other arrangements from time to time, and we may consider opportunities to borrow additional funds, which may include borrowings under our Credit Facility or debt issuances, or to refinance or retire outstanding debt, or repurchase additional shares of our outstanding common stock in the future under share repurchase authorizations, any of which may require our use of cash. See Note 7 - Debt in the notes to the audited consolidated financial statements in this Form 10-K, which is incorporated by reference, for details of our $600 million Private Offering of 4.50% Senior Notes and the redemption of our 4.875% Senior Notes during the third quarter of 2020.

Capital Expenditures. For the year ended December 31, 2020, we spent approximately $214 million on capital expenditures, or $177 million net of asset disposals, and incurred approximately $114 million of equipment purchases under finance leases. We estimate that we will spend approximately $150 million on capital expenditures, or approximately $100 million, net of asset disposals, in 2021, and expect to incur approximately $120 million to $140 million of equipment purchases under finance leases. Actual capital expenditures may increase or decrease in the future depending upon business activity levels, as well as ongoing assessments of equipment lease versus buy decisions based on short and long-term equipment requirements.

Acquisitions and Earn-Out Liabilities. We typically utilize cash for business acquisitions and other strategic arrangements, and for the year ended December 31, 2020, we used $25 million of cash for this purpose. In addition, in most of our acquisitions, we have agreed to make future payments to the sellers that are contingent upon the future earnings performance of the acquired businesses, which we also refer to as “earn-out” payments. Earn-out payments may be paid in cash or, under specific circumstances, MasTec common stock, or a combination thereof, at our option. The estimated total value of future acquisition-related contingent consideration and other liabilities as of December 31, 2020 was approximately $1.35 million. Of this amount, $48 million represents the liability for earned amounts. The remainder is management’s estimate of acquisition-related contingent consideration and other liabilities that are contingent upon future performance. For the years ended December 31, 2020, 2019 and 2018, we made payments of $50 million, $35 million and $23 million, respectively, related to earn-out obligations. In the first quarter of 2021, we acquired a heavy civil infrastructure construction company that will be included within our Clean Energy and Infrastructure segment and a pipeline integrity and gas distribution contractor that will be included in our Oil and Gas segment for an aggregate purchase price of approximately $110 million in cash.

Income Taxes. For the year ended December 31, 2020, tax payments, net of tax refunds, were approximately $65 million, whereas in 2019, tax payments, net of tax refunds were approximately $106 million. The decrease in tax payments, net of refunds, in 2020 was largely related to lower taxable income as compared with 2019. In 2018, tax refunds, net of tax payments were approximately $22 million. Our tax payments vary with changes in taxable income and earnings.

Working Capital. We need working capital to support seasonal variations in our business, primarily due to the effect of weather conditions on external construction and maintenance work and the spending patterns of our customers, both of which influence the timing of associated spending to support related customer demand. Working capital needs are generally higher during the summer and fall months due to increased demand for our services when favorable weather conditions exist in many of the regions in which we operate. Conversely, working capital needs are typically converted to cash during the winter months. These seasonal trends, however, can be offset by changes in the timing of projects, which can be affected by project delays or accelerations and/or other factors that may affect customer spending.

Working capital requirements also tend to increase when we commence multiple projects or particularly large projects because labor, including subcontractor costs, and certain other costs, including inventory, become payable before the receivables resulting from work performed are collected. The timing of billings and project close-outs can contribute to changes in unbilled revenue. As of December 31, 2020, we expect that substantially all of our unbilled receivables will be billed to customers in the normal course of business within the next twelve months. Total accounts receivable, which consists of contract billings, unbilled receivables and retainage, net of allowance, decreased to $1.8 billion as of December 31, 2020 from $1.9 billion as of December 31, 2019 due to lower levels of fourth quarter revenue and improved collection activity in 2020 as compared with 2019.

Our payment billing terms are generally net 30 days, and some of our contracts allow our customers to retain a portion of the contract amount (generally, from 5% to 10% of billings) until the job is completed. As part of our ongoing working capital management practices, we evaluate opportunities to improve our working capital cycle time through contractual provisions and certain financing arrangements. For certain customers, we maintain inventory to meet the materials requirements of the contracts. Occasionally, certain of our customers pay us in advance for a portion of the materials we purchase for their projects or allow us to pre-bill them for materials purchases up to specified amounts. Vendor terms are generally 30 days. Our agreements with subcontractors often contain a “pay-if-paid” provision, whereby our payments to subcontractors are made only after we are paid by our customers.

Summary of Financial Condition, Liquidity and Capital Resources

Including our current assessment of the potential effects of the COVID-19 pandemic on our results of operations and capital resource requirements, we anticipate that funds generated from operations, borrowings under our Credit Facility and our cash balances will be sufficient to meet our working capital requirements, anticipated capital expenditures, debt service obligations, insurance and performance collateral requirements, letter of credit needs, earn-out obligations, required income tax payments, acquisition and other investment funding requirements, share repurchase activity and other liquidity needs for at least the next twelve months.

Sources and Uses of Cash

As of December 31, 2020, we had $944 million in working capital, defined as current assets less current liabilities, as compared with $954 million as of December 31, 2019, a decrease of approximately $11 million. Cash and cash equivalents totaled $423 million and $71 million as of
December 31, 2020 and 2019, respectively, for an increase of $352 million due to strong cash flows from operating activities.

Sources and uses of cash are summarized below (in millions):

<table>
<thead>
<tr>
<th></th>
<th>For the Years Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$937.3</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>$(216.6)</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>$(369.9)</td>
</tr>
</tbody>
</table>

**Operating Activities.** Cash flow from operations is primarily influenced by changes in the timing of demand for our services and operating margins, but can also be affected by working capital needs associated with the various types of services we provide. Working capital is affected by changes in total accounts receivable, prepaid expenses and other current assets, accounts payable and payroll tax payments, including the effect of deferrals from COVID-19 relief provisions, accrued expenses and contract liabilities, all of which tend to be related. These working capital items are affected by changes in revenue resulting from the timing and volume of work performed, variability in the timing of customer billings and collections of receivables, as well as settlement of payables and other obligations. Net cash provided by operating activities for the year ended December 31, 2020 was $937 million, as compared with $550 million in 2019, for an increase in cash provided by operating activities of approximately $387 million. The increase was primarily due to the effect of working capital-related changes in assets and liabilities, net.

Our days sales outstanding, net of contract liabilities (“DSO”) was 86 as of December 31, 2020 and 90 as of December 31, 2019. DSO is calculated as total accounts receivable, net of allowance, less contract liabilities, divided by average daily revenue for the most recently completed quarter as of the balance sheet date. DSO can fluctuate from period to period due to timing of billings, billing terms, collections and settlements, timing of project close-outs and retrainee collections, changes in project and customer mix and the effect of working capital initiatives. The decrease in DSO for the year ended December 31, 2020 was due to timing of ordinary course billing and collection activities. Other than matters subject to litigation, we do not anticipate material collection issues related to our outstanding accounts receivable balances, nor do we believe that we have material amounts due from customers experiencing financial difficulties. Based on current information, we expect to collect substantially all of our outstanding accounts receivable balances within the next twelve months.

**Investing Activities.** Net cash used in investing activities decreased by approximately $45 million to $217 million for the year ended December 31, 2020 from $262 million in 2019. We spent $214 million on capital expenditures, or $177 million, net of asset disposals, in 2020, as compared with $126 million, or $91 million, net of asset disposals, in 2019, for an increase in cash used in investing activities of $85 million. Cash paid for acquisitions, net, decreased by approximately $155 million in 2020 as compared with 2019. Payments for other investments totaled $17 million in 2020, and related primarily to certain equity and other investments, whereas in 2019, payments for other investments totaled $6 million, for an increase of approximately $12 million in cash used in investing activities. Proceeds from other investments in 2020 decreased by $14 million as compared with the prior year, which included the sale of investment in a telecommunications entity.

**Financing Activities.** Net cash used in financing activities for the year ended December 31, 2020 was $370 million, as compared with $245 million in 2019, for an increase in cash used in financing activities of approximately $125 million. The increase in cash used in financing activities was driven primarily by Credit facility-related activity and share repurchases, offset in part, by proceeds from the issuance of $600 million aggregate principal amount of our 4.50% Senior Notes in the third quarter of 2020, net of the redemption of $400 million aggregate principal amount of our 4.875% Senior Notes. Credit facility and other borrowing-related activity, net, in 2020 totaled $307 million of repayments, net of borrowings, as compared with $113 million in 2019, for an increase in cash used in financing activities of approximately $193 million. Additionally, payments of finance lease obligations increased by $39 million in 2020. Payments for repurchases of common stock totaled $120 million in 2020, an increase of approximately $115 million as compared with 2019. Payments of acquisition-related contingent consideration included within financing activities totaled $10 million in 2020 as compared with $34 million in 2019, for a reduction in cash used in financing activities of $24 million. Total payments of acquisition-related contingent consideration, including payments in excess of acquisition-date liabilities, which are classified within operating activities, totaled $50 million in 2020 as compared with $35 million in 2019. The method of determining the amount of excess of acquisition-date liabilities was revised in the fourth quarter of 2020 to more closely align the cash flow presentation for such amounts with the economics of the contingent consideration arrangements. Excess of acquisition-date liability payments included within operating cash flows totaled $40 million in 2020 as compared with $1 million in 2019. Payments for other financing activities totaled $12 million in 2020 and included early repayment premiums on the redemption of our 4.875% Senior Notes and payments of financing costs on our new 4.50% Senior Notes, as discussed below. Payments for other financing activities in 2019 totaled $8 million and included $5 million of financing costs related to the amendment of our Credit Facility.

**Senior Secured Credit Facility**

We have a senior secured credit facility (the “Credit Facility”) maturing on September 19, 2024. Aggregate borrowing commitments under the Credit Facility total approximately $1.75 billion, composed of $1.35 billion of revolving commitments and a term loan totaling $400.0 million in original principal amount of which $397.5 million was outstanding as of December 31, 2020. Borrowings under the Credit Facility are used for working capital requirements, capital expenditures and other corporate purposes, including share repurchases, equity investments, potential acquisitions or other strategic arrangements and the repurchase or prepayment of indebtedness.

We are dependent upon borrowings and letters of credit under the Credit Facility to fund our operations. Should we be unable to comply with the terms and conditions of our Credit Facility, we would be required to obtain modifications to the Credit Facility or obtain an alternative source of financing to continue to operate, neither of which may be available to us on commercially reasonable terms, or at all. The Credit Facility is subject to certain provisions and covenants. For additional information regarding the terms of our Credit Facility, see Note 7 - Debt in the notes to the audited consolidated financial statements, which is incorporated by reference.
**Issuance of 4.50% Senior Notes and Repurchase and Redemption of 4.875% Senior Notes**

In August 2020, we issued $600 million aggregate principal amount of 4.50% Senior Notes due August 15, 2028 in a private offering and used a portion of the net proceeds to repurchase and redeem $400 million aggregate principal amount of our 4.875% Senior Notes. The remaining net proceeds from the 4.50% Senior Notes offering were primarily used to repay revolving loans under our Credit Facility. See Note 7 - Debt in the notes to the audited consolidated financial statements, which is incorporated by reference.

**Debt Covenants**

We were in compliance with the provisions and covenants contained in our outstanding debt instruments as of December 31, 2020.

**Additional Information**

For detailed discussion and additional information pertaining to our debt instruments, see Note 7 - Debt in the notes to the audited consolidated financial statements, which is incorporated by reference.

**Contractual Payment Obligations**

The following table sets forth our contractual payment obligations as of December 31, 2020 during the periods indicated below (in millions):

<table>
<thead>
<tr>
<th>Contractual Obligations</th>
<th>Total</th>
<th>Less than 1 Year</th>
<th>1 - 3 Years</th>
<th>3 - 5 Years</th>
<th>More than 5 Years and Thereafter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior secured credit facility</td>
<td>$430.2</td>
<td>$12.5</td>
<td>$40.0</td>
<td>$377.7</td>
<td>—</td>
</tr>
<tr>
<td>4.50% Senior Notes</td>
<td>600.0</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>600.0</td>
</tr>
<tr>
<td>Finance lease and other obligations</td>
<td>288.5</td>
<td>132.6</td>
<td>143.9</td>
<td>12.0</td>
<td>—</td>
</tr>
<tr>
<td>Operating leases</td>
<td>204.0</td>
<td>82.8</td>
<td>74.6</td>
<td>26.6</td>
<td>20.0</td>
</tr>
<tr>
<td>Earn-out obligations (a)</td>
<td>44.9</td>
<td>44.9</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Interest (b)</td>
<td>243.0</td>
<td>42.9</td>
<td>70.7</td>
<td>58.2</td>
<td>72.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,810.6</td>
<td>$314.8</td>
<td>$329.2</td>
<td>$474.5</td>
<td>$692.1</td>
</tr>
</tbody>
</table>

(a) Under certain acquisition agreements, we have agreed to pay the sellers earn-outs and other amounts based on the performance of the businesses acquired. Certain of these payments may be made either in cash or in MasTec common stock, or a combination thereof, at our option. Due to the contingent nature of these payments, we have only included obligations that we expect will be paid in cash and have been earned as of December 31, 2020.

(b) Represents expected future interest payments on debt and finance lease obligations outstanding as of December 31, 2020, and does not include potential letter of credit or commitment fees associated with our senior secured credit facility. With the exception of our credit facilities, including our term loan, all of our debt instruments are fixed rate interest obligations.

**Off-Balance Sheet Arrangements**

As is common in our industry, we have entered into certain off-balance sheet arrangements in the ordinary course of business. Our significant off-balance sheet transactions include liabilities associated with non-cancelable operating leases with durations of less than twelve months, letter of credit obligations, surety and performance and payment bonds entered into in the normal course of business, self-insurance liabilities, liabilities associated with multipayer pension plans, liabilities associated with certain indemnification and guarantee arrangements and obligations relating to our equity and other investment arrangements, including our variable interest entities. Refer to Note 14 - Commitments and Contingencies, Note 4 - Fair Value of Financial Instruments and Note 15 - Related Party Transactions in the notes to the audited consolidated financial statements, which are incorporated by reference.

**Impact of Inflation**

The primary inflationary factors affecting our operations are labor and fuel costs, and to a lesser extent, material costs. In times of low unemployment, our labor costs may increase due to shortages in the supply of skilled labor. Additionally, the prices of oil and gas are subject to unexpected fluctuations due to events outside of our control, including geopolitical events and fluctuations in global supply and demand, which have caused volatility in the oil and gas markets in the past. We closely monitor inflationary factors and any impact they may have on our operating results or financial condition.

**Recently Issued Accounting Pronouncements**

See Note 1 - Business, Basis of Presentation and Significant Accounting Policies in the notes to the audited consolidated financial statements, which is incorporated by reference.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

**Interest Rate Risk**

As of December 31, 2020, our variable interest rate debt was primarily related to our Credit Facility. Interest on outstanding revolving loans and our term loan under our Credit Facility accrues at variable rates based, at our option, on a Eurocurrency rate, as defined in the Credit Facility, plus a margin, or a base rate, as defined in the Credit Facility, plus a margin. As of December 31, 2020, we had $33 million aggregate principal amount of outstanding revolving loans under our Credit Facility with a weighted average interest rate of 1.87% and a term loan with a
balance of $398 million with an interest rate of 1.40%. A 100 basis point increase in the applicable interest rates under our credit facilities would have increased our interest expense by approximately $6 million for the year ended December 31, 2020.

As of December 31, 2020, our fixed interest rate debt primarily included $600 million aggregate principal amount of 4.50% Senior Notes and $289 million of finance lease obligations, which accrued interest at a weighted average interest rate of approximately 3.9%. None of this debt subjects us to interest rate risk, but we may be subject to changes in interest rates if and when we refinance this debt at maturity or otherwise.

**Foreign Currency Risk**

Certain of our consolidated revenue and operating expenses are in foreign currencies. Our foreign operations are primarily in Canada. Revenue generated from foreign operations represented 2% of our total revenue for the year ended December 31, 2020. Revenue and expense related to our foreign operations are, for the most part, denominated in the functional currency of the foreign operation, which minimizes the impact that fluctuations in exchange rates would have on net income or loss. We are, however, subject to fluctuations in foreign currency exchange rates when transactions are denominated in currencies other than the functional currencies. Such transactions were not material to our operations in 2020. Translation gains or losses, which are recorded in other comprehensive income or loss, result from translation of the assets and liabilities of our foreign subsidiaries into U.S. dollars. For the year ended December 31, 2020, foreign currency translation gains, net, totaled approximately $1.4 million and related to our operations in Canada and Mexico.

Our exposure to fluctuations in foreign currency exchange rates could increase in the future if we continue to expand our operations outside of the United States. We seek to manage foreign currency exposure by minimizing our consolidated net asset and liability positions in currencies other than the functional currency, which exposure was not significant to our consolidated financial position as of December 31, 2020. We may enter into foreign currency derivative contracts in the future to manage such exposure.

**Other Market Risk**

As discussed in Note 4 - Fair Value of Financial Instruments in the notes to the audited consolidated financial statements, which is incorporated by reference, we have certain investments that may be subject to market risk and could be subject to volatility based on market conditions.
## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

### Index to Consolidated Financial Statements

| Report of Independent Registered Public Accounting Firm | 45 |
| Consolidated Statements of Operations                  | 47 |
| Consolidated Statements of Comprehensive Income         | 48 |
| Consolidated Balance Sheets                             | 49 |
| Consolidated Statements of Equity                        | 50 |
| Consolidated Statements of Cash Flows                    | 51 |
| Notes to Consolidated Financial Statements               | 52 |
Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of MasTec, Inc. and subsidiaries (the “Company”) as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and financial schedule listed in the accompanying index (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company and subsidiaries at December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and our report dated February 25, 2021 expressed an unqualified opinion thereon.

Change in Accounting Principle

As discussed in Note 8 to the consolidated financial statements, the Company changed its method of accounting for leases in 2019 due to the adoption of Accounting Standards Codification Topic 842, Leases.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill Impairment Assessment

As described in Notes 1 and 3 to the consolidated financial statements, the Company’s consolidated goodwill balance was $1.24 billion at December 31, 2020. The Company performs annual impairment tests of goodwill, and on a quarterly basis, monitors goodwill for potential indicators of impairment. During 2020, the Company concluded that triggering events occurred for certain reporting units. No impairment charges were recorded as a result of the Company’s interim and annual impairment tests. Management estimates the fair values of its reporting units using a combination of the market and the income approaches.

We identified the determination of the fair value of certain reporting units as a critical audit matter. Under the market approach, the reporting units’ fair values were estimated using market multiple assumptions for comparable companies. Under the income approach, a discounted cash flow methodology was used that included: (i) management’s estimates and assumptions, such as discount rates, terminal growth rates, and projections of revenue, operating costs and cash flows, (ii) assumptions related to general economic and market conditions, including the uncertainty resulting from the COVID-19 pandemic, and (iii) considerations of planned business and operational strategies. These estimates and assumptions require significant management judgment due to their highly subjective nature. Changes in these assumptions could have a significant impact on the fair value of the reporting units and the amount of goodwill impairment (if any). These estimates and assumptions were especially challenging to test and required significant auditor judgment because they were affected by expected future market conditions, including the impact of the COVID-19 pandemic. In addition, the audit effort involved the use of professionals with specialized skill and knowledge.
The primary procedures we performed to address this critical audit matter included:

- Testing the design and operating effectiveness of controls related to management’s goodwill impairment assessment, including controls over management’s review of (i) the budgeting and forecasting, and (ii) the data and significant estimates and assumptions used to determine the fair value of the reporting units.
- Evaluating the appropriateness of the methodologies and the reasonableness of the assumptions used by management in determining the fair value of the reporting units, including:
  - With respect to the market approach, assessing the appropriateness of the approach and evaluating the reasonableness of the comparable companies and market multiples selected for the reporting units.
  - With respect to the income approach, assessing the appropriateness of the discounted cash flow methodology and evaluating the reasonableness of assumptions used by: (i) evaluating the reasonableness of projected revenues and operating costs against recent performance and revenue backlogs, (ii) assessing the reasonableness of management’s expected success rates for winning new project awards against recent reporting units’ performance, (iii) evaluating the general economic and market conditions, including the impact of the COVID-19 pandemic, on management’s assumptions such as the market prices for oil, gas and other fuel sources, (iv) testing the completeness, accuracy, and relevance of underlying data used in the models, and (v) performing sensitivity analyses of individual reporting units’ cash flow projections.
- Testing management’s reconciliation of the estimated fair value of the Company’s reporting units to the indicated market capitalization of the Company as a whole.
- Utilizing internal valuation specialists to assist in: (i) assessing the appropriateness and relative weighting of the income and market approaches, and (ii) evaluating the reasonableness of the discount rate and terminal growth rates used in the income approach.

Revenue Recognition - Estimated Costs to Complete

As described in Note 1 to the consolidated financial statements, the Company recognizes a significant portion of its revenue over time using the cost-to-cost measure of progress, which measures a contract’s progress toward completion based on the ratio of actual contract costs incurred to date to the Company’s estimated costs at completion. The cost estimation process for these contracts is based on the knowledge and experience of the Company’s project managers, engineers and financial professionals. Changes in job performance, job conditions and management’s assessment of expected variable consideration are factors that influence estimates of the total contract transaction price, total costs to complete those contracts and the Company’s revenue recognition.

We identified estimated costs to complete revenue contracts as a critical audit matter. The determination of the total estimated cost and progress toward completion requires management to make significant estimates and assumptions. Total estimated costs to complete projects include various costs such as direct labor, material and subcontract costs. Changes in these estimates can have a significant impact on the revenue recognized each period. Auditing these estimates involved especially challenging auditor judgment in evaluating the reasonableness of management’s assumptions and estimates over the duration of these contracts.

The primary procedures we performed to address this critical audit matter included:

- Testing the design and operating effectiveness of certain controls related to estimated costs to complete, including controls over management’s review of: (i) the development of project budgets and the key cost inputs, (ii) the ongoing assessment and revisions to project budgets, and (iii) the ongoing review of project status, including the nature of activities to complete open projects.
- Evaluating the reasonableness of management’s budgeting process by selecting a sample of project budgets for projects that were completed during the period and performing a retrospective review of budget to actual variances.
- Assessing the reasonableness of the estimated costs to complete by selecting a sample of open projects and: (i) evaluating the reasonableness of project budgets and the nature of costs required to complete the project, (ii) assessing the status of completion by testing of a sample of project costs incurred to date, (iii) evaluating the reasonableness of project status by observing project review meetings and performing inquiries of project managers to assess the nature of activities required to complete the project, and (iv) performing a retrospective review of the project and investigating budget to actual variances (if any).
- Assessing the reasonableness of changes in estimated costs to complete by comparing project profitability estimates in the current period to historical estimates and actual performance and investigating reasons for changes in expected costs and project margins.

/s/ BDO USA, LLP

We have served as the Company’s auditor since 2004.

Miami, Florida

February 25, 2021

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### MASTEC, INC.

#### CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 6,320,975</td>
<td>$ 7,183,188</td>
<td>$ 6,909,417</td>
</tr>
<tr>
<td>Cost of revenue, excluding depreciation and amortization</td>
<td>5,270,879</td>
<td>6,070,244</td>
<td>5,939,308</td>
</tr>
<tr>
<td>Depreciation</td>
<td>258,841</td>
<td>212,485</td>
<td>192,332</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>38,910</td>
<td>22,997</td>
<td>20,598</td>
</tr>
<tr>
<td>Goodwill and intangible asset impairment</td>
<td>—</td>
<td>3,319</td>
<td>47,662</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>319,192</td>
<td>299,500</td>
<td>287,278</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>59,629</td>
<td>77,026</td>
<td>82,571</td>
</tr>
<tr>
<td>Equity in earnings of unconsolidated affiliates</td>
<td>(29,738)</td>
<td>(27,367)</td>
<td>(23,855)</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>(27,471)</td>
<td>14,045</td>
<td>(1,780)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>$ 425,164</td>
<td>$ 510,939</td>
<td>$ 365,303</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>(102,465)</td>
<td>(116,843)</td>
<td>(106,072)</td>
</tr>
<tr>
<td>Net income</td>
<td>$ 322,699</td>
<td>$ 394,096</td>
<td>$ 259,231</td>
</tr>
<tr>
<td>Net (loss) income attributable to non-controlling interests</td>
<td>(149)</td>
<td>1,762</td>
<td>(428)</td>
</tr>
<tr>
<td>Net income attributable to MasTec, Inc.</td>
<td>$ 322,848</td>
<td>$ 392,334</td>
<td>$ 259,659</td>
</tr>
</tbody>
</table>

#### Earnings per share (Note 2):

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings per share</td>
<td>$ 4.43</td>
<td>$ 5.22</td>
<td>$ 3.30</td>
</tr>
<tr>
<td>Basic weighted average common shares outstanding</td>
<td>72,799</td>
<td>75,185</td>
<td>78,695</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>$ 4.38</td>
<td>$ 5.17</td>
<td>$ 3.26</td>
</tr>
<tr>
<td>Diluted weighted average common shares outstanding</td>
<td>73,715</td>
<td>75,846</td>
<td>79,772</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.

46
**MASTEC, INC.**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

*(in thousands)*

For the Years Ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$322,699</td>
<td>$394,096</td>
<td>$259,231</td>
</tr>
<tr>
<td>Other comprehensive (loss) income:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign currency translation gains (losses), net of tax</td>
<td>1,413</td>
<td>(189)</td>
<td>(2,645)</td>
</tr>
<tr>
<td>Unrealized (losses) gains on investment activity, net of tax</td>
<td>(17,151)</td>
<td>(15,023)</td>
<td>5,863</td>
</tr>
<tr>
<td>Comprehensive income</td>
<td>$306,961</td>
<td>$378,884</td>
<td>$262,449</td>
</tr>
<tr>
<td>Comprehensive (loss) income attributable to non-controlling interests</td>
<td>(149)</td>
<td>1,762</td>
<td>(428)</td>
</tr>
<tr>
<td>Comprehensive income attributable to MasTec, Inc.</td>
<td>$307,110</td>
<td>$377,122</td>
<td>$262,877</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
<table>
<thead>
<tr>
<th>Assets</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$423,118</td>
<td>$71,427</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance</td>
<td>784,488</td>
<td>850,326</td>
</tr>
<tr>
<td>Contract assets</td>
<td>969,743</td>
<td>1,024,568</td>
</tr>
<tr>
<td>Inventories, net</td>
<td>89,645</td>
<td>100,069</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>60,631</td>
<td>52,000</td>
</tr>
<tr>
<td>Other current assets</td>
<td>31,390</td>
<td>75,169</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>$2,359,015</strong></td>
<td><strong>$2,173,559</strong></td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>982,328</td>
<td>905,835</td>
</tr>
<tr>
<td>Operating lease assets</td>
<td>176,573</td>
<td>229,903</td>
</tr>
<tr>
<td>Goodwill, net</td>
<td>1,243,034</td>
<td>1,221,440</td>
</tr>
<tr>
<td>Other intangible assets, net</td>
<td>184,043</td>
<td>211,528</td>
</tr>
<tr>
<td>Other long-term assets</td>
<td>282,856</td>
<td>254,741</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$5,227,849</strong></td>
<td><strong>$4,997,006</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and equity</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of long-term debt, including finance leases</td>
<td>$145,110</td>
<td>$118,429</td>
</tr>
<tr>
<td>Current portion of operating lease liabilities</td>
<td>72,481</td>
<td>81,561</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>571,269</td>
<td>535,029</td>
</tr>
<tr>
<td>Accrued salaries and wages</td>
<td>135,316</td>
<td>87,562</td>
</tr>
<tr>
<td>Other accrued expenses</td>
<td>187,647</td>
<td>115,581</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>228,388</td>
<td>206,180</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>74,988</td>
<td>74,784</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>$1,415,199</strong></td>
<td><strong>$1,219,126</strong></td>
</tr>
<tr>
<td>Long-term debt, including finance leases</td>
<td>1,157,632</td>
<td>1,314,030</td>
</tr>
<tr>
<td>Long-term operating lease liabilities</td>
<td>116,506</td>
<td>154,553</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>302,938</td>
<td>296,326</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>230,049</td>
<td>221,280</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$3,222,324</strong></td>
<td><strong>$3,205,315</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
<table>
<thead>
<tr>
<th>Shares</th>
<th>Amount</th>
<th>Shares</th>
<th>Amount</th>
<th>Capital Surplus</th>
<th>Retained Earnings</th>
<th>Accumulated Other Comprehensive Loss</th>
<th>Total MasTec, Inc. Shareholders' Equity</th>
<th>Non-Controlling Interests</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>90,935,584</td>
<td>$9,094</td>
<td>(8,132,811)</td>
<td>$147,124</td>
<td>$775,387</td>
<td>$857,154</td>
<td>$63,712</td>
<td>$1,430,799</td>
<td>$2,554</td>
<td>$1,433,353</td>
</tr>
<tr>
<td>Balance as of December 31, 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cumulative effect of adoption, revenue recognition (Topic 606) 1,562 1,562 1,562

Net income (loss) 259,659 259,659 (428) 259,231

Other comprehensive income 3,218 3,218 3,218

Non-cash stock-based compensation 13,527 13,527 13,527

Issuance of restricted shares, net 385,392 39 (39) — —

Other stock issuances, net of shares withheld for taxes 6,033 0 134 134 134

Acquisition of treasury stock, at cost (7,197,006) (319,001) (319,001) (319,001) (319,001)

Balance as of December 31, 2018 91,327,009 $9,133 (15,329,817) $466,125 789,009 $1,118,375 $60,494 $1,189,808 $2,126 $1,192,024

Net income 392,334 392,334 1,762 394,096

Other comprehensive loss (15,212) (15,212) (15,212)

Non-cash stock-based compensation 16,447 16,447

Issuance of restricted shares, net 464,970 46 (46) — —

Other stock issuances, net of shares withheld for taxes 117,451 12 4,343 4,355 4,355

Acquisition of treasury stock, at cost (15,100) (602) (602) (602)

Contributions from non-controlling interests — 583 583

Balance as of December 31, 2019 91,909,430 $9,191 (15,344,917) $466,727 809,753 $1,510,709 $75,706 $1,787,220 $4,471 $1,791,691

Net income (loss) 322,848 322,848 (149) 322,699

Other comprehensive loss (15,738) (15,738) (15,738)

Non-cash stock-based compensation 21,875 21,875 21,875

Issuance of restricted shares, net 993,893 99 (99) — —

Other stock issuances, net of shares withheld for taxes 204,117 21 5,924 5,945 5,945

Acquisition of treasury stock, at cost (3,597,009) (120,228) (120,228) (120,228)

Distributions to non-controlling interests — (719) (719)

Balance as of December 31, 2020 93,107,440 $9,311 (18,941,926) $586,955 837,453 $1,833,557 $91,444 $2,001,922 $3,603 $2,005,525

The accompanying notes are an integral part of these consolidated financial statements.
MASEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
For the Years Ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$322,699</td>
<td>$394,996</td>
<td>$259,231</td>
</tr>
<tr>
<td>Adjustments to reconcile net income to net cash provided by operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>258,841</td>
<td>212,485</td>
<td>192,332</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>36,910</td>
<td>37,219</td>
<td>20,598</td>
</tr>
<tr>
<td>Goodwill and intangible asset impairment</td>
<td>—</td>
<td>3,139</td>
<td>47,662</td>
</tr>
<tr>
<td>Non-cash interest expense, net</td>
<td>2,898</td>
<td>3,199</td>
<td>2,584</td>
</tr>
<tr>
<td>Non-cash stock-based compensation expense</td>
<td>21,875</td>
<td>21,647</td>
<td>28,411</td>
</tr>
<tr>
<td>Provision for deferred income taxes</td>
<td>7,180</td>
<td>21,160</td>
<td>56,209</td>
</tr>
<tr>
<td>Equity in earnings of unconsolidated affiliates</td>
<td>(29,738)</td>
<td>(27,367)</td>
<td>(23,655)</td>
</tr>
<tr>
<td>Gains on sales of assets, net</td>
<td>(16,210)</td>
<td>(13,908)</td>
<td>(16,052)</td>
</tr>
<tr>
<td>Other non-cash items, net</td>
<td>21,775</td>
<td>(2,768)</td>
<td>8,910</td>
</tr>
<tr>
<td>Changes in assets and liabilities, net of acquisitions:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>87,372</td>
<td>(124,739)</td>
<td>(8,363)</td>
</tr>
<tr>
<td>Contract assets</td>
<td>63,306</td>
<td>237,800</td>
<td>(326,838)</td>
</tr>
<tr>
<td>Inventories</td>
<td>17,904</td>
<td>24,051</td>
<td>(29,366)</td>
</tr>
<tr>
<td>Other assets, current and long-term portion</td>
<td>4,678</td>
<td>10,180</td>
<td>28,709</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>94,069</td>
<td>228,142</td>
<td>251,735</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>21,326</td>
<td>(52,215)</td>
<td>28,411</td>
</tr>
<tr>
<td>Other liabilities, current and long-term portion</td>
<td>4,471</td>
<td>52,663</td>
<td>24,522</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>$937,254</td>
<td>$550,278</td>
<td>$529,956</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash paid for acquisitions, net of cash acquired</td>
<td>(24,971)</td>
<td>(179,481)</td>
<td>(6,684)</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(213,746)</td>
<td>(126,473)</td>
<td>(180,420)</td>
</tr>
<tr>
<td>Proceeds from sale of property and equipment</td>
<td>37,077</td>
<td>35,015</td>
<td>39,359</td>
</tr>
<tr>
<td>Payments for other investments</td>
<td>(17,456)</td>
<td>(5,589)</td>
<td>(39,469)</td>
</tr>
<tr>
<td>Proceeds from other investments</td>
<td>648</td>
<td>14,705</td>
<td>5,415</td>
</tr>
<tr>
<td>Other investing activities, net</td>
<td>1,843</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>$(216,605)</td>
<td>(261,823)</td>
<td>(181,799)</td>
</tr>
<tr>
<td>Cash flows from financing activities:</td>
<td>$1,434,610</td>
<td>$3,025,927</td>
<td>$3,418,232</td>
</tr>
<tr>
<td>Repayments of credit facilities</td>
<td>(1,741,067)</td>
<td>(3,126,955)</td>
<td>(3,359,521)</td>
</tr>
<tr>
<td>Repayments of other financings, net</td>
<td>(62)</td>
<td>(12,438)</td>
<td>(17,427)</td>
</tr>
<tr>
<td>Payments of finance lease obligations</td>
<td>(126,988)</td>
<td>(88,341)</td>
<td>(72,167)</td>
</tr>
<tr>
<td>Payments of acquisition-related contingent consideration</td>
<td>(10,097)</td>
<td>(54,267)</td>
<td>(15,929)</td>
</tr>
<tr>
<td>Payments to non-controlling interests</td>
<td>(719)</td>
<td>583</td>
<td>(559)</td>
</tr>
<tr>
<td>Proceeds from stock-based awards</td>
<td>7,990</td>
<td>4,655</td>
<td>4,047</td>
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<tr>
<td>Payments of stock-based awards</td>
<td>(636)</td>
<td>(45)</td>
<td>(3,821)</td>
</tr>
<tr>
<td>Repurchase of common stock</td>
<td>(120,228)</td>
<td>(5,652)</td>
<td>(313,949)</td>
</tr>
<tr>
<td>Other financing activities, net</td>
<td>(11,790)</td>
<td>(8,458)</td>
<td>28,411</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>$(369,887)</td>
<td>(244,631)</td>
<td>(361,094)</td>
</tr>
<tr>
<td>Effect of currency translation on cash</td>
<td>929</td>
<td>181</td>
<td>33</td>
</tr>
<tr>
<td>Net increase (decrease) in cash and cash equivalents</td>
<td>351,691</td>
<td>44,005</td>
<td>(12,904)</td>
</tr>
<tr>
<td>Cash and cash equivalents - beginning of period</td>
<td>71,427</td>
<td>71,427</td>
<td>40,326</td>
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<tr>
<td>Cash and cash equivalents - end of period</td>
<td>$423,118</td>
<td>$71,427</td>
<td>$27,422</td>
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Supplemental cash flow information:

<table>
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<tr>
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<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid</td>
<td>$65,016</td>
<td>$84,971</td>
<td>$81,230</td>
</tr>
<tr>
<td>Income tax payments (refunds), net</td>
<td>$64,651</td>
<td>$106,248</td>
<td>$21,450</td>
</tr>
<tr>
<td>Additions to property and equipment from finance leases</td>
<td>$114,221</td>
<td>$206,156</td>
<td>$75,545</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.

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Note 1 – Business, Basis of Presentation and Significant Accounting Policies

Nature of the Business

MasTec, Inc. (collectively with its subsidiaries, “MasTec” or the “Company”) is a leading infrastructure construction company operating mainly throughout North America across a range of industries. The Company’s primary activities include the engineering, building, installation, maintenance and upgrade of communications, energy, utility and other infrastructure, such as: wireless, wireline/fiber and customer fulfillment activities; power generation, including from clean energy and renewable sources; pipeline infrastructure; electrical utility transmission and distribution; heavy civil; and industrial infrastructure. MasTec’s customers are primarily in these industries. MasTec reports its results under five reportable segments: (1) Communications; (2) Clean Energy and Infrastructure; (3) Oil and Gas; (4) Electrical Transmission; and (5) Other. During the second quarter of 2020, the Company renamed its Power Generation and Industrial segment as the Clean Energy and Infrastructure segment to better represent the nature of the segment’s operations, end markets and customer characteristics. There was no change to the composition of the segment or its historical results.

Principles of Consolidation

The accompanying consolidated financial statements include MasTec, Inc. and its subsidiaries and include the accounts of all majority owned subsidiaries over which the Company exercises control and, when applicable, entities in which the Company has a controlling financial interest. All significant intercompany balances and transactions have been eliminated in consolidation. Other parties’ interests in entities that MasTec consolidates are reported as non-controlling interests within equity, except for mandatorily redeemable non-controlling interests, which are recorded within liabilities. Net income or loss attributable to non-controlling interests is reported as a separate line item below net income or loss. The Company’s investments in entities for which the Company does not have a controlling interest, but over which it has the ability to exert significant influence, are accounted for using the equity method of accounting. For equity investees in which the Company has an undivided interest in the assets, liabilities and profits or losses of an unincorporated entity, but does not exercise control over the entity, the Company consolidates its proportional interest in the accounts of the entity. When necessary, certain prior year amounts have been reclassified to conform with the current period presentation.

Translation of Foreign Currencies

The assets and liabilities of foreign subsidiaries with a functional currency other than the U.S. dollar are translated into U.S. dollars at period-end exchange rates, with resulting translation gains or losses included within other comprehensive income or loss. Revenue and expenses are translated into U.S. dollars at average rates of exchange during the applicable period. Substantially all of the Company’s foreign operations use their local currency as their functional currency. Currency gains or losses resulting from transactions executed in currencies other than the functional currency are included in other income or expense, net.

In these consolidated financial statements, “$” means U.S. dollars unless otherwise noted.

Management Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. These estimates are based on historical experience and various other assumptions that management believes to be reasonable under the circumstances, including the potential future effects of the COVID-19 pandemic and other relevant global events. These estimates form the basis for making judgments about the Company’s operating results and the carrying values of assets and liabilities that are not readily apparent from other sources. While management believes that such estimates are reasonable when considered in conjunction with the Company’s consolidated financial position and results of operations taken as a whole, actual results could differ materially from these estimates.

Key estimates include: the recognition of revenue and project profit or loss, which the Company defines as project revenue, less project costs of revenue, including project-related depreciation, in particular, on construction contracts accounted for under the cost-to-cost method, for which the recorded amounts require estimates of costs to complete and the amount and probability of variable consideration included in the contract transaction price; fair value estimates, including those related to acquisitions, valuations of goodwill and intangible assets, acquisition-related contingent consideration and other liabilities, equity investments and other long-lived assets; allowances for credit losses; asset lives used in computing depreciation and amortization; fair values of financial instruments; self-insurance liabilities; other accruals and allowances; income taxes; and the estimated effects of litigation and other contingencies.

COVID-19 Pandemic

The World Health Organization declared a global pandemic related to the rapidly growing outbreak of a novel strain of coronavirus in the first quarter of 2020. The COVID-19 pandemic has disrupted business activities and significantly affected global economic conditions as federal, state and local governments imposed mitigation measures to address the public health crisis, resulting in workforce, supply chain and production disruptions, the effects of which have created significant uncertainties in the U.S. and global economies. Restrictions have been enacted, lifted, and reenacted during 2020 and into 2021, and the possibility of future restrictions remains.

Most of the Company’s construction services have been deemed essential under state and local pandemic mitigation orders, and all of its business segments continue to operate. The Company’s customers have generally directed the Company to maintain normal work schedules, where safe and possible. The Company’s business model has, thus far, proven resilient, and management continues to make efforts to adapt to the changing operational and economic environment resulting from the COVID-19 pandemic. Management’s top priority has been to take appropriate actions to protect the health and safety of its employees, customers and business partners, including adjusting its standard operating procedures to respond to
evolving health guidelines. The COVID-19 pandemic has had a negative impact on the Company’s operations and is expected to continue to affect our future business activities for an unknown period of time. These impacts include lost productivity from governmental permitting approval delays, reduced crew productivity due to social distancing, other mitigation measures or other factors, the health and availability of work crews or other key personnel, including subcontractors or supply chain disruptions, and/or delayed project start dates or project shutdowns or cancellations that may be mandated or requested by governmental authorities or others, all of which could result in lower revenue or higher operating costs and/or create lower levels of overhead cost absorption.

The CARES Act was signed into law in March 2020 in response to the COVID-19 pandemic. The CARES Act provides for various tax relief and incentive measures, including provisions permitting the deferral and/or reduction of certain federal and payroll tax amounts. The Company has pursued certain of these relief provisions, including provisions permitting payroll tax deferrals, for 2020, 2019, and 2018. The Company has deferred approximately $59 million of payroll tax amounts, of which half are due by December 31, 2021, with the remainder due by December 31, 2022. Additionally, the Coronavirus Response and Relief Supplemental Appropriations Act (the “Coronavirus Relief Act”), which provides certain additional COVID-19 relief measures, was signed into law in December 2020. The Company will continue to evaluate the potential effects of the CARES Act, along with any potential effects of the Coronavirus Relief Act, on its financial position, results of operations and cash flows and will continue to monitor all other available federal and other COVID-19 relief provisions to determine its qualification for, and the usefulness to the Company, of any such relief measures.

Management believes that it is taking appropriate steps to mitigate any potential impact to the Company; however, given the uncertainty regarding the potential effects of the COVID-19 pandemic, which will depend upon numerous evolving factors that we may not be able to accurately predict, including the development and availability of effective treatments and vaccines and the speed with which they are administered to the public and the length and extent of the economic and market disruption, any future impacts cannot be quantified or predicted with specificity.

**Significant Accounting Policies**

The following is a summary of significant accounting policies followed in the preparation of the accompanying consolidated financial statements.

**Revenue Recognition**

The Company recognizes revenue from contracts with customers under Accounting Standards Codification (“ASC”) Topic 606 (“Topic 606”). Under Topic 606, revenue is recognized when, or as, control of promised goods and services is transferred to customers, and the amount of revenue recognized reflects the consideration to which an entity expects to be entitled in exchange for the goods and services transferred. Revenue is primarily recognized by the Company over time utilizing the cost-to-cost measure of progress, which is an input method, on contracts for specific projects and for certain master service and other service agreements. Under Topic 606, the cost-to-cost measure of progress best depicts the continuous transfer of control of goods or services to the customer, and correspondingly, when performance obligations are satisfied for the related contracts.

**Contracts.** The Company derives revenue primarily from construction projects performed under: (i) master and other service agreements, which provide a menu of available services in a specific geographic territory that are utilized on an as-needed basis, and are typically priced using either a time and materials or a fixed price per unit basis; and (ii) contracts for specific projects requiring the construction and installation of an entire infrastructure system or specified units within an infrastructure system, which are subject to multiple pricing options, including fixed price, unit price, time and materials, or cost plus a markup. Revenue derived from projects performed under master service and other service agreements totaled 36% of consolidated revenue for each of the years ended December 31, 2020 and 2019, and totaled 35% for the year ended December 31, 2018.

Revenue from contracts for specific projects, as well as for certain projects pursuant to master and other service agreements, is typically recognized over time using the cost-to-cost measure of progress. For these contracts, the cost-to-cost measure of progress best depicts the continuous transfer of control of goods or services to the customer. Such contracts provide that the customer accept completion of progress to date and compensate the Company for services rendered.

For certain master service and other service agreements under which the Company performs installation and maintenance services, primarily for install-to-the-home service providers in its Communications segment, revenue is recognized at a point in time. This is generally when the work order has been fulfilled, which is typically the same day the work is initiated. Point in time revenue accounted for approximately 5% of consolidated revenue for each of the years ended December 31, 2020 and 2019, and accounted for approximately 7% of consolidated revenue for the year ended December 31, 2018. Substantially all of the Company’s other revenue is recognized over time.

Contract costs include all direct materials, labor and subcontracted costs, as well as indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs and the operational costs of capital equipment. The total contract transaction price and cost estimation processes used for recognizing revenue over time under the cost-to-cost method is based on the professional knowledge and experience of the Company’s project managers, engineers and financial professionals. Management reviews estimates of total contract transaction price and total project costs on an ongoing basis. Changes in job performance, job conditions and management’s assessment of expected variable consideration are factors that influence estimates of the total contract transaction price, total costs to complete those contracts and the Company’s profit recognition. Changes in these factors could result in revisions to revenue in the period in which the revisions are determined, which could materially affect the Company’s consolidated results of operations for that period. Provisions for losses on uncompleted contracts are recorded in the period in which such losses are determined. For each of the years ended December 31, 2020, 2019 and 2018, project profit was affected by less than 5% as a result of changes in contract estimates included in projects that were in process as of December 31, 2019, 2018 and 2017. Revenue recognized for the years ended December 31, 2020, 2019 and 2018 as a result of changes in total contract transaction price estimates, including from variable consideration, from performance obligations satisfied or partially satisfied in prior periods, totaled approximately $13.5 million, $58.3 million and $38.5 million, respectively.

The Company may incur certain costs that can be capitalized, such as initial set-up or mobilization costs. Such costs, which are amortized over the life of the respective projects, were $5.5 million as of December 31, 2020 and were not material as of December 31, 2019.
The timing of customer billings is generally dependent upon advance billing terms, milestone billings based on completion of certain phases of work, or when services are provided. Under the typical payment terms of master and other service agreements and fixed price contracts, the customer makes progress payments based on quantifiable measures of performance by the Company as defined by each specific agreement. Progress payments, generally net of amounts retained, are paid by the customer over the duration of the contract. For install-to-the-home contracts, work orders are billed and paid as completed. Amounts billed and due from customers, as well as the amount of contract assets, are generally classified within current assets in the consolidated balance sheets. See Note 5 - Accounts Receivable, Net of Allowance, and Contract Assets and Liabilities for related discussion. Amounts expected to be collected beyond one year are classified as other long-term assets.

**Performance Obligations.** A performance obligation is a contractual promise to transfer a distinct good or service to a customer, and is the unit of account under Topic 606. The transaction price of a contract is allocated to each distinct performance obligation and recognized as revenue when or as the performance obligation is satisfied. The Company’s contracts often require significant services to integrate complex activities and equipment into a single deliverable, and are therefore generally accounted for as a single performance obligation, even when delivering multiple distinct services. Contract amendments and change orders, which are generally not distinct from the existing contract, are typically accounted for as a modification of the existing contract and performance obligation. The vast majority of the Company’s performance obligations are completed within one year.

When more than one contract is entered into with a customer on or close to the same date, the Company evaluates whether those contracts should be combined and accounted for as a single contract, as well as whether those contracts should be accounted for as one, or more than one, performance obligation. This evaluation requires significant judgment and is based on the facts and circumstances of the various contracts.

Remaining performance obligations represent the amount of unearned transaction prices under contracts for work which is wholly or partially unperformed, including the Company’s share of unearned transaction prices from its proportionately consolidated non-controlled joint ventures. As of December 31, 2020, the amount of the Company’s remaining performance obligations was $5.0 billion. The Company expects to recognize approximately $4.6 billion of its remaining performance obligations as revenue during 2021, with the remainder to be recognized primarily in 2022.

**Variable Consideration.** Transaction prices for the Company’s contracts may include variable consideration, which comprises items such as change orders, claims and incentives. Management estimates variable consideration for a performance obligation utilizing estimation methods that it believes best predict the amount of consideration to which the Company will be entitled. Variable consideration is included in the estimated transaction price if it is probable that when the uncertainty associated with the variable consideration is resolved, there will not be a significant reversal of the cumulative amount of revenue that has been recognized. Management’s estimates of variable consideration and the determination of whether to include estimated amounts in transaction prices are based largely on engineering studies and legal opinions, past practices with the customer, specific discussions, correspondence or preliminary negotiations with the customer and all other relevant information that is reasonably available at the time of the estimate. The effect of variable consideration on the transaction price of a performance obligation is typically recognized as an adjustment to revenue on a cumulative catch-up basis, as such variable consideration, which typically pertains to changed conditions and scope, is generally for services encompassed under the existing contract. To the extent unapproved change orders, claims and other variable consideration reflected in transaction prices are not resolved in the Company’s favor, or to the extent incentives reflected in transaction prices are not earned, there could be reductions in, or reversals of, previously recognized revenue.

As of December 31, 2020 and 2019, the Company included approximately $51 million and $27 million, respectively, of change orders and/or claims in transactions prices for certain contracts that were in the process of being resolved in the ordinary course of business, including through negotiation, arbitration and other proceedings. These transaction price adjustments, when earned, are included within contract assets or accounts receivable, net of allowance, as appropriate. As of December 31, 2020, these change orders and/or claims were primarily related to certain projects in the Company’s Electrical Transmission and Communications segments, and as of December 31, 2019, change orders were primarily related to certain projects in the Company’s Oil and Gas segment. The Company actively engages with its customers to complete the final approval process, and generally expects these processes to be completed within one year. Amounts ultimately realized upon final agreement by customers could be higher or lower than such estimated amounts.

**Allowance for Credit Losses**

See “Recent Accounting Pronouncements” section below for information pertaining to the adoption of ASU 2016-13, Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments and its related clarifying ASUs (collectively, “ASU 2016-13”). The Company maintains an allowance for credit losses for its financial instruments, which are primarily composed of accounts receivable and contract assets. The measurement and recognition of credit losses involves the use of judgment and represents management’s estimate of expected lifetime credit losses based on historical experience and trends, current conditions and reasonable and supportable forecasts. Management’s assessment of expected credit losses includes consideration of current and expected economic, market and industry factors affecting the Company’s customers, including their financial condition, the aging of account balances, historical credit loss experience, customer concentrations, credit-worthiness, availability of mechanics’ and other liens, existence of payment bonds and other sources of payment. Management evaluates its experience with historical losses and then applies this historical loss ratio to financial assets with similar characteristics. The Company’s historical loss ratio or its determination of risk pools may be adjusted for changes in customer, economic, market or other circumstances. The Company may also establish an allowance for credit losses for specific receivables when it is probable that the receivable will not be collected and the loss can be reasonably estimated. Amounts are written off against the allowance when they are considered to be uncollectible, and reversals of previously reserved amounts are recognized if a specifically reserved item is settled for an amount exceeding the previous estimate.

Estimates of expected credit losses could be affected by many factors, including, but not limited to: changes in credit loss experience, changes to the risk characteristics of the Company’s financial asset portfolio, developing trends, including changes in credit quality or unanticipated financial difficulties affecting the Company’s customers and changes in management’s expectations of future economic, industry or other conditions. In addition, if anticipated recoveries in existing bankruptcies or other work-out situations fail to materialize, additional allowances may be required. Estimates of collectibility are subject to significant change during times of economic weakness or uncertainty in either the overall economy or within the industries served by MasTec. Management actively monitors these factors and assesses the sufficiency of its allowance for credit losses on an
ongoing basis, including any potential effects from the COVID-19 pandemic and/or volatility in the oil and gas markets on the credit quality of the Company’s customers and/or its financial assets.

**Inventories**

Inventories consist of materials and supplies for construction and installation projects, which are valued at the lower of cost or net realizable value using the average cost or specific identification methods of costing. For materials or supplies purchased on behalf of specific customers or projects, loss of the customer or cancellation of the project could result in an impairment of the value of materials purchased. The value of inventory may also decrease due to obsolescence, physical deterioration, damage, changes in price levels, or other causes. Inventory valuation allowances are determined based upon specific facts and circumstances and market conditions. As of December 31, 2020 and 2019, valuation allowances for inventory totaled $8.5 million and $7.7 million, respectively.

**Cash and Cash Equivalents**

Cash consisting of interest-bearing demand deposits is carried at cost, which approximates fair value. Highly liquid investments with an original maturity of three months or less are carried at fair value. On a daily basis, available funds are swept from the Company’s depository accounts into a concentration account and are used to repay outstanding revolving loans, if any, under the Company’s senior secured credit facility (the “Credit Facility”). Cash balances maintained by certain operating subsidiaries and by entities that are proportionately consolidated that are not swept into the concentration account, as well as deposits made subsequent to the daily cash sweep, are classified as cash. Included in the Company’s cash balances as of December 31, 2020 and 2019 are amounts held by entities that are proportionately consolidated totaling $8.2 million and $13.1 million, respectively. These amounts are available to support the operations of those entities, but are not available for the Company’s other operations. The Company generally does not fund its disbursement accounts for checks it has written until the checks are presented to the bank for payment. Outstanding checks that have not yet cleared through the banking system represent book overdrafts, which are classified within accounts payable. There are no compensating balance requirements associated with the Company’s depository accounts and there are no other restrictions on the transfer of cash associated with the Company’s depository accounts.

**Fair Value of Financial Instruments**

The Company’s financial instruments include cash and cash equivalents, accounts and notes receivable, cash collateral deposited with insurance carriers, life insurance assets, equity investments, certain other investments, deferred compensation plan assets and liabilities, accounts payable and other current liabilities, acquisition-related contingent consideration, mandatorily redeemable non-controlling interests, convertible debentures and debt obligations.

Fair value is the price that would be received to sell an asset or the amount paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value guidance establishes a valuation hierarchy, which requires maximizing the use of observable inputs when measuring fair value. The three levels of inputs that may be used are: (i) Level 1 - quoted market prices in active markets for identical assets or liabilities; (ii) Level 2 - observable market-based inputs or other observable inputs; and (iii) Level 3 - significant unobservable inputs that cannot be corroborated by observable market data, which are generally determined using valuation models incorporating management estimates of market participant assumptions. In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Management’s assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability.

Fair values of financial instruments are estimated using public market prices, quotes from financial institutions and other available information. Due to their short-term maturity, the carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and other current liabilities approximate their fair values. Management believes the carrying values of notes and other receivables, cash collateral deposited with insurance carriers, and outstanding balances on its credit facilities approximate their fair values.

**Investment and Strategic Arrangements**

From time to time, the Company may participate in selected investment or strategic arrangements to expand its operations, customer base or geographic reach, including arrangements that combine the Company’s skills and resources with those of others to allow for the performance of particular projects. The Company’s investment and strategic arrangements include equity interests in various business entities and participation in contractual joint ventures, some of which may involve the extension of loans or other types of financing arrangements, including approximately $3 million of financing receivables and $3 million of financing commitments as of December 31, 2020.

Management determines whether each business entity in which it has equity interests, debt, or other investments constitutes a variable interest entity (“VIE”) based on the nature and characteristics of such arrangements. If an investment arrangement is determined to be a VIE, then management determines if the Company is the VIE’s primary beneficiary by evaluating several factors, including the Company’s: (i) risks and responsibilities; (ii) ownership interests; (iii) decision making powers; and (iv) financial interests, among other factors. If management determines the Company is the primary beneficiary of a VIE, then it would be consolidated, and other parties’ interests in the VIE would be accounted for as non-controlling interests. The primary beneficiary consolidating the VIE must normally have both (i) the power to direct the primary activities of the VIE and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE, which, in either case, could be significant to the VIE. The Company has determined that certain of its investment arrangements are VIEs. As of December 31, 2020, except for one individually insignificant VIE, the Company does not have the power to direct the primary activities that most significantly impact the economic performance of its VIEs nor is it the primary beneficiary. Accordingly, except for the previously mentioned VIE, the Company’s VIEs are not consolidated.

The Company’s investments in entities for which it does not have a controlling interest and is not the primary beneficiary, but for which it has the ability to exert significant influence, are accounted for using the equity method of accounting. Under the equity method of accounting, the initial investment is recorded at cost and the investment is subsequently adjusted for its proportionate share of earnings or losses, including
consideration of basis differences resulting from the difference between the initial carrying amount of the investment and the underlying equity in net assets. Equity method investments are recorded as other long-term assets. Income or loss from these investments is recorded as a separate line item in the consolidated statements of operations. Intercompany profits or losses associated with the Company’s equity method investments are eliminated until realized by the investee in transactions with third parties. Distributions received from equity method investees are reflected in the statements of cash flows using the nature of distributions approach, under which distributions are classified based on the nature of the activity that generated them. For equity investees in which the Company has an undivided interest in the assets, liabilities and profits or losses of an unincorporated entity, but the Company does not exercise control over the entity, the Company consolidates its proportional interest in the accounts of the entity.

Equity investments, other than those accounted for as equity method investments or those that are proportionately consolidated, are measured at fair value if their fair values are readily determinable. Equity investments that do not have readily determinable fair values are measured at cost, adjusted for changes from observable market transactions, if any, less impairment (“adjusted cost basis”). The Company evaluates such investments for impairment by considering a variety of factors, including the earnings performance of the related investments, as well as the economic environment and market conditions in which the investees operate. Fair value measurements for the Company’s equity investments are classified within Level 2 or Level 3 of the fair value hierarchy based on the nature of the fair value inputs, and are recognized in other income or expense.

For further information pertaining to the Company’s equity investments, see Note 4 - Fair Value of Financial Instruments.

Deferred Financing Costs

Deferred financing costs relate to the Company’s debt instruments, the short and long-term portions of which are reflected as deductions from the carrying amounts of the related debt instrument, including the Credit Facility. Deferred financing costs are amortized over the terms of the related debt instruments using the effective interest method. The Company incurred $8.9 million of deferred financing costs for the year ended December 31, 2020 in connection with the issuance of its 4.50% Senior Notes. For the year ended December 31, 2019, the Company incurred $5.5 million of deferred financing costs in connection with an amendment and restatement of the Credit Facility. Amortization expense associated with deferred financing costs, which is included within interest expense, net, totaled $3.0 million for the year ended December 31, 2020, and totaled $2.9 million for each of the years ended December 31, 2019 and 2018. Additionally, the Company wrote off $2.3 million of deferred financing costs in connection with the redemption of its 4.875% Senior Notes, which amount is included within loss on extinguishment of debt in the consolidated statements of operations. Deferred financing costs, net of accumulated amortization, totaled $16.0 million and $12.4 million as of December 31, 2020 and 2019, respectively. See Note 7 - Debt for details of the issuance of the Company’s 4.50% Senior Notes and redemption of its 4.875% Senior Notes in 2020.

Other Assets

Other assets consist primarily of investments in unconsolidated entities, equity and debt securities, life insurance assets, deferred compensation plan assets, miscellaneous receivables and prepaid expenses.

Long-Lived Assets

The Company’s long-lived assets consist primarily of property and equipment, including finance lease assets, and finite-lived intangible assets. Purchased property and equipment are recorded at cost, or, if acquired in a business combination, at the acquisition date fair value. Finance lease assets are recognized based on the present value of minimum future lease payments. Certain costs incurred in connection with developing or obtaining internal-use software are capitalized within office furniture and equipment. Depreciation and amortization of property and equipment, including finance lease assets, is computed using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are depreciated over the shorter of the term of the lease or the estimated useful lives of the improvements. Expenditures for repairs and maintenance are charged to expense as incurred. Expenditures for betterments and major improvements that extend the life of the related assets are capitalized and depreciated over the remaining useful lives of the assets. The carrying amounts of assets sold or retired and the related accumulated depreciation are eliminated in the year of disposal, with resulting gains or losses included in other income or expense. When the Company identifies assets to be sold, those assets are valued based on their estimated fair value less costs to sell and classified as held-for-sale and depreciation is no longer recorded. Finite-lived intangible assets are amortized over their useful lives, which are generally based on contractual or legal rights, in a manner consistent with the pattern in which the related benefits are expected to be consumed.

Management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared with the asset's carrying amount to determine if there has been an impairment, which is calculated as the difference between the fair value of an asset and its carrying value. Estimates of future undiscounted cash flows are based on expected revenue and operating costs for the business as well as anticipated future economic conditions. Fair values take into consideration management’s estimates of risk-adjusted discount rates, which are believed to be consistent with assumptions that marketplace participants would use in their estimates of fair value. During the three years in the period ended December 31, 2020, there were no material impairments of long-lived assets.

Goodwill and Indefinite-Lived Intangible Assets

The Company has goodwill and indefinite-lived intangible assets that have been recorded in connection with its acquisitions of businesses. Goodwill and indefinite-lived intangible assets are not amortized, but instead are tested for impairment at least annually. The Company performs its annual impairment tests of goodwill and indefinite-lived intangible assets during the fourth quarter of each year, and on a quarterly basis, monitors these assets for potential indicators of impairment. Goodwill is required to be tested for impairment at the reporting unit level. A reporting unit is an operating segment, or one level below the operating segment, which is referred to as a component. Management identifies its reporting units by assessing whether components (i) have discrete financial information available; (ii) engage in business activities; and (iii) have a segment manager that regularly reviews the component’s operating results.
If two or more components are deemed economically similar, those components are aggregated into one reporting unit when performing the annual goodwill impairment test. Based on management’s review of its components and their related operations, the Company combines all of the components of its Electrical Transmission operating segment into one reporting unit and in 2018 and 2019, combined two of the components within its Clean Energy and Infrastructure operating segment into one reporting unit. All of the Company’s other components each comprise one reporting unit.

During each of the three years in the period ended December 31, 2020, management performed a qualitative assessment for its goodwill and indefinite-lived intangible assets by examining relevant events and circumstances that could have an effect on their fair values, such as: macroeconomic conditions, industry and market conditions, entity-specific events, financial performance and other relevant factors or events that could affect earnings and cash flows.

Quantitative testing was performed for selected reporting units during each of the three years. For the selected reporting units, management estimated their fair values using a combination of market and income approaches. Under the market approach, fair values were estimated using published market multiples for comparable companies and applying them to revenue and EBITDA. Under the income approach, a discounted cash flow methodology was used, considering: (i) management estimates, such as projections of revenue, operating costs and cash flows, taking into consideration historical and anticipated financial results; (ii) general economic and market conditions; and (iii) the impact of planned business and operational strategies. Management believes the assumptions used in its quantitative goodwill impairment tests are reflective of the risks inherent in the business models of the Company’s reporting units and within the Company's industry. Estimated discount rates were determined using the weighted average cost of capital for each reporting unit at the time of the analysis, taking into consideration the risks inherent within each reporting unit individually.

2020 Assessment. Quantitative testing was performed for (i) three reporting units within the Company’s Oil and Gas operating segment and (ii) one reporting unit in the Communications segment. Factors considered by management in determining the reporting units for which quantitative assessments were performed included the effects of current or expected changes in market conditions on the future business outlook, the potential effects of the COVID-19 pandemic, success rates on new project awards and levels of operating activity.

In 2020, significant assumptions used in testing the reporting units included terminal values based on terminal growth rates of 2.5%, five to nine years of discounted cash flows prior to the terminal value, and discount rates ranging from 13.0% to 15.0%.

Based on the results of the quantitative assessment, the estimated fair values of the reporting unit in the Communications operating segment and the three reporting units in the Oil and Gas operating segment were determined to substantially exceed their carrying values. A 100 basis point increase in the discount rate would not have resulted in any of the reporting units’ carrying values exceeding their fair values.

2019 Assessment. Quantitative testing was performed for (i) three reporting units within the Company’s Oil and Gas operating segment and (ii) one reporting unit in the Communications segment. Factors considered by management in determining the reporting units for which quantitative assessments were performed included the effects of current or expected changes in market conditions on the future business outlook, success rates on new project awards and levels of operating activity.

In 2019, significant assumptions used in testing the reporting units included terminal values based on terminal growth rates of 3.0%, five to nine years of discounted cash flows prior to the terminal value, and discount rates ranging from 13.0% to 16.0%.

Based on the results of the quantitative assessment, the estimated fair values of the reporting unit in the Communications operating segment and one of the reporting units in the Oil and Gas operating segment were determined to substantially exceed their carrying values. The remaining two reporting units in the Oil and Gas operating segment, each of which had approximately $15.0 million of goodwill, had estimated fair values that exceed their respective carrying values by approximately 15%. A 100 basis point increase in the discount rate would not have resulted in any of the reporting units’ carrying values exceeding their fair values.

Management also performed quantitative testing during 2019 for an indefinite-lived pre-qualification intangible asset in the Oil and Gas operating segment. Management estimated the fair value of the intangible asset using a cost methodology, incorporating estimates of the opportunity cost associated with the asset’s loss based on discounted cash flows over a four-year period. The impairment test incorporated an estimated discount rate of 13%. Based on the results of the quantitative assessment, the estimated fair value of the indefinite-lived pre-qualification intangible asset in the Oil and Gas operating segment was determined to be less than its carrying value and a pre-tax, non-cash impairment charge of $3.3 million was recorded for the difference. This indefinite-lived pre-qualification intangible asset had a carrying value of $41.4 million remaining as of December 31, 2019.

2018 Assessment. Quantitative testing was performed for (i) three reporting units within the Company’s Oil and Gas operating segment, (ii) the Electrical Transmission operating segment, and (iii) two reporting units in the Communications segment. Based on the results of the quantitative assessments, the estimated fair value of one of the reporting units in the Oil and Gas operating segment was determined to be less than its carrying value and a pre-tax, non-cash impairment charge of $47.7 million was recorded for the difference. Management also performed quantitative testing for indefinite-lived pre-qualification intangible assets in the Oil and Gas operating segment and in the Electrical Transmission operating segment. Based on the results of these assessments, there were no impairments of indefinite-lived intangible assets for the year ended December 31, 2018.

As of December 31, 2020 and 2019, management believes that the recorded balances of goodwill and indefinite-lived intangible assets are recoverable; however, significant changes in the assumptions or estimates used in the Company’s impairment analyses, such as a reduction in profitability and/or cash flows, could result in non-cash goodwill and indefinite-lived intangible asset impairment charges in future periods.

Business Combinations

The determination of the fair value of net assets acquired in a business combination requires estimates and judgments of future cash flow expectations for the acquired business and the related identifiable tangible and intangible assets. Fair values of net assets acquired are calculated
using expected cash flows and industry-standard valuation techniques. For current assets and current liabilities, book value is generally assumed to be equal to fair value. Goodwill is the amount by which consideration paid exceeds the fair value of acquired net assets. Acquisition costs, including acquisition integration costs, are expensed as incurred and are included within general and administrative expenses in the consolidated statements of operations.

Due to the time required to gather and analyze the necessary data for each acquisition, U.S. GAAP provides a “measurement period” of up to one year in which to finalize these fair value determinations. During the measurement period, preliminary fair value estimates may be revised if new information is obtained about the facts and circumstances existing as of the date of acquisition, or based on the final net assets and working capital of the acquired business, as prescribed in the applicable purchase agreement. Such adjustments may result in the recognition, or adjust the fair values, of acquisition-related assets and liabilities and/or consideration paid, and are referred to as “measurement period” adjustments, and are recorded to goodwill. Other revisions to these fair value estimates are reflected as income or expense, as appropriate.

Consideration paid generally consists of cash and potential future payments that are contingent upon the acquired business achieving certain levels of earnings in the future, also referred to as “acquisition-related contingent consideration” or “earn-outs.” In one of the Company’s acquisitions, the acquisition consideration includes a mandatorily redeemable non-controlling interest, subject to a repurchase formula, which is calculated in a manner consistent with the Company’s traditional earn-out arrangements. The Company refers to its traditional earn-out arrangements and the mandatorily redeemable non-controlling interest collectively as “Earn-outs.” Earn-out liabilities are measured at their estimated fair values as of the date of acquisition. Subsequent to the date of acquisition, if future Earn-out payments are expected to differ from Earn-out payments estimated as of the date of acquisition, any related fair value adjustments, including those related to finalization of completed earn-out arrangements, are recognized in the period that such expectation is considered probable. Changes in the fair value of Earn-out liabilities for the Company’s traditional earn-outs, other than those related to measurement period adjustments, as described above, are recorded within other income or expense in the consolidated statements of operations, and for mandatorily redeemable non-controlling interests, are generally recorded within interest expense. Fair values are estimated using income approaches such as discounted cash flows or option pricing models. Earn-out liabilities are included within other current and other long-term liabilities, as appropriate, within the consolidated balance sheets. Earn-out payments, to the extent they relate to estimated liabilities as of the date of acquisition, are classified within financing activities in the consolidated statement of cash flows. Earn-out payments in excess of acquisition date liabilities are classified within operating activities.

**Leases**

In the ordinary course of business, the Company enters into agreements that provide financing for machinery and equipment and for other of its facility, vehicle and equipment needs, including related party leases. The Company reviews all agreements to determine if a leasing arrangement exists. When a leasing arrangement is identified, a determination is made at inception as to whether the lease is an operating or a finance lease. A lease exists when a contract conveys to the use of an asset for a period of time in exchange for consideration. In determining whether a lease exists, the Company considers whether a contract provides both the right to obtain substantially all of the benefits and the asset and the right to direct the use of the asset. Lease arrangements may contain renewal clauses, which, if elected, generally extend the term of the lease for one to five years for both equipment and facility leases. Certain lease agreements may also contain options to purchase the leased property and/or options to terminate the lease. In addition, lease agreements may include periodic adjustments to payment amounts for inflation or other variables, or may require payments for taxes, insurance, maintenance or other expenses, which are generally referred to as non-lease components. The Company accounts for non-lease components together with the related lease components for all classes of leased assets. The Company’s lease agreements do not contain significant residual value guarantees or material restrictive covenants.

Lease term, discount rate, variable lease costs and future minimum lease payment determinations require the use of judgment, and are based on the facts and circumstances of each lease. Economic incentives, intent, past history and business need are among the factors considered to determine if renewal and/or purchase options are reasonably certain to be exercised. The majority of the Company’s lease agreements do not explicitly state the discount rate implicit in the lease, therefore, the Company generally uses an incremental borrowing rate to determine the value of its lease obligations. The incremental borrowing rate represents the rate of interest that would be paid to borrow on a collateralized basis over a similar term. The Company determines its incremental borrowing rate using a portfolio approach based on information available as of the lease commencement date, including applicable lease terms and the current economic environment.

**Finance Leases**

Finance lease assets are recorded within property and equipment, with a corresponding amount recorded within the Company’s debt obligations. Finance lease expense is composed of depreciation expense on the leased asset and interest on the lease liability. Additions to finance leases are included within the supplemental disclosures of non-cash information in the consolidated statements of cash flows. Many of the Company’s finance leases contain purchase options, which the Company frequently exercises, given that the purchase option prices are typically below the estimated fair market values of the related assets.
Operating Leases

Operating lease right-of-use assets and liabilities are recorded on the consolidated balance sheets, with the related lease expense recognized over the term of the lease on a straight-line basis. Operating lease expense is recorded as rent expense, primarily within costs of revenue, excluding depreciation and amortization. Fixed costs for operating leases are composed of initial base rent amounts plus any fixed annual increases. Variable costs for operating leases consist primarily of common area maintenance expenses and taxes for facility leases. Certain of the Company's operating leases contain purchase options, for which the purchase option price is generally considered to be at fair market value. From time to time, the Company may terminate a lease before the end of the lease term. Payments related to such early lease terminations are generally recorded within rent expense.

Self-Insurance

The Company is self-insured up to the amount of its deductible for its insurance policies. MasTec maintains insurance policies subject to per claim deductibles of $2.0 million for its workers' compensation policy, $4.0 million for its general liability policy and up to $10.0 million for its automobile liability policy. In addition, the Company has excess umbrella coverage. Estimated liabilities under these insurance programs are accrued based upon management's estimates of the ultimate liability for claims reported and an estimate of claims incurred but not reported, with assistance from third-party actuaries. MasTec also maintains an insurance policy with respect to employee group medical claims, which is subject to annual per employee maximum losses of $0.6 million. MasTec's estimated liability for employee group medical claims is based on statistical analysis of historical claims experience and specific knowledge of actual losses that have occurred. The Company is required to post collateral, generally in the form of letters of credit, surety bonds and cash to certain of its insurance carriers. Cash collateral deposited with insurance carriers is included in other long-term assets in the consolidated balance sheets.

The present value of the Company's self-insurance liability is reflected in the consolidated balance sheets within current and other long-term liabilities, as appropriate. The determination of such claims and expenses and the appropriateness of the related liability is reviewed and updated quarterly. These insurance liabilities are, however, difficult to assess and estimate due to many factors, the effects of which are often unknown or difficult to estimate, including the severity of an injury, the determination of the Company's liability in proportion to other parties and the number of incidents not reported. Accruals are based upon known facts and historical trends. Although management believes its accruals are adequate, a change in experience or actuarial assumptions could materially affect the Company's results of operations in a particular period.

Income Taxes

The Company records income taxes using the asset and liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial statement and income tax basis of the Company's assets and liabilities. Income taxes are estimated in each of the jurisdictions in which the Company operates. This process involves estimating the tax exposure, together with assessing temporary differences resulting from differing treatment of items, such as deferred revenue, for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included, net, within the consolidated balance sheets as long-term assets and/or liabilities, as appropriate. The recording of a deferred tax asset assumes the realization of such asset in the future. Otherwise, a valuation allowance is recorded to reduce the asset to its estimated net realizable value. If management determines that the Company may not be able to realize all or part of a deferred tax asset in the future, a valuation allowance for the deferred tax asset is charged to income tax expense in the period the determination is made. Management considers future pretax income and ongoing prudent and feasible tax planning strategies in assessing the estimated net realizable value of tax assets and the corresponding need for any related valuation allowances.

In determining the provision for income taxes, management uses an effective tax rate based on annual pre-tax income, statutory tax rates, permanent tax differences and tax planning opportunities in the various jurisdictions in which the Company operates. The Company is generally free of additional U.S. federal tax consequences on distributed foreign subsidiary earnings. The Company has generally not provided for U.S. income taxes on unremitted foreign earnings because such earnings are considered to be insignificant.

Significant factors that can affect the annual effective tax rate include management's assessment of certain tax matters, the location and amount of taxable earnings, changes in certain non-deductible expenses and expected credits.

An entity may only recognize or continue to recognize tax positions that meet a “more likely than not” threshold. In the ordinary course of business, there is inherent uncertainty in quantifying income tax positions. The Company assesses its income tax positions and records tax benefits for all years subject to examination based on management's evaluation of the facts, circumstances and information available at the reporting date. For those tax positions where it is more likely than not that a tax benefit will be sustained, the Company has recognized the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where it is not more likely than not that a tax benefit will be sustained, no tax benefit has been recognized in the Company's financial statements.

The Company and its subsidiaries file income tax returns in numerous tax jurisdictions, including U.S. federal, most U.S. states and certain foreign jurisdictions. Although management believes its calculations for tax returns are correct and the positions taken thereon are reasonable, the final outcome of income tax examinations could be materially different from the resolution management currently anticipates and the estimates that are reflected in the Company's consolidated financial statements, which could materially affect the Company's results of operations, cash flows and liquidity in a particular period. To the extent interest and penalties are assessed by taxing authorities, such amounts are accrued and included within income tax expense.

Stock-Based Compensation

The Company has certain stock-based compensation plans, under which restricted stock awards and restricted stock units (together “restricted shares”) are available for issuance to eligible participants. Non-cash stock-based compensation expense is included within general and administrative expense in the consolidated statements of operations. Share-based payments, to the extent they are compensatory, are recognized.
based on their grant date fair values. Forfeitures are recorded as they occur. The Company records a deferred tax asset, or future tax benefit, based on the amount of share-based compensation recognized in the financial statements over the vesting period of share-based awards. The tax effects of differences between the fair value of a share-based award on the date of vesting and the date of grant, also referred to as excess tax benefits or tax deficiencies, are recognized within the provision for income taxes in the period such vestings occur.

Grants of restricted shares are valued based on the closing market share price of MasTec’s common stock as reported on the New York Stock Exchange (the “market price”) on the date of grant. Compensation expense arising from restricted shares is recognized on a straight-line basis over the vesting period. Grants of restricted shares have cliff vesting terms, which generally vest over a period of three years. Upon vesting, some of the underlying shares may be sold to cover the required tax withholdings. However, some participants may choose the net share settlement method to cover withholding tax requirements, in which case shares are not issued, but are treated as common stock repurchases in the consolidated financial statements, as they reduce the number of shares that would have been issued upon vesting. The Company then pays the corresponding withholding taxes to the appropriate taxing authorities in cash on behalf of the recipient. Withheld shares, which are valued at the market price on the date of vesting, are recorded as a reduction to additional paid-in capital and are reflected within financing activities in the consolidated statements of cash flows. For the year ended December 31, 2020, shares withheld in connection with stock-based compensation arrangements totaled 11,667 shares and related payments to taxing authorities totaled $0.6 million. For the year ended December 31, 2019, shares withheld in connection with stock-based compensation arrangements were de minimis. Shares withheld in connection with stock-based compensation arrangements for the year ended December 31, 2018 totaled 96,739 shares and related payments to taxing authorities totaled $3.8 million.

The Company has certain employee stock purchase plans (collectively, “ESPPs”) under which shares of the Company’s common stock are available for purchase by eligible participants. These plans allow participants to purchase MasTec, Inc. common stock at 85% of its fair market value at the lower of (i) the date of commencement of the offering period or (ii) the last day of the exercise period, as defined in the plan documents. The fair value of purchases under the Company’s employee stock purchase plans is estimated using the Black-Scholes option-pricing valuation model. The determination of fair value of stock-based awards using an option-pricing model is affected by the Company’s stock price as well as assumptions pertaining to several variables, including expected stock price volatility, the expected term of the award and the risk-free rate of interest. In the option-pricing model for the Company’s employee stock purchase plans, expected stock price volatility is based on historical volatility of the Company’s common stock. The expected term of the award is based on historical and expected exercise patterns and the risk-free rate of interest is based on U.S. Treasury yields. Beginning in 2021, ESPP shares will be purchased at 85% of the fair market value of MasTec common stock as of the date of purchase.

**Collective Bargaining Agreements and Multiemployer Plans**

Certain of MasTec’s subsidiaries, including certain subsidiaries in Canada, are party to various collective bargaining agreements with unions representing certain of their employees. These agreements require the subsidiaries party to the agreements to pay specified wages, provide certain benefits to their union employees and contribute certain amounts to multiemployer pension and other multiemployer benefit plans and trusts (“MEPPs”). These contributions are recorded as a component of employee wages and salaries within costs of revenue, excluding depreciation and amortization. Contributions are generally based on fixed amounts per hour per employee for employees covered under these plans. Multiemployer plan contribution rates are determined annually and assessed on a “pay-as-you-go” basis based on union employee payrolls. The Pension Protection Act of 2006, as amended, (the “PPA”) requires pension plans that are underfunded to improve their funding ratios within prescribed intervals based on their level of underfunding, under which benefit reductions may apply and/or participating employers could be required to make additional contributions. In addition, if a multiemployer defined benefit plan fails to satisfy certain minimum funding requirements, the IRS may impose on the employers contributing to such plans a non-deductible excise tax of 5% of the amount of the accumulated funding deficiency. Union payrolls cannot be determined for future periods because the number of union employees employed at any given time, and the plans in which they may participate, vary depending upon the location and number of ongoing projects at a given time and the need for union resources in connection with those projects. The collective bargaining agreements expire at various times and have typically been renegotiated and renewed on terms similar to the ones contained in the expiring agreements.

Under current law pertaining to employers that are contributors to U.S.-registered multiemployer defined benefit plans, a plan’s termination, an employer’s voluntary withdrawal from, or the mass withdrawal of contributing employers from, an underfunded multiemployer defined benefit plan requires participating employers to make payments to the plan for their proportionate share of the multiemployer plan’s unfunded vested liabilities. These liabilities include an allocable share of the unfunded vested benefits of the plan for all plan participants, not only for benefits payable to participants of the contributing employer. As a result, participating employers may bear a higher proportion of liability for unfunded vested benefits if the other participating employers cease to contribute to, or withdraw from, the plan. The allocable portion of liability to participating employers could be more disproportionate if employers that have withdrawn from the plan are insolvent, or if they otherwise fail to pay their proportionate share of the withdrawal liability. If the Company is subject to a withdrawal liability, the related withdrawal charge is recorded as a component of employee wages and salaries within costs of revenue, excluding depreciation and amortization, with any related liability recorded within other current and/or other long-term liabilities, as appropriate. The Company’s participation in the multiemployer pension plans is evaluated by management on an ongoing basis. See Note 10 - Other Retirement Plans and Note 14 - Commitments and Contingencies.
Restructuring Activities

From time to time, the Company may incur costs to streamline its business operations. These streamlining efforts, which are designed to improve profitability, could include eliminating service offerings that no longer fit into the Company’s business plan, certain integration activities for acquired businesses, reducing or eliminating services or operations that do not produce adequate revenue or margins, or reducing costs of business units that need margin improvements. The costs associated with these efforts, which the Company refers to as restructuring charges, include such items as employee separation costs, lease termination expenses and losses on disposal of excess fixed assets. When these efforts are related to circumstances that are significant, unique in nature and outside of the course of the Company's normal and periodic business streamlining efforts, the related amount of restructuring charges included within the consolidated financial statements is aggregated and accompanied by a discussion of the nature of such restructuring activities. Restructuring charges are included within the applicable line item(s) in the consolidated statement of operations based on the nature of the expense incurred.

Litigation and Contingencies

Accruals for litigation and contingencies are reflected in the consolidated financial statements based on management’s assessment, including advice of legal counsel, of the expected outcome of litigation or other dispute resolution proceedings and/or the expected resolution of contingencies. Liabilities for estimated losses are accrued if the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated. Significant judgment is required in both the determination of probability of loss and the determination as to whether the amount is reasonably estimable. Accruals are based on information available at the time of the assessment due to the uncertain nature of such matters. As additional information becomes available, management reassesses potential liabilities related to pending claims and litigation and may revise its previous estimates, which could materially affect the Company’s results of operations in a given period.

Comprehensive Income (Loss)

Comprehensive income or loss is a measure of net income and other changes in equity that result from transactions other than those with shareholders. Comprehensive income or loss and related accumulated comprehensive income or loss balances consist of net income, foreign currency translation adjustments, primarily from fluctuations in foreign currency exchange rates of the Company’s foreign subsidiaries with a functional currency other than the U.S. dollar, unrealized gains and losses from certain investment activities and net income or loss attributable to non-controlling interests.

Recent Accounting Pronouncements

See allowance for credit losses discussion within Significant Accounting Policies above, and the recent accounting pronouncements discussion below, for information pertaining to the effects of recently adopted and other recent accounting pronouncements.

Accounting Pronouncements Adopted in 2020

In August 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2018-13, Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40) Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract (“ASU 2018-13”) to reduce diversity in practice in accounting for the costs of implementing cloud computing arrangements that are service contracts. ASU 2018-13 aligns the requirements for capitalizing implementation costs incurred in a cloud computing arrangement that is a service contract with the requirements for internal-use software. Accounting for the service element of the cloud computing arrangement is not affected by the new guidance. Under ASU 2018-15, amortization expense, payments for and asset balances related to such capitalized implementation costs are to be presented within the same line items of the entity’s statements of operations, cash flows and balance sheets, respectively, as the related service fee activity and balances would be presented. ASU 2018-15, which the Company adopted on a prospective basis during the first quarter of 2020, did not have a material effect on the Company’s consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, Fair Value Measurement (Topic 820) Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement (“ASU 2018-13”). ASU 2018-13, which is intended to improve the effectiveness of fair value measurement disclosures, modifies the disclosure requirements for certain estimates and assumptions used in determining the fair value of assets and liabilities. ASU 2018-13, which the Company adopted during the first quarter of 2020, did not have a material effect on the Company’s consolidated financial statements. See Note 4 - Fair Value of Financial Instruments for disclosure updates pertaining to significant unobservable inputs used to develop fair value estimates for certain of the Company’s Level 3 financial instruments.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments. This ASU, together with its related clarifying ASUs (collectively, “ASU 2016-13”), introduced an expected credit loss methodology for the measurement and recognition of credit losses on most financial assets, including financial assets arising from revenue transactions, such as accounts receivable and contract assets. The new expected credit loss methodology, which is based on historical experience, current conditions and reasonable and supportable forecasts, replaced the incurred loss model for measuring and recognizing expected credit losses. The Company adopted this ASU in the first quarter of 2020 and incorporated this guidance into its methodology for estimating its accounts receivable allowances. Based on historical trends, the financial condition of the Company’s customers and management’s expectations of economic and industry factors affecting the Company’s customers, ASU 2016-13 did not have a material effect on the Company’s consolidated financial statements upon adoption. For additional information about the Company’s allowance for credit losses see discussion within Significant Accounting Policies above, and Note 5 - Accounts Receivable, Net of Allowance, and Contract Assets and Liabilities.
### Accounting Pronouncements To Be Adopted in 2021

In January 2020, the FASB issued ASU 2020-01, Investments-Equity Securities (Topic 321), Investments-Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815): Clarifying the Interactions between Topic 321, Topic 323, and Topic 815 (“ASU 2020-01”) to clarify the interaction in accounting for equity securities under Topic 321, investments accounted for under the equity method of accounting in Topic 323 and the accounting for certain forward contracts and purchased options accounted for under Topic 815. ASU 2020-01 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2020. This ASU is not expected to have a material effect on the Company’s consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes (“ASU 2019-12”), which eliminates certain exceptions to the existing guidance for income taxes related to the approach for intra-period tax allocations, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. This ASU also simplifies the accounting for income taxes by clarifying and amending existing guidance related to the effects of enacted changes in tax laws or rates in the effective tax rate computation, the recognition of franchise tax and the evaluation of a step-up in the tax basis of goodwill, among other clarifications. ASU 2019-12 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2020. The Company is currently evaluating the potential effects of this ASU, however, does not expect that its adoption will have a material effect on the Company’s consolidated financial statements.

### Other Recent Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, Reference Reform Rate (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (“ASU 2020-04”) to provide temporary optional expedients and exceptions to the contract modifications, hedge relationships and other transactions affected by reference rate reform if certain criteria are met. This ASU, which was effective upon issuance and may be applied through December 31, 2022, is applicable to all contracts and hedging relationships that reference the London Interbank Offered Rate or any other reference rate expected to be discontinued. The guidance in ASU 2020-04 may be implemented over time as reference rate reform activities occur. The Company is currently evaluating the potential effects of this ASU, however, does not expect reference rate reform to have a material effect on its consolidated financial statements as the Company’s current Credit Facility agreement provides for the replacement of LIBOR with an alternative benchmark rate should LIBOR become unavailable.

### Note 2 – Earnings Per Share

Basic earnings or loss per share is computed by dividing net income attributable to MasTec by the weighted average number of common shares outstanding for the period, which excludes non-participating unvested restricted share awards. Diluted earnings per share is computed by dividing net income attributable to MasTec by the weighted average number of fully diluted shares, as calculated under the treasury stock method, which includes the potential effect of dilutive common stock equivalents, such as issued but unvested restricted shares. If the Company reports a loss, rather than income, the computation of diluted loss per share excludes the effect of dilutive common stock equivalents, as their effect would be anti-dilutive.

The following table provides details underlying the Company’s earnings per share calculations for the periods indicated (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>For the Years Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
</tr>
<tr>
<td>Net income attributable to MasTec:</td>
<td></td>
</tr>
<tr>
<td>net income - basic and diluted (a)</td>
<td>$322,848</td>
</tr>
<tr>
<td>Weighted average shares outstanding:</td>
<td></td>
</tr>
<tr>
<td>weighted average shares outstanding - basic</td>
<td>72,799</td>
</tr>
<tr>
<td>dilutive common stock equivalents (b)</td>
<td>916</td>
</tr>
<tr>
<td>Weighted average shares outstanding - diluted</td>
<td>73,715</td>
</tr>
</tbody>
</table>

(a) Calculated as total net income less amounts attributable to non-controlling interests.

(b) For the year ended December 31, 2020, there were 43,989 anti-dilutive common stock equivalents, and for the years ended December 31, 2019 and 2018, anti-dilutive common stock equivalents were de minimis.

The Company repurchased approximately 3.6 million shares of its common stock during the year ended December 31, 2020, as discussed in Note 11 - Equity. The effect of these repurchases on the Company’s weighted average shares outstanding for the year ended December 31, 2020 was a reduction of approximately 2.9 million shares, due to the timing of the repurchases. The effect of shares repurchased in 2018 on the Company’s weighted average shares outstanding for the years ended December 31, 2019 and 2018 was a reduction of 4.4 million shares and 2.8 million shares, respectively.
Note 3 – Goodwill and Other Intangible Assets

The following table provides a reconciliation of changes in goodwill by reportable segment for the periods indicated (in millions):

| Segment                  | Goodwill, gross, as of December 31, 2018 | Accumulated impairment loss (a) | Goodwill, net, as of December 31, 2018 | Additions from new business combinations | Measurement period adjustments, net (b) | Currency translation adjustments | Goodwill, net, as of December 31, 2019 | Additions from new business combinations | Measurement period adjustments, net (b) | Currency translation adjustments | Goodwill, net, as of December 31, 2020 | Accumulated impairment loss (a) | Goodwill, gross, as of December 31, 2020 |
|--------------------------|------------------------------------------|----------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|-----------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|-----------------------------------|----------------------------------|------------------------------------------|
| Clean Energy and Infrastructure | $467.8                                   | —                                | $467.8                                 | 73.2                                   | 0.3                                    | —                                 | $541.3                                 | 14.9                                   | 0.1                                    | —                                 | 562.1                            | —                                |
| Oil and Gas              | $143.1                                   | — (116.0)                        | $143.1                                 | 9.5                                    | (0.4)                                  | —                                 | 152.6                                 | —                                      | 0.4                                    | —                                 | 152.7                            | 152.7                            |
| Electrical Transmission  | $455.6                                   | —                                | $399.6                                 | 37.7                                   | —                                      | —                                 | 377.6                                 | 0.2                                    | 0.1                                    | —                                 | 384.0                            | 150.1                           |
| Total Goodwill           | $1,216.4                                 | (116.0)                          | $1,100.4                               | 120.4                                  | (0.1)                                  | 0.7                                | $1,221.4                              | 15.1                                   | 6.1                                    | 0.4                               | 1,243.0                          | 1,366.8                         |

(a) Accumulated impairment losses include the effects of currency translation gains and/or losses.
(b) Represents adjustments to preliminary estimates of fair value within the measurement period of up to one year from the date of acquisition.

The following table provides a reconciliation of changes in other intangible assets, net, for the periods indicated (in millions):

<table>
<thead>
<tr>
<th>Intangible Assets</th>
<th>Non-Amortizing</th>
<th>Amortizing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Trade Names</td>
<td>Pre-Qualifications</td>
</tr>
<tr>
<td>Other intangible assets, gross, as of December 31, 2018</td>
<td>$34.5</td>
<td>$74.0</td>
</tr>
<tr>
<td>Accumulated amortization</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other intangible assets, net, as of December 31, 2018</td>
<td>$34.5</td>
<td>$74.0</td>
</tr>
<tr>
<td>Additions from new business combinations</td>
<td>—</td>
<td>0.2</td>
</tr>
<tr>
<td>Measurement period adjustments (b)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Intangible asset impairment</td>
<td>—</td>
<td>(3.3)</td>
</tr>
<tr>
<td>Currency translation adjustments</td>
<td>—</td>
<td>2.0</td>
</tr>
<tr>
<td>Amortization expense</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other intangible assets, net, as of December 31, 2019</td>
<td>$34.5</td>
<td>$72.9</td>
</tr>
<tr>
<td>Additions from new business combinations</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Classification changes (c)</td>
<td>—</td>
<td>(69.8)</td>
</tr>
<tr>
<td>Measurement period adjustments (b)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Currency translation adjustments</td>
<td>—</td>
<td>(3.1)</td>
</tr>
<tr>
<td>Amortization expense</td>
<td>—</td>
<td>(26.7)</td>
</tr>
<tr>
<td>Other intangible assets, net, as of December 31, 2020</td>
<td>$34.5</td>
<td>—</td>
</tr>
<tr>
<td>Remaining weighted average amortization period (in years)</td>
<td>9</td>
<td>11</td>
</tr>
</tbody>
</table>

(a) Consists principally of trade names and non-compete agreements.
(b) Represents adjustments to preliminary estimates of fair value within the measurement period of up to one year from the date of acquisition.
(c) In connection with its first quarter 2020 assessment of goodwill and indefinite-lived intangible assets, management reassessed the indefinite-life classification of its two pre-qualification intangible assets. Management determined that, based on changes in the assets’ characteristics, including current and expected changes in the customer mix of the associated reporting units, a finite-life classification for these assets was more appropriate. As a result, the Company changed the classification of these intangible assets from indefinite-lived to finite-lived and began amortizing them on an accelerated basis in the first quarter of 2020, at which time their estimated remaining weighted average useful life was approximately 12 years.

Expected future amortization expense as of December 31, 2020 is summarized in the following table (in millions):
2020 Acquisitions. During 2020, MasTec completed five acquisitions. These acquisitions included the equity interests of two entities. Through a consolidated subsidiary, the Company acquired all of the equity interests in a heavy civil infrastructure construction company that is included within the Company’s Clean Energy and Infrastructure segment. As of the date of acquisition, the Company’s ownership interest in the consolidated subsidiary was 96%, and as of December 31, 2020, was 91%, with a portion of the non-controlling interests owned by members of subsidiary management. The Company also acquired all of the equity interests in a utility service and telecommunications construction contractor that is included within the Company’s Communications segment. The Company also acquired the assets of three entities, one that specializes in wireless telecommunications and one that specializes in install-to-the-home services, both of which are included within the Company’s Communications segment and one that specializes in electrical transmission services that is included within the Company’s Electrical transmission segment.

The aggregate purchase price for these entities was composed of approximately $23.5 million in cash, net of cash acquired, with an additional $3.2 million due through 2023, subject to certain indemnification provisions, and a five-year earn-out liability valued at approximately $8.3 million. Earn-outs are generally payable annually and are recorded within other current and other long-term liabilities in the consolidated balance sheets. As of December 31, 2020, the range of remaining potential undiscounted earn-out liabilities for the 2020 acquisitions was estimated to be between $1 million and $13 million; however, there is no maximum payment amount. Determination of the estimated fair values of the net assets acquired and the estimated earn-out liabilities for these acquisitions was preliminary as of December 31, 2020; as a result, further adjustments to these estimates may occur.

2019 Acquisitions. During 2019, MasTec completed six acquisitions, one of which specializes in water infrastructure for pipeline companies and is included within the Company’s Oil and Gas segment, four of which are included within the Company’s Communications segment, including a wireline/fiber deployment construction contractor and a telecommunications company specializing in a broad range of end-to-end wireless telecommunications solutions, and one of which specializes in construction projects in the power industry and is included in the Company’s Clean Energy and Infrastructure segment. For all but one of these acquisitions, the Company acquired all of the equity interests in the related entities. For the telecommunications company specializing in wireless telecommunications solutions, the Company acquired 96% of the entity’s equity interests, with the obligation to acquire the balance over time.

The following table summarizes the fair values of consideration paid and net assets acquired for the 2019 acquisitions as of the respective dates of acquisition, as adjusted (in millions):

<table>
<thead>
<tr>
<th>Acquisition consideration:</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, net of cash acquired and other</td>
<td>$ 176.4</td>
</tr>
<tr>
<td>Estimated fair value of contingent consideration and other liabilities</td>
<td>40.1</td>
</tr>
<tr>
<td>Total consideration transferred</td>
<td>$ 216.5</td>
</tr>
<tr>
<td><strong>Identifiable assets acquired and liabilities assumed:</strong></td>
<td></td>
</tr>
<tr>
<td>Current assets, primarily composed of accounts receivable</td>
<td>$ 92.6</td>
</tr>
<tr>
<td>Property and equipment, including finance leases and other long-term assets</td>
<td>56.1</td>
</tr>
<tr>
<td>Amortizing intangible assets</td>
<td>65.9</td>
</tr>
<tr>
<td>Current liabilities, including current portion of finance lease obligations and long-term debt</td>
<td>(89.0)</td>
</tr>
<tr>
<td>Long-term debt, including finance lease obligations</td>
<td>(2.4)</td>
</tr>
<tr>
<td>Deferred income taxes and other long-term liabilities</td>
<td>(27.5)</td>
</tr>
<tr>
<td>Total identifiable net assets</td>
<td>$ 95.7</td>
</tr>
<tr>
<td>Goodwill</td>
<td>$ 120.8</td>
</tr>
<tr>
<td><strong>Total net assets acquired, including goodwill</strong></td>
<td>$ 216.5</td>
</tr>
</tbody>
</table>

Amortizing intangible assets related to the 2019 acquisitions are primarily composed of customer relationships, backlog and certain other intangible assets, which had weighted average lives, as adjusted, of approximately 12 years, 3 years and 5 years, respectively, and a weighted average life of 11 years in total. Amortizing intangible assets are amortized in a manner consistent with the pattern in which the related benefits are expected to be consumed. The goodwill balances for the respective acquisitions represent the estimated value of each acquired company’s geographic presence in key markets, its assembled workforce and management team’s industry-specific project management expertise, as well as synergies expected to be achieved from the combined operations of the acquired companies and MasTec. Approximately $8 million of the goodwill balance...
related to the 2019 acquisitions is expected to be tax deductible as of December 31, 2020. Additionally, current liabilities in the table above include amounts due to former owners, who, subsequent to acquisition, are members of subsidiary management, of approximately $11 million, of which $2 million was subsequently paid during 2019 pursuant to the terms of the related purchase agreement.

The contingent consideration and other liabilities included in the table above is composed of $22.3 million of earn-out liabilities, which equal a portion of the acquired companies’ future interest, taxes, depreciation and amortization (“EBITDA”) in excess of thresholds agreed upon with the sellers, if applicable, and a mandatorily redeemable non-controlling interest, subject to a repurchase formula (collectively, “Earn-outs”), totaling $17.8 million, which is calculated in a manner consistent with the Company’s traditional earn-out arrangements. Earn-outs are generally payable annually for a period of five years, as set forth in the respective purchase agreements. The fair values of the Earn-outs were estimated using income approaches such as discounted cash flows or option pricing models and incorporate significant inputs not observable in the market. Key assumptions in the estimated valuations include the discount rate and probability-weighted EBITDA projections. Significant changes in any of these assumptions could result in significantly higher or lower potential Earn-out liabilities. As of December 31, 2020, the range of remaining potential undiscounted Earn-out liabilities for the 2019 acquisitions was estimated to be between $4 million and $51 million; however, there is no maximum payment amount.

### 2018 Acquisitions

During 2018, MasTec acquired all of the equity interests in a construction management firm specializing in steel building systems and acquired a wind turbine service company, both of which are included in the Company’s Clean Energy and Infrastructure segment. The aggregate purchase price for these entities, as adjusted, was composed of approximately $5.1 million in cash, net of cash acquired, and estimated earn-out liabilities, net, totaling $1.5 million. As of December 31, 2020, the range of remaining potential undiscounted earn-out liabilities, net, for the 2018 acquisitions was estimated to be up to $4 million; however, there is no maximum payment amount.

#### Pro Forma Financial Information and Acquisition Results

For the years ended December 31, 2020, 2019 and 2018, unaudited supplemental pro forma revenue totaled approximately $6.4 billion, $7.6 billion and $7.4 billion, respectively, and unaudited supplemental pro forma net income totaled approximately $334.5 million, $406.6 million and $258.7 million, respectively.

These unaudited pro forma financial results include the results of operations of acquired companies as if those companies had been consolidated as of the beginning of the year prior to their acquisition, and are provided for illustrative purposes only. These unaudited pro forma financial results do not purport to be indicative of the actual results that would have been achieved by the combined companies for the periods indicated, or of the results that may be achieved by the combined companies in the future. The Company’s unaudited pro forma financial results were prepared by adding the unaudited historical results of acquired businesses to the historical results of MasTec, and then adjusting those combined results for (i) acquisition costs; (ii) amortization expense from acquired intangible assets; (iii) interest expense from cash consideration paid; (iv) interest expense from debt repaid upon acquisition; and (v) other purchase accounting related adjustments. These unaudited pro forma financial results do not include adjustments to reflect changes, if any, in the income tax rate that may have resulted from these acquisitions. Future results may vary significantly due to future events and other factors, many of which are beyond the Company’s control.

For the years ended December 31, 2020, 2019 and 2018, the Company’s consolidated results of operations included acquisition-related revenue of approximately $229.9 million, $188.3 million and $154.4 million, respectively, and included acquisition-related net losses of approximately $6.7 million and $1.4 million for the years ended December 31, 2020 and 2019, respectively, and acquisition-related net income of approximately $1.4 million for the year ended December 31, 2018, based on the Company’s consolidated effective tax rates. These acquisition-related results do not include the effects of acquisition costs or interest expense associated with consideration paid for the related acquisitions.

#### Q1 2021 Acquisitions

In the first quarter of 2021, MasTec acquired a heavy civil infrastructure construction company that will be included within the Company’s Clean Energy and Infrastructure segment, and a pipeline integrity and gas distribution contractor that will be included in the Company’s Oil and Gas segment for an aggregate purchase price of approximately $110 million in cash. Due to the limited amount of time since these acquisitions, the initial accounting is incomplete. The Company will complete an initial allocation of purchase price to total net assets acquired for these acquisitions in the first quarter of 2021.

### Note 4 – Fair Value of Financial Instruments

#### Acquisition-Related Contingent Consideration and Other Liabilities

Acquisition-related contingent consideration and other liabilities is composed of Earn-outs, which represent the estimated fair value of future amounts payable for businesses, including for mandatorily redeemable non-controlling interests, that are contingent upon the acquired business achieving certain levels of earnings in the future. As of December 31, 2020 and 2019, the estimated fair value of the Company’s Earn-out liabilities totaled $135.2 million and $173.2 million, respectively, of which $48.1 million and $54.1 million, respectively, was included within other current liabilities. The fair values of the Company’s Earn-out liabilities are estimated using income approaches such as discounted cash flows or option pricing models, both of which incorporate significant inputs not observable in the market (Level 3 inputs), including management’s estimates and entity-specific assumptions, and are evaluated on an ongoing basis. Key assumptions include the discount rate, which, as of December 31, 2020, ranged from 12.0% to 20.0%, with a weighted average rate of 13.1% based on the relative fair value of each instrument, and probability-weighted projections of earnings before interest, taxes, depreciation and amortization (“EBITDA”). Significant changes in any of these assumptions could result in significantly higher or lower potential Earn-out liabilities. The ultimate payment amounts for the Company’s Earn-out liabilities will be determined based on the actual results achieved by the acquired businesses. As of December 31, 2020, the range of potential undiscounted Earn-out liabilities was estimated to be between $48 million and $179 million; however, there is no maximum payment amount.

Earn-out activity consists primarily of additions from new business combinations; changes in the expected fair value of future payment obligations; and payments. For the years ended December 31, 2020, 2019 and 2018, additions to acquisition-related contingent consideration and other liabilities from new business combinations totaled approximately $7.2 million, $45.2 million and $1.5 million, respectively. For the year ended December 31, 2020, measurement period adjustments totaled an increase of approximately $2.1 million and related to businesses in the Company’s...
Communications segment. Measurement period adjustments in 2019 totaled a decrease of approximately $6.1 million and related primarily to businesses in the Company’s Oil and Gas and Communications segment, and in 2018, totaled a net increase of approximately $5.0 million and related primarily to a business in the Company’s Oil and Gas segment. For the year ended December 31, 2020 fair value adjustments totaled a net increase of approximately $3.1 million across multiple segments, including a $1.0 million increase related to mandatorily redeemable non-controlling interests. For the years ended December 31, 2019 and 2018, fair value adjustments totaled net increases of approximately $51.0 million and $17.5 million, respectively, and related primarily to Earn-outs for businesses in the Company’s Oil and Gas and Communications segments. Earn-out payments totaled $50.4 million, $35.0 million and $23.1 million for the years ended December 31, 2020, 2019 and 2018, respectively.

**Equity Investments**

The Company’s equity investments as of December 31, 2020 include: (i) the Company’s 33% equity interests in Trans-Pecos Pipeline, LLC (“TPP”) and Comanche Trail Pipeline, LLC (“CTP,” and together with TPP, the “Waha JVs”); (ii) a 15% equity interest in Cross Country Infrastructure Services, Inc. (“CCCI”); (iii) the Company’s 50% equity interests in each of FM Technology Holdings, LLC, FM USA Holdings, LLC and All Communications Solutions Holdings, LLC, collectively “FM Tech”; (iv) the Company’s equity interests in American Virtual Cloud Technologies, Inc., or “AVCT”; (v) the Company’s interests in certain proportionately consolidated non-controlled contractual joint ventures; and (vi) certain other equity investments.

As of December 31, 2020 and 2019, the aggregate carrying value of the Company’s equity investments, including equity investments measured on an adjusted cost basis, totaled approximately $220 million and $196 million, respectively. As of December 31, 2020 and 2019, equity investments measured on an adjusted cost basis, including the Company’s $15 million investment in CCCI, totaled approximately $1.7 million and $18 million, respectively. There were no material changes in the fair values of, or impairments related to, these investments during either of the years then ended.

The Waha JVs. The Waha JVs own and operate certain pipeline infrastructure that transports natural gas to the Mexican border for export. The Company’s investments in the Waha JVs are accounted for as equity method investments. Equity in earnings related to the Company’s proportionate share of income from the Waha JVs, which is included within the Company’s Other segment, totaled approximately $31.3 million, $27.3 million and $23.9 million for the years ended December 31, 2020, 2019 and 2018, respectively. Distributions of earnings from the Waha JVs, which are included within operating cash flows, totaled $12.0 million, $9.1 million and $10.9 million for the years ended December 31, 2020, 2019 and 2018, respectively. Cumulative undistributed earnings from the Waha JVs, which represents cumulative equity in earnings for the Waha JVs less distributions of earnings, totaled $67.3 million as of December 31, 2020. The Company made no equity contributions to these joint ventures for the year ended December 31, 2020, and for the years ended December 31, 2019 and 2018, the Company made equity contributions of approximately $1 million and $28 million, respectively. The Company’s net investment in the Waha JVs, which differs from its proportionate share of the net assets of the Waha JVs due primarily to equity method goodwill associated with capitalized investment costs, totaled approximately $175 million and $174 million as of December 31, 2020 and 2019, respectively.

The Waha JVs are party to separate non-recourse financing facilities, each of which are secured by pledges of the equity interests in the respective entities, as well as a first lien security interest over virtually all of their assets. The Waha JVs are also party to certain interest rate swaps (the “Waha JV swaps”), which are accounted for as qualifying cash flow hedges. The Company reflects its proportionate share of any unrealized fair market value gains or losses from fluctuations in interest rates associated with these swaps within other comprehensive income or loss, as appropriate. For the years ended December 31, 2020 and 2019, the Company’s proportionate share of unrecognized unrealized activity on these interest rate swaps totaled losses of approximately $24.4 million and $19.9 million, respectively, or $18.5 million and $15.0 million, net of tax, respectively, and for the year ended December 31, 2018, totaled gains of approximately $7.7 million, or $5.9 million, net of tax.

Other Investments. The Company has investments in AVCT. These investments include (i) shares of AVCT common stock, which are equity securities, (ii) warrants for the purchase of AVCT common stock, which are derivative financial instruments, and (iii) debentures that are convertible into shares of AVCT common stock, which are available-for-sale securities. As of December 31, 2020 and 2019, the Company’s ownership interest in AVCT’s common stock, represented by the AVCT shares, totaled approximately 9% and 21%, respectively, and its aggregate ownership interest, assuming the exercise and conversion of all logically exercisable warrants and convertible debt into AVCT common stock, totaled approximately 21% as of both periods. José R. Mas, MasTec’s Chief Executive Officer, was a director of AVCT through the end of March 2020. The Company paid an aggregate of approximately $5 million for its investments in AVCT, all of which are included within other long-term assets in the Company’s consolidated financial statements. The issued shares and those underlying the derivative instruments are salable at various times subject to various contractual and securities law restrictions. The Company does not have the ability to exert significant influence over the operating and financial policies of AVCT.

As of December 31, 2020, the aggregate fair value of the Company’s investments in AVCT approximated $17 million. For the year ended December 31, 2020, the Company recorded unrealized fair value measurement gains on the AVCT securities within other income totaling approximately $3.1 million, primarily related to the AVCT shares, for which the fair value was determined based on the market price of identical securities, adjusted for the restrictions on sale, which is a Level 3 input. Unrealized fair value measurement gains on the AVCT convertible debentures as determined based on Monte Carlo simulations, a Level 3 input, which are available-for-sale securities. As of December 31, 2019, the AVCT shares were measured on an adjusted cost basis as their fair value was not readily determinable. The aggregate carrying value of the Company’s investment in AVCT as of December 31, 2019, including the AVCT shares and initial warrants, was approximately $2 million.

The Company has equity interests in certain telecommunications entities that provide services to MasTec and are accounted for as equity method investments, including the Company’s $16 million aggregate investment in FM Tech. For the year ended December 31, 2020 equity in losses, net, related to these entities totaled approximately $1.5 million, and for the year ended December 31, 2019, was de minimis. The difference between the carrying amount of these investments and the Company’s underlying equity in the net assets of the respective entities relates primarily to equity method goodwill associated with assembled workforce for each of these entities. For the years ended December 31, 2020 and 2019, expense recognized in connection with services provided by these entities to MasTec totaled $11.5 million and $7.0 million, respectively, and related amounts
payable totaled $0.2 million as of December 31, 2020, and were de minimis as of December 31, 2019.

**Summarized Financial Information of Equity Method Investments**

The following presents summarized information for the entities that comprise the Company’s significant equity method investments (in millions):

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2020</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>$160.3</td>
<td>$144.5</td>
</tr>
<tr>
<td>Long-term assets</td>
<td>1,395.4</td>
<td>1,359.9</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$1,555.7</strong></td>
<td><strong>$1,504.4</strong></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>$56.0</td>
<td>$34.9</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>1,024.5</td>
<td>978.6</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$1,080.5</strong></td>
<td><strong>$1,013.5</strong></td>
</tr>
</tbody>
</table>

**For the Years Ended December 31,**

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$169.2</td>
<td>$152.4</td>
<td>$145.8</td>
</tr>
<tr>
<td>Net income</td>
<td>$94.7</td>
<td>$82.8</td>
<td>$72.4</td>
</tr>
</tbody>
</table>

**Senior Notes**

As of December 31, 2020, the gross carrying amount of the Company’s 4.50% senior notes due August 15, 2028 (the “4.50% Senior Notes”) totaled $600 million and their estimated fair value totaled $625.5 million. As of December 31, 2019, the gross carrying amount of the Company’s 4.875% senior notes due March 15, 2023 (the “4.875% Senior Notes”) totaled $400 million and their estimated fair value totaled $404.5 million. The estimated fair values of the Company’s senior notes were determined using an “exit price” approach based on Level 1 inputs. See Note 7 - Debt for additional information on the 2020 redemption of the Company’s 4.875% Senior Notes and related issuance of its 4.50% Senior Notes.

**Note 5 – Accounts Receivable, Net of Allowance, and Contract Assets and Liabilities**

The following table provides details of accounts receivable, net of allowance, and contract assets (together “accounts receivable, net”) as of the dates indicated (in millions):

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2020</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract billings</td>
<td>$805.0</td>
<td>$860.4</td>
</tr>
<tr>
<td>Less allowance</td>
<td>(20.5)</td>
<td>(10.1)</td>
</tr>
<tr>
<td><strong>Accounts receivable, net of allowance</strong></td>
<td><strong>$784.5</strong></td>
<td><strong>$850.3</strong></td>
</tr>
<tr>
<td>Retainage</td>
<td>$287.7</td>
<td>$345.2</td>
</tr>
<tr>
<td>Unbilled receivables</td>
<td>682.0</td>
<td>679.4</td>
</tr>
<tr>
<td><strong>Contract assets</strong></td>
<td><strong>$969.7</strong></td>
<td><strong>$1,024.6</strong></td>
</tr>
</tbody>
</table>

Contract billings represent the amount of performance obligations that have been billed but have not yet been collected, whereas contract assets consist of unbilled receivables and retainage. Unbilled receivables represent the estimated value of unbilled work for projects with performance obligations recognized over time. Retainage represents a portion of the contract amount that has been billed, but for which the contract allows the customer to retain a portion of the billed amount until final contract settlement (generally, from 5% to 10% of contract billings). Retainage is not considered to be a significant financing component because the intent is to protect the customer. Unbilled receivables and retainage amounts are generally classified as current assets within the Company’s consolidated balance sheets. The decrease in the retainage balance as of December 31, 2020 was driven largely by timing of project activity in the Company’s Oil and Gas segment, offset, in part, by increases in project activity in the Clean Energy and Infrastructure segment. Retainage that has been billed, but is not due until completion of performance and acceptance by customers, is generally expected to be collected within one year. Accounts receivable balances expected to be collected beyond one year are recorded within other long-term assets. For the years ended December 31, 2020 and 2019, provisions for credit losses, including potential credit losses from current economic uncertainty, totaled $12.1 million and $1.7 million, respectively, and amounts charged against the allowance, including direct write-offs totaled $1.7 million and $7.9 million, respectively. Impairment losses on contract assets were not material for the years ended December 31, 2020, 2019 and 2018.

Contract liabilities, which are generally classified within current liabilities on the Company’s consolidated balance sheets, consist primarily of deferred revenue. Under certain contracts, the Company may be entitled to invoice the customer and receive payments in advance of performing the related contract work. In those instances, the Company recognizes a liability for advance billings in excess of revenue recognized, which is
referred to as deferred revenue. Deferred revenue is not considered to be a significant financing component because it is generally used to meet working capital demands that can be higher in the early stages of a contract. Contract liabilities also include the amount of any accrued project losses. Total contract liabilities, including accrued project losses, totaled approximately $228.4 million and $206.2 million as of December 31, 2020 and 2019, respectively, of which deferred revenue comprised approximately $203.0 million and $184.1 million, respectively. For the years ended December 31, 2020 and 2019, the Company recognized revenue of approximately $159.6 million and $199.2 million, respectively, related to amounts that were included in deferred revenue as of December 31, 2019 and 2018, respectively, resulting primarily from the advancement of physical progress on the related projects during the related periods.

The Company is party to non-recourse financing arrangements in the ordinary course of business, under which certain receivables are settled with the customer’s bank in return for a nominal fee. These arrangements, under which amounts can vary based on levels of activity, interest rates and changes in customer payment terms, improve the collection cycle time of the related receivables. Cash collected from these arrangements is reflected within cash provided by operating activities in the consolidated statements of cash flows. Discount charges related to these arrangements, which are included within interest expense, net, totaled approximately $5.0 million, $10.1 million and $11.1 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Note 6 – Property and Equipment, Net

The following table provides details of property and equipment, net, including property and equipment held under finance leases as of the dates indicated (in millions):

<table>
<thead>
<tr>
<th>Description</th>
<th>2020</th>
<th>2019</th>
<th>Estimated Useful Lives (in years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$6.0</td>
<td>$4.9</td>
<td>3 - 40</td>
</tr>
<tr>
<td>Buildings and leasehold improvements</td>
<td>$40.5</td>
<td>$35.8</td>
<td></td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>$1,875.5</td>
<td>$1,659.4</td>
<td>2 - 20</td>
</tr>
<tr>
<td>Office furniture and equipment</td>
<td>$221.6</td>
<td>$197.3</td>
<td>3 - 7</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>$26.1</td>
<td>$26.1</td>
<td></td>
</tr>
<tr>
<td>Total property and equipment</td>
<td>$2,169.7</td>
<td>$1,923.5</td>
<td></td>
</tr>
<tr>
<td>Less accumulated depreciation and amortization</td>
<td>$(1,187.4)</td>
<td>$(1,017.7)</td>
<td></td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>$982.3</td>
<td>$905.8</td>
<td></td>
</tr>
</tbody>
</table>

The gross amount of capitalized internal-use software, which is included within office furniture and equipment, totaled $154.1 million and $138.2 million as of December 31, 2020 and 2019, respectively. Capitalized internal-use software, net of accumulated amortization, totaled $34.3 million and $31.5 million as of December 31, 2020 and 2019, respectively. Accrued capital expenditures, the effects of which are excluded from capital expenditures in the Company’s consolidated statements of cash flows given their non-cash nature, totaled $13.5 million and $5.2 million as of December 31, 2020 and 2019, respectively.

Note 7 – Debt

The following table provides details of the carrying values of debt as of the dates indicated (in millions):

<table>
<thead>
<tr>
<th>Description</th>
<th>Maturity Date</th>
<th>December 31,</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior secured credit facility:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revolving loans</td>
<td>September 19, 2024</td>
<td>$32.7</td>
<td>$339.2</td>
<td></td>
</tr>
<tr>
<td>Term loan</td>
<td></td>
<td>$397.5</td>
<td>400.0</td>
<td></td>
</tr>
<tr>
<td>4.50% Senior Notes</td>
<td>August 15, 2028</td>
<td>600.0</td>
<td>—</td>
<td>400.0</td>
</tr>
<tr>
<td>4.875% Senior Notes</td>
<td>March 15, 2023</td>
<td>—</td>
<td>400.0</td>
<td></td>
</tr>
<tr>
<td>Finance lease and other obligations</td>
<td></td>
<td>288.5</td>
<td>306.5</td>
<td></td>
</tr>
<tr>
<td>Total debt obligations</td>
<td></td>
<td>$1,318.7</td>
<td>$1,444.8</td>
<td></td>
</tr>
<tr>
<td>Less unamortized deferred financing costs</td>
<td>(16.0)</td>
<td>(12.4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total debt, net of deferred financing costs</td>
<td>$1,302.7</td>
<td>$1,432.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td></td>
<td>145.1</td>
<td>118.4</td>
<td></td>
</tr>
<tr>
<td>Long-term debt</td>
<td></td>
<td>$1,157.6</td>
<td>$1,314.0</td>
<td></td>
</tr>
</tbody>
</table>

**Issuance of 4.50% Senior Notes and Repurchase and Redemption of 4.875% Senior Notes**

On August 4, 2020, the Company issued $600 million aggregate principal amount of senior unsecured notes due August 15, 2028, which bear interest at a rate of 4.50% (the “4.50% Senior Notes”), at par in a private offering (the “Private Offering”). Interest on the 4.50% Senior Notes is payable semiannually in arrears on February 15 and August 15 of each year, beginning on February 15, 2021. The 4.50% Senior Notes are general
senior unsecured obligations of the Company, and rank equal in right of payment with all of the Company’s existing and future senior unsecured indebtedness and senior in right of payment to all of the Company’s existing and future subordinated indebtedness. The 4.50% Senior Notes are effectively subordinated to all secured indebtedness of the Company, including its existing credit facilities, to the extent of the value of the assets securing such indebtedness. The 4.50% Senior Notes are fully and unconditionally guaranteed on a senior unsecured, joint and several basis by the Company’s wholly-owned domestic restricted subsidiaries that guarantee its existing credit facilities, subject to certain exceptions.

The Company used a portion of the proceeds from the Private Offering to redeem all $400 million of its outstanding 4.875% Senior Notes due 2023 (the “4.875% Senior Notes”) on August 19, 2020 (the “Redemption Date”) at a redemption price equal to 100.813% of the principal amount of the 4.875% Senior Notes redeemed, plus accrued and unpaid interest to, but not including, the Redemption Date. The remaining net proceeds from the Private Offering were primarily used to repay revolving loans under the Company’s existing credit facilities.

The Company has the option to redeem all or a portion of the 4.50% Senior Notes at any time on or after August 15, 2023 at the redemption prices specified in the indenture that governs the 4.50% Senior Notes (the “4.50% Senior Notes Indenture”), plus accrued and unpaid interest, if any, to (but excluding) the redemption date. In addition, at any time prior to August 15, 2023, the Company may redeem all or a part of the 4.50% Senior Notes at a redemption price equal to 100% of the principal amount of the 4.50% Senior Notes redeemed, plus accrued and unpaid interest, if any, to (but excluding) the redemption date, plus a “make-whole” premium. Further, prior to August 15, 2023, the Company may redeem up to 40% of the aggregate principal amount of the 4.50% Senior Notes using the net cash proceeds of certain equity offerings, at a redemption price equal to 104.500% of the principal amount of the 4.50% Senior Notes redeemed, plus accrued and unpaid interest, if any, to (but excluding) the date of redemption, subject to certain conditions.

If the Company undergoes a change of control, as defined in the 4.50% Senior Notes Indenture, the Company must make an offer to repurchase all of the 4.50% Senior Notes then outstanding at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to (but excluding) the date of repurchase.

The 4.50% Senior Notes Indenture, among other things, generally limits the ability of the Company and certain of its subsidiaries, subject to certain exceptions, to (i) create liens, (ii) pay dividends, (iii) acquire shares of capital stock, (iv) make certain investments and (v) effect mergers. The 4.50% Senior Notes Indenture provides for customary events of default, subject to customary grace and cure periods. Generally, if an event of default occurs and is continuing, the trustee or holders of at least 30% of the 4.50% Senior Notes then outstanding may declare the principal of, premium, if any, and accrued and unpaid interest on all of the 4.30% Senior Notes immediately due and payable. Financing costs incurred in connection with the issuance of the 4.50% Senior Notes totaled approximately $8.9 million. These deferred financing costs, which are reflected as a reduction of the carrying amount of the 4.50% Senior Notes, will be amortized over the term of the 4.50% Senior Notes using the effective interest method.

Management determined that the repurchase and redemption of the Company’s 4.875% Senior Notes should be accounted for as a debt extinguishment and recorded a pre-tax debt extinguishment loss of approximately $5.6 million for the year ended December 31, 2020, including $3.3 million of early repayment premiums and $2.3 million of unamortized deferred financing costs. This loss is separately disclosed within the Company’s consolidated statements of operations.

**Senior Secured Credit Facility**

The Credit Facility, which is a senior secured credit facility, has aggregate borrowing commitments of approximately $1.75 billion, which amount is composed of $1.35 billion of revolving commitments and a term loan in the aggregate principal amount of $400.0 million. The term loan is subject to amortization in quarterly principal installments of $2.5 million, which commenced in December 2020. This amount will increase to $5.0 million commencing in December 2021. Quarterly principal installments on the term loan are subject to adjustment, if applicable, for certain prepayments.

The Credit Facility allows the Company to borrow either in Canadian dollars and/or Mexican pesos, up to an aggregate equivalent amount of $300 million. The maximum amount available for letters of credit under the Credit Facility is $650 million, of which up to $200 million can be denominated in either Canadian dollars and/or Mexican pesos. The Credit Facility also provides for swing line loans of up to $125 million, and, subject to certain conditions, the Company has the option to increase revolving commitments and/or establish additional term loan tranches equal to the Incremental Facilities Limit (as defined in the Credit Facility). Subject to the terms and conditions described in the Credit Facility, these additional term loan tranches may rank equal or junior in respect of right of payment and/or collateral to the Credit Facility, and may, subject to certain limitations in the Credit Facility, have terms that differ from the Credit Facility. Borrowings under the Credit Facility are used for working capital requirements, capital expenditures and other corporate purposes, including equity investments, potential acquisitions or other strategic arrangements, the repurchase or prepayment of indebtedness, including repayment of term loans, and share repurchases.

Outstanding revolving loans and the term loan under the Credit Facility bear interest, at the Company’s option, at a rate equal to either (a) a Eurocurrency Rate, as defined in the Credit Facility, plus a margin of 1.25% to 1.75%, or (b) a Base Rate, as defined in the Credit Facility, plus a margin of 0.25% to 0.75%. The Base Rate equals the highest of (i) the Federal Funds Rate, as defined in the Credit Facility, plus 0.50%, (ii) Bank of America’s prime rate, and (iii) the Eurocurrency Rate plus 1.00%. Financial standby letters of credit and commercial letters of credit issued under the Credit Facility are subject to a letter of credit fee of 1.25% to 1.75%, and performance standby letters of credit issued under the Credit Facility are subject to a letter of credit fee of 0.375% to 0.75%. The Company must also pay a commitment fee to the lenders of 0.20% to 0.30% on any unused availability under the Credit Facility. In each of the foregoing cases, the applicable margin or fee is based on the Company’s Consolidated Leverage Ratio, as defined in the Credit Facility, as of the then most recent fiscal quarter.

As of December 31, 2020 and 2019, outstanding revolving loans, which included $33 million and $138 million, respectively, of borrowings denominated in foreign currencies, accrued interest at weighted average rates of approximately 1.87% and 3.50% per annum, respectively. The term loan accrued interest at a rate of 1.40% and 3.05% as of December 31, 2020 and 2019, respectively. Letters of credit of approximately $133.6 million and $98.0 million were issued as of December 31, 2020 and 2019, respectively. As of both December 31, 2020 and 2019, letter of credit fees accrued at 0.375% per annum for performance standby letters of credit and at 1.25% per annum for financial standby letters of credit. Outstanding letters of credit mature at various dates and most have automatic renewal provisions, subject to prior notice of cancellation. As of December 31,
2020 and 2019, availability for revolving loans totaled $1.2 billion and $0.9 billion, respectively, or up to $516.4 million and $552.0 million, respectively, for new letters of credit. Revolving loan borrowing capacity included $267.3 million and $162.4 million of availability in either Canadian dollars or Mexican pesos as of December 31, 2020 and 2019, respectively. The unused facility fee as of both December 31, 2020 and 2019 accrued at a rate of 0.20%.

The Credit Facility is guaranteed by certain subsidiaries of the Company (the “Guarantor Subsidiaries”) and the obligations under the Credit Facility are secured by substantially all of the Company’s and the Guarantor Subsidiaries’ respective assets, subject to certain exceptions. Under the Credit Facility, if the Loan Party EBITDA, as defined, as of the last four consecutive fiscal quarters does not represent at least 80% of the Adjusted Consolidated EBITDA, as defined in the Credit Facility, for such period, then the Company must designate additional subsidiaries as Guarantor Subsidiaries, and cause them to join the applicable guaranty and security agreements to the Credit Facility. Additionally, any domestic subsidiary with consolidated EBITDA of at least 15% of the Adjusted Consolidated EBITDA must become a Guarantor Subsidiary and join the applicable guaranty and security agreements.

The Credit Facility requires that the Company maintain a maximum Consolidated Leverage Ratio, as defined in the Credit Facility, of 3.50 times (subject to the Acquisition Adjustment described below). The Credit Facility also requires that the Company maintain a minimum Consolidated Interest Coverage Ratio, as defined in the Credit Facility, of 3.00 times. The Credit Facility provides that, for purposes of calculating the Consolidated Leverage Ratio, funded indebtedness excludes undrawn standby performance letters of credit and is further reduced by unrestricted cash over certain thresholds. Additionally, notwithstanding the terms discussed above, subject to certain conditions, if a Permitted Acquisition, as defined in the Credit Facility, or series of Permitted Acquisitions having consideration exceeding $100 million occurs during a fiscal quarter, the maximum Consolidated Leverage Ratio may be temporarily increased to up to 4.00 times during such fiscal quarter and the subsequent four fiscal quarters (the “Acquisition Adjustment”). Such right may be exercised no more than two times during the term of the Credit Facility. Subject to customary exceptions, the Credit Facility limits the Borrowers’ (as defined in the Credit Facility) and the Guarantor Subsidiaries’ ability to engage in certain activities, including acquisitions, mergers and consolidations, debt incurrence, investments, asset sales, debt prepayments, lien incurrence and the making of cash distributions or repurchases of the Company’s common stock. However, distributions payable solely in common stock are not restricted. The Credit Facility provides for customary events of default and carries cross-default provisions with the Company’s other significant debt instruments, including the Company’s indemnity agreement with its surety provider, as well as customary remedies, including the acceleration of repayment of outstanding amounts and other remedies with respect to the collateral securing the Credit Facility obligations.

Other Credit Facilities. The Company has other credit facilities that support: (i) the working capital requirements of its foreign operations, and (ii) certain letter of credit issuances. Borrowings under the Company’s foreign credit facilities, which have varying dates of maturity and are generally renewed on an annual basis, are denominated in Canadian dollars. As of both December 31, 2020 and 2019, maximum borrowing capacity under these credit facilities totaled Canadian $20.0 million, or approximately $15.7 million and $15.4 million, respectively, and there were no outstanding borrowings. Outstanding borrowings that are not renewed are repaid with borrowings under the Credit Facility. Accordingly, the carrying amounts of the Company’s borrowings under its other credit facilities, if any, are included within other debt obligations in the table above and classified within long-term debt in the Company’s consolidated balance sheets. Additionally, the Company has a separate credit facility, which is renewable on an annual basis, under which it may issue up to $50.0 million of performance standby letters of credit. As of December 31, 2020 and 2019, letters of credit issued under this facility totaled $18.2 million and $17.1 million, respectively, and accrued fees at 0.50% and 0.40% per annum, respectively. The Company’s other credit facilities are subject to customary provisions and covenants.

Debt Covenants

MasTec was in compliance with the provisions and covenants of its outstanding debt instruments as of December 31, 2020 and 2019.

Contractual Maturities of Debt

Contractual maturities of MasTec’s debt, which includes finance lease obligations, as of December 31, 2020 were as follows (in millions):

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>145.1</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>117.5</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>66.5</td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td>309.2</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>Thereafter</td>
<td>600.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,318.7</td>
<td></td>
</tr>
</tbody>
</table>

As of December 31, 2020 and 2019, accrued interest payable, which is recorded within other accrued expenses in the consolidated balance sheets, totaled $12.4 million and $7.5 million, respectively.
Note 8 – Lease Obligations

Finance Leases

The gross amount of assets held under finance leases as of December 31, 2020 and 2019 totaled $563.0 million and $463.5 million, respectively. Assets held under finance leases, net of accumulated depreciation, totaled $418.7 million and $375.9 million as of December 31, 2020 and 2019, respectively. Depreciation expense associated with finance leases totaled $68.0 million and $48.6 million for the years ended December 31, 2020 and 2019, respectively.

Operating Leases

Operating lease additions for the years ended December 31, 2020 and 2019 totaled $28.0 million and $103.3 million, respectively, and the effect of adoption in 2019 of ASU 2016-02, Leases (Topic 842) was approximately $230.0 million.

For the years ended December 31, 2020 and 2019, rent expense for leases that have terms in excess of one year totaled approximately $113.0 million and $114.5 million, respectively, of which $10.0 million and $10.4 million, respectively, represented variable lease costs. The Company also incurred rent expense for leases with terms of one year or less totaling approximately $312.0 million and $448.2 million for the years ended December 31, 2020 and 2019, respectively. For the year ended December 31, 2018, rent and related expense for leases that have non-cancelable terms in excess of one year totaled approximately $115.0 million, and rent and related expense for leases having original terms of one year or less totaled approximately $472.1 million. Rent expense for operating leases is generally consistent with the amount of the related payments, which payments are included within operating activities in the consolidated statements of cash flows.

Additional Lease Information

Future minimum lease commitments as of December 31, 2020 were as follows (in millions):

<table>
<thead>
<tr>
<th>Year</th>
<th>Finance Leases</th>
<th>Operating Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>$141.5</td>
<td>$82.6</td>
</tr>
<tr>
<td>2022</td>
<td>101.5</td>
<td>49.2</td>
</tr>
<tr>
<td>2023</td>
<td>47.6</td>
<td>25.4</td>
</tr>
<tr>
<td>2024</td>
<td>11.7</td>
<td>16.2</td>
</tr>
<tr>
<td>2025</td>
<td>0.5</td>
<td>10.4</td>
</tr>
<tr>
<td>Thereafter</td>
<td></td>
<td>20.0</td>
</tr>
<tr>
<td>Total minimum lease payments</td>
<td>$302.8</td>
<td>$204.0</td>
</tr>
<tr>
<td>Less amounts representing interest</td>
<td>(14.3)</td>
<td>(15.0)</td>
</tr>
<tr>
<td>Total lease obligations, net of interest</td>
<td>$288.5</td>
<td>$189.0</td>
</tr>
<tr>
<td>Less current portion</td>
<td>132.6</td>
<td>72.5</td>
</tr>
<tr>
<td>Long-term portion of lease obligations, net of interest</td>
<td>$155.9</td>
<td>$116.5</td>
</tr>
</tbody>
</table>

As of December 31, 2020, finance leases had a weighted average remaining lease term of 2.4 years and a weighted average discount rate of 3.9%. Non-cancelable operating leases had a weighted average remaining lease term of 3.9 years and a weighted average discount rate of 3.7% as of December 31, 2020.

Note 9 – Stock-Based Compensation and Other Employee Benefit Plans

The Company’s stock-based compensation plans, under which shares of the Company’s common stock are reserved for issuance, include: the MasTec, Inc. 2013 Incentive Compensation Plan (as amended from time to time, the “2013 Incentive Plan”), the MasTec, Inc. Amended and Restated Bargaining Units Employee Stock Purchase Plan (the “2013 Bargaining Units ESPP”) and the MasTec, Inc. 2011 Amended and Restated Employee Stock Purchase Plan (the “2011 ESPP,” and, together with the 2013 Bargaining Units ESPP, the “ESPPs”). The 2013 Incentive Plan permits a total of approximately 7,391,000 shares of the Company’s common stock to be issued. Under the Company’s ESPPs, shares of the Company’s common stock are available for purchase by eligible participants, which collectively permit the issuance of up to 3,000,000 new shares of MasTec, Inc. common stock. Under all stock-based compensation plans in effect as of December 31, 2020, there were approximately 2,665,000 shares available for future grant.

Non-cash stock-based compensation expense under all plans totaled $21.9 million, $16.4 million and $13.5 million for the years ended December 31, 2020, 2019 and 2018, respectively. Income tax benefits associated with stock-based compensation arrangements totaled $5.7 million, $7.9 million and $4.9 million for the years ended December 31, 2020, 2019 and 2018, respectively, including net tax benefits related to the vesting of share-based payment awards totaling $0.5 million, $3.9 million and $1.6 million for the years ended December 31, 2020, 2019 and 2018, respectively.
Restricted Shares

MasTec grants restricted stock awards and restricted stock units (together, “restricted shares”) to eligible participants, which are valued based on the closing market share price of MasTec common stock (the "market price") on the date of grant. During the restriction period, holders of restricted stock awards are entitled to vote the shares. As of December 31, 2020, total unearned compensation related to restricted shares was approximately $37.9 million, which is expected to be recognized over a weighted average period of approximately 2.1 years. The fair value of restricted shares that vested, which is based on the market price on the date of vesting, totaled $16.8 million, $25.0 million and $16.6 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Activity, restricted shares: *(a)*

<table>
<thead>
<tr>
<th>Restricted Shares</th>
<th>Weighted Average Grant Date Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-vested restricted shares, as of December 31, 2018</td>
<td>1,279,233</td>
</tr>
<tr>
<td>Granted</td>
<td>458,670</td>
</tr>
<tr>
<td>Vested</td>
<td>(494,910)</td>
</tr>
<tr>
<td>Canceled/forfeited</td>
<td>(12,400)</td>
</tr>
<tr>
<td>Non-vested restricted shares, as of December 31, 2019</td>
<td>1,221,593</td>
</tr>
<tr>
<td>Granted</td>
<td>1,246,383</td>
</tr>
<tr>
<td>Vested</td>
<td>(372,445)</td>
</tr>
<tr>
<td>Canceled/forfeited</td>
<td>(250,390)</td>
</tr>
<tr>
<td>Non-vested restricted shares, as of December 31, 2020</td>
<td>1,845,341</td>
</tr>
</tbody>
</table>

(a) Includes 2,300 restricted stock units as of December 31, 2020. There were no restricted stock units as of December 31, 2019, and there were 18,700 restricted stock units as of December 31, 2018.

Employee Stock Purchase Plans

The following table provides details pertaining to the Company’s ESPPs for the periods indicated:

<table>
<thead>
<tr>
<th>For the Years Ended December 31,</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash proceeds (in millions)</td>
<td>$7.1</td>
<td>$4.7</td>
<td>$4.2</td>
</tr>
<tr>
<td>Common shares issued</td>
<td>239,322</td>
<td>111,136</td>
<td>110,506</td>
</tr>
<tr>
<td>Weighted average price per share</td>
<td>$29.61</td>
<td>$42.46</td>
<td>$37.98</td>
</tr>
<tr>
<td>Weighted average per share grant date fair value</td>
<td>$9.08</td>
<td>$10.71</td>
<td>$9.36</td>
</tr>
</tbody>
</table>

401(k) Plan. MasTec has a 401(k) plan covering all eligible employees, which allows participants to contribute up to 75% of their pre-tax annual compensation to the plan, subject to certain limitations. Company contributions under the plan are based upon a percentage of the employee's salary, subject to certain limitations as defined by the plan. During the years ended December 31, 2020, 2019 and 2018, matching contributions totaled approximately $19.3 million, $16.5 million and $13.4 million, respectively.

Deferred Compensation Plans. MasTec offers a deferred compensation plan to its highly compensated employees. These employees are allowed to contribute a percentage of their pre-tax annual compensation to the deferred compensation plan. The Company also offers a deferred compensation plan to its Board of Directors, under which directors may elect to defer the receipt of compensation for their services. Total deferred compensation plan assets, which are included within other long-term liabilities in the consolidated balance sheets, totaled $14.1 million and $11.9 million as of December 31, 2020 and 2019, respectively. Total deferred compensation plan liabilities, which are included within other long-term liabilities in the consolidated balance sheets, totaled $15.0 million and $12.3 million as of December 31, 2020 and 2019, respectively.

Note 10 – Other Retirement Plans

Multiemployer Plans

As discussed in Note 1 - Business, Basis of Presentation and Significant Accounting Policies, certain of MasTec’s subsidiaries are party to various collective bargaining agreements with unions representing certain of their employees, which require the Company to pay specified wages, provide certain benefits to their union employees and contribute certain amounts to MEPPs. The PPA defines the funding rules for defined benefit pension plans and establishes funding classifications for U.S.-registered multiemployer pension plans. Under the PPA, plans are classified into one of the following five categories, based on multiple factors, also referred to as a plan’s “zone status”: Green (safe), Yellow (endangered), Orange (seriously endangered), and Red (critical or critical and declining). Factors included in the determination of a plan’s zone status include: funded percentage, cash flow position and whether the plan is projecting a minimum funding deficiency.

A multiemployer plan that is so underfunded as to be in “endangered,” “seriously endangered,” “critical,” or “critical and declining” status (as determined under the PPA) is required to adopt a funding improvement plan (“FIP”) or a rehabilitation plan (“RP”), which, among other actions, could include decreased benefits and increased employer contributions, which could take the form of a surcharge on benefit contributions. These
actions are intended to improve their funding status over a period of years. If a pension fund is in critical status, a participating employer must pay an automatic surcharge in addition to contributions otherwise required under the collective bargaining agreement (“CBA”). With some exceptions, the surcharge is equal to 5% of required contributions for the initial critical year and 10% for each succeeding plan year in which the plan remains in critical status. The surcharge ceases on the effective date of a CBA (or other agreement) that includes contribution and benefit terms consistent with the rehabilitation plan. Certain plans in which the Company participates are in “endangered,” “seriously endangered,” “critical,” or “critical and declining” status. The amount of additional funds, if any, that the Company may be obligated to contribute to these plans in the future cannot be estimated due to the uncertainty of the future levels of work that could be required of the union employees covered by these plans, as well as the required future contribution rates and possible surcharges applicable to these plans. See Note 14 - Commitments and Contingencies for additional information.
Details of significant multiemployer pension plans as of and for the periods indicated, based upon information available to the Company from plan administrators as well as publicly available information on the U.S. Department of Labor website, are provided in the following table:

<table>
<thead>
<tr>
<th>Multiemployer Pension Plan</th>
<th>Employer Identification Number</th>
<th>Plan Number</th>
<th>Contributions (in millions) For the Years Ended December 31,</th>
<th>Pension Protection Act Zone Status</th>
<th>FIP/RP Status</th>
<th>Surcharge</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Electrical Benefit Fund</td>
<td>530181657</td>
<td>001</td>
<td>1.6</td>
<td>1.2</td>
<td>1.4</td>
<td>Varies through 12/31/2023</td>
</tr>
<tr>
<td>West Virginia Laborers' Pension Trust Fund</td>
<td>556026775</td>
<td>001</td>
<td>1.4</td>
<td>4.9</td>
<td>4.5</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Central Laborers’ Pension Fund</td>
<td>376052379</td>
<td>001</td>
<td>0.8</td>
<td>1.3</td>
<td>0.9</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Laborers’ National Pension Fund</td>
<td>751280827</td>
<td>001</td>
<td>0.8</td>
<td>3.0</td>
<td>4.1</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Employer - Teamsters Local Nos. 175 &amp; 305 Pension Trust Fund</td>
<td>556021850</td>
<td>001</td>
<td>0.6</td>
<td>1.7</td>
<td>1.5</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Laborers District Council &amp; Contractors Pension Fund of Ohio</td>
<td>316129964</td>
<td>001</td>
<td>0.4</td>
<td>1.4</td>
<td>1.8</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Michigan Laborers’ Pension Plan</td>
<td>386233976</td>
<td>001</td>
<td>0.4</td>
<td>1.1</td>
<td>1.5</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Laborers’ Pension Fund of Roanoke, Virginia</td>
<td>546111015</td>
<td>001</td>
<td>0.3</td>
<td>1.5</td>
<td>2.5</td>
<td>5/31/2023</td>
</tr>
<tr>
<td>Total multiemployer pension plan contributions</td>
<td>5.0</td>
<td>10.7</td>
<td>13.5</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) The Company’s contributions to this plan represent greater than 5% of the plan’s total contributions.

(b) This plan has utilized extended amortization provisions, which provide plans with extensions of time to amortize pension funding shortfalls.
The number of union employees employed at a given time, and the plans in which they participate, vary depending upon the location and number of ongoing projects and the need for union resources in connection with those projects. Total contributions to multiemployer plans and the related number of employees covered by these plans were as follows:

<table>
<thead>
<tr>
<th>Covered Employees</th>
<th>Multiemployer Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>(in millions)</td>
</tr>
<tr>
<td>2020</td>
<td>1,119</td>
</tr>
<tr>
<td>2019</td>
<td>1,119</td>
</tr>
<tr>
<td>2018</td>
<td>1,626</td>
</tr>
</tbody>
</table>

The fluctuations in the number of employees covered under multiemployer plans and related contributions in the table above related primarily to timing of activity for the Company’s union resource-based projects, the majority of which are within its oil and gas operations.

Note 11 – Equity

Share Activity

The Company’s share repurchase programs provide for the repurchase of shares of MasTec common stock from time to time in open market transactions or in privately negotiated transactions in accordance with applicable securities laws. The timing and the amount of any repurchases is determined based on market conditions, legal requirements, cash flow and liquidity needs and other factors. The Company's share repurchase programs do not have an expiration date and may be modified or suspended at any time at the Company’s discretion. Share repurchases, which are recorded at cost and are held in the Company’s treasury, are funded with available cash or with availability under the Credit Facility. The Company may use either authorized and unissued shares or treasury shares to meet share issuance requirements. Treasury stock is recorded at cost.

For the year ended December 31, 2020, the Company repurchased 3.6 million shares of its common stock, substantially all of which were repurchased in the first quarter, for an aggregate purchase price totaling approximately $120.2 million. Of the total repurchased shares, 0.6 million were repurchased for $28.8 million under a $150 million share repurchase program that was established in September 2018 and completed in the first quarter of 2020, and 3.0 million were repurchased for $91.4 million under the Company’s December 2018 $100 million share repurchase program. For the year ended December 31, 2019, share repurchases, which were completed under the Company’s September 2018 $150 million share repurchase program, totaled approximately $0.6 million. During the year ended December 31, 2018, the Company repurchased approximately 7.2 million shares of its common stock for an aggregate purchase price of $319.0 million. Of the total repurchased shares, 2.9 million were repurchased for $120.6 million under the Company’s September 2018 $150 million share repurchase program, 2.0 million were repurchased for $98.4 million under a $100 million share repurchase program that was established in 2016 and completed in 2018 and 2.3 million were repurchased under the Company’s March 2018 $100 million share repurchase program, which also was completed in 2018.

As of December 31, 2020, $158.6 million was available for future share repurchases under all of the Company’s open share repurchase programs, which included $8.6 million under the Company’s December 2018 share repurchase program, and the full amount of the Company’s March 2020 $150 million share repurchase program.

Accumulated Other Comprehensive Loss

A rollforward of activity within accumulated other comprehensive income (loss) for the periods indicated was as follows (in thousands):

<table>
<thead>
<tr>
<th>For the Years Ended December 31,</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Foreign Currency</td>
<td>Other</td>
<td>Total</td>
</tr>
<tr>
<td>Balance as of January 1</td>
<td>(65,685)</td>
<td>(10,021)</td>
<td>(75,706)</td>
</tr>
<tr>
<td>Unrealized gains (losses), net of tax</td>
<td>1,413</td>
<td>(17,151)</td>
<td>(15,738)</td>
</tr>
<tr>
<td>Balance as of December 31</td>
<td>(64,272)</td>
<td>(27,172)</td>
<td>(91,444)</td>
</tr>
</tbody>
</table>

Unrealized foreign currency translation activity, net, for the three years in the period ended December 31, 2020 relates to the Company’s operations in Canada and Mexico. For the year ended December 31, 2020, unrealized investment activity, net, includes unrealized losses on the Waha JV swaps, offset, in part, by unrealized gains on the AVCT convertible debentures. Unrealized investment activity, net, for the years ended December 31, 2019 and 2018 relates to the Waha JV swaps. See Note 4 - Fair Value of Financial Instruments for additional information pertaining to the Waha JV swaps and AVCT convertible debentures.
### Note 12 – Income Taxes

The components of income before income taxes for the periods indicated were as follows (in millions):

<table>
<thead>
<tr>
<th></th>
<th>For the Years Ended December 31,</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>Domestic</td>
<td>$435.9</td>
<td>$452.2</td>
<td>$341.1</td>
</tr>
<tr>
<td>Foreign</td>
<td>(10.7)</td>
<td>58.7</td>
<td>24.2</td>
</tr>
<tr>
<td>Total</td>
<td>$425.2</td>
<td>$510.9</td>
<td>$365.3</td>
</tr>
</tbody>
</table>

The provision for income taxes for the periods indicated were as follows (in millions):

<table>
<thead>
<tr>
<th></th>
<th>For the Years Ended December 31,</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$70.6</td>
<td>$77.4</td>
<td>$26.7</td>
</tr>
<tr>
<td>Foreign</td>
<td>2.1</td>
<td>6.2</td>
<td>9.4</td>
</tr>
<tr>
<td>State and local</td>
<td>22.6</td>
<td>15.6</td>
<td>10.5</td>
</tr>
<tr>
<td>Total</td>
<td>$95.3</td>
<td>$99.2</td>
<td>$46.6</td>
</tr>
<tr>
<td>Deferred:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$14.8</td>
<td>$22.4</td>
<td>$43.9</td>
</tr>
<tr>
<td>Foreign</td>
<td>(9.8)</td>
<td>(2.8)</td>
<td>3.3</td>
</tr>
<tr>
<td>State and local</td>
<td>2.2</td>
<td>(2.0)</td>
<td>12.3</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>$7.2</td>
<td>$17.6</td>
<td>$59.5</td>
</tr>
<tr>
<td></td>
<td>$102.5</td>
<td>$116.8</td>
<td>$106.1</td>
</tr>
</tbody>
</table>

The tax effects of significant items comprising the Company’s net deferred tax liability as of the dates indicated were as follows (in millions):

<table>
<thead>
<tr>
<th></th>
<th>December 31,</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>Deferred tax assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued insurance</td>
<td>$31.1</td>
<td>$28.6</td>
<td></td>
</tr>
<tr>
<td>Operating loss carryforwards and tax credits</td>
<td>82.1</td>
<td>70.5</td>
<td></td>
</tr>
<tr>
<td>Compensation and benefits</td>
<td>32.8</td>
<td>16.8</td>
<td></td>
</tr>
<tr>
<td>Bad debt</td>
<td>3.7</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>12.3</td>
<td>11.5</td>
<td></td>
</tr>
<tr>
<td>Valuation allowance</td>
<td>(45.8)</td>
<td>(48.8)</td>
<td></td>
</tr>
<tr>
<td>Total deferred tax assets</td>
<td>$116.2</td>
<td>$79.5</td>
<td></td>
</tr>
<tr>
<td>Deferred tax liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and equipment</td>
<td>$205.0</td>
<td>$179.5</td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>58.7</td>
<td>49.6</td>
<td></td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>30.7</td>
<td>35.0</td>
<td></td>
</tr>
<tr>
<td>Gain on remeasurement of equity investee</td>
<td>7.0</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>Revenue recognition</td>
<td>22.4</td>
<td>20.6</td>
<td></td>
</tr>
<tr>
<td>Investments in unconsolidated entities</td>
<td>79.8</td>
<td>74.0</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>15.5</td>
<td>10.1</td>
<td></td>
</tr>
<tr>
<td>Total deferred tax liabilities</td>
<td>$419.1</td>
<td>$375.8</td>
<td></td>
</tr>
<tr>
<td>Net deferred tax liabilities</td>
<td>$(302.9)</td>
<td>$(296.3)</td>
<td></td>
</tr>
</tbody>
</table>

In assessing the ability to realize the Company’s deferred tax assets, management considers whether it is more likely than not that some portion, or all, of its deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which these temporary differences become deductible. Management considers the Company’s projected future taxable income and prudent and feasible tax planning strategies in making this assessment. The Company’s valuation allowances as of December 31, 2020 and 2019 are related primarily to foreign net operating losses and deferred tax assets.
The Company’s deferred tax assets for its state net operating loss carryforwards, which may be carried forward from 5 years to indefinitely depending on the jurisdiction, totaled approximately $15.7 million and $11.5 million as of December 31, 2020 and 2019, respectively. The Company’s deferred tax assets for its foreign net operating loss carryforwards, which are primarily related to the Company’s Canadian operations, totaled approximately $66.0 million and $57.4 million as of December 31, 2020 and 2019, respectively. The Canadian net operating loss carryforwards, which make up the majority of the foreign net operating loss carryforwards, begin to expire in 2030. The Company’s deferred tax assets for its federal net operating loss carryforwards, which begin to expire in 2022, totaled $0.1 million as of both December 31, 2020 and 2019.

The 2017 Tax Act included broad tax reform that was applicable to the Company. The Company recognized a net tax benefit of approximately $16.4 million for the year ended December 31, 2018 related to revisions of its initial estimates under the 2017 Tax Act, primarily from finalization of its 2017 tax return, as well as from certain tax accounting method changes and other adjustments. However, since many provisions of the 2017 Tax Act still do not have final guidance issued, it may be necessary for the Company to make future adjustments based on such new guidance.

The Company is generally free of additional U.S. federal tax consequences on distributed foreign subsidiary earnings due to a dividends received deduction implemented as part of the move to a territorial tax system in connection with the 2017 Tax Act. The Company has generally not made a provision for income taxes on unremitted foreign earnings because such earnings are insignificant and are intended to be indefinitely reinvested outside the United States. The Company expects that domestic cash resources will be sufficient to fund its domestic operations and cash commitments in the future.

A reconciliation of the U.S. statutory federal income tax rate related to pretax income to the effective tax rate for the periods indicated is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. statutory federal rate applied to pretax income</td>
<td>21.0 %</td>
<td>21.0 %</td>
<td>21.0 %</td>
</tr>
<tr>
<td>State and local income taxes, net of federal benefit</td>
<td>4.3</td>
<td>3.2</td>
<td>4.2</td>
</tr>
<tr>
<td>Foreign tax rate differential</td>
<td>(0.2)</td>
<td>0.2</td>
<td>1.5</td>
</tr>
<tr>
<td>Non-deductible expenses</td>
<td>1.5</td>
<td>1.7</td>
<td>1.7</td>
</tr>
<tr>
<td>Goodwill and intangible assets</td>
<td>(0.2)</td>
<td>(0.5)</td>
<td>3.6</td>
</tr>
<tr>
<td>Change in tax rate</td>
<td>0.6</td>
<td>(1.5)</td>
<td>(2.8)</td>
</tr>
<tr>
<td>Other</td>
<td>(0.6)</td>
<td>(1.0)</td>
<td>(2.4)</td>
</tr>
<tr>
<td>Tax credits</td>
<td>(1.2)</td>
<td>(0.6)</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Stock basis adjustment</td>
<td>0.0</td>
<td>(1.8)</td>
<td>0.0</td>
</tr>
<tr>
<td>Valuation allowance for deferred tax assets</td>
<td>(1.1)</td>
<td>2.2</td>
<td>2.6</td>
</tr>
<tr>
<td>Effective income tax rate</td>
<td>24.1 %</td>
<td>22.9 %</td>
<td>29.0 %</td>
</tr>
</tbody>
</table>

A reconciliation of the beginning and ending amount of uncertain tax positions including interest and penalties is as follows (in millions):

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>$13.5</td>
<td>$9.4</td>
<td>$8.1</td>
</tr>
<tr>
<td>Additions based on tax positions related to the current year</td>
<td>1.5</td>
<td>3.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Additions for tax positions of prior years</td>
<td>3.4</td>
<td>0.7</td>
<td>—</td>
</tr>
<tr>
<td>Reductions for tax positions of prior years</td>
<td>—</td>
<td>(0.3)</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$18.4</td>
<td>$13.5</td>
<td>$9.4</td>
</tr>
</tbody>
</table>

The Company classifies interest and penalties on uncertain tax positions as a component of income tax expense in the consolidated statements of operations. For the years ended December 31, 2020, 2019 and 2018, income tax expense included interest and penalties related to uncertain tax positions of $1.4 million, $0.5 million and $0.7 million, respectively. Accrued interest and penalties related to uncertain tax positions were $2.6 million and $1.3 million as of December 31, 2020 and 2019, respectively. The effect on the Company’s tax rate if it were to recognize its gross unrecognized tax benefits as of December 31, 2020 approximates $18.4 million, including interest and penalties.

The IRS is examining the Company’s 2016 and 2017 federal income tax returns. Certain foreign and state taxing authorities are examining various years. The final outcome of these examinations is not yet determinable. With few exceptions, as of December 31, 2020, the Company is no longer subject to state examinations by taxing authorities for years before 2017.

**Note 13 – Segments and Related Information**

**Segment Discussion**

The Company manages its operations under five operating segments, which represent its five reportable segments: (1) Communications; (2)
Clean Energy and Infrastructure; (3) Oil and Gas; (4) Electrical Transmission and (5) Other. This structure is generally focused on broad end-user markets for the Company’s labor-based construction services. All five reportable segments derive their revenue from the engineering, installation and maintenance of infrastructure, primarily in North America.

The Communications segment performs engineering, construction, maintenance and customer fulfillment activities related to communications infrastructure, primarily for wireless and wireline/fiber communications and install-to-the-home customers, as well as infrastructure for utilities, among others. The Clean Energy and Infrastructure segment primarily serves energy, utility and other end-markets through the installation and construction of power generation facilities, including from clean energy and renewable sources, such as wind, solar and biomass, as well as various types of heavy civil and industrial infrastructure. The Company performs engineering, construction and maintenance services for pipelines and processing facilities for the energy and utilities industries through its Oil and Gas segment. The Electrical Transmission segment primarily serves the energy and utility industries through the engineering, construction and maintenance of electrical transmission lines and substations. The Other segment includes certain equity investees, the services of which vary from those provided by the Company’s primary segments, as well as other small business units that perform construction and other services for a variety of international end-markets.

The accounting policies of the reportable segments are the same as those described in Note 1 - Business, Basis of Presentation and Significant Accounting Policies. Intercompany revenue and costs among the reportable segments are de minimis and accounted for as if the sales were to third parties because these items are based on negotiated fees between the segments involved. All intercompany transactions and balances are eliminated in consolidation. Intercompany revenue and costs between entities within a reportable segment are eliminated to arrive at segment totals. Eliminations between segments are separately presented. Corporate results include amounts related to corporate functions such as administrative costs, professional fees, acquisition-related transaction costs (exclusive of acquisition integration costs, which are included within the segment results of the acquired businesses), and other discrete items, such as goodwill and/or intangible asset impairment. Segment results include certain allocations of centralized costs such as general liability, medical and workers’ compensation insurance and certain information technology costs. Income tax expense, which is recorded within corporate results, is managed on a consolidated basis and is not allocated to the reportable segments.

Earnings before interest, taxes, depreciation and amortization (“EBITDA”) is the measure of profitability used by management to manage its segments and, accordingly, in its segment reporting. As appropriate, the Company supplements the reporting of its consolidated financial information determined in accordance with U.S. GAAP with certain non-U.S. GAAP financial measures, including EBITDA. The Company believes these non-U.S. GAAP measures provide meaningful information and help investors understand the Company’s financial results and assess its prospects for future performance. The Company uses EBITDA to evaluate its performance, both internally and as compared with its peers, because it excludes certain items that may not be indicative of the Company’s core operating results for its reportable segments, as well as items that can vary widely across different industries or among companies within the same industry. Segment EBITDA is calculated in a manner consistent with consolidated EBITDA.

Summarized financial information for MasTec’s reportable segments is presented and reconciled to consolidated financial information for total MasTec in the following tables, including a reconciliation of consolidated income before income taxes to EBITDA, all of which are presented in millions. The tables below may contain slight summation differences due to rounding.

### For the Years Ended December 31,

<table>
<thead>
<tr>
<th>Revenue:</th>
<th>For the Years Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
</tr>
<tr>
<td>Communications (a)</td>
<td>$2,512.2</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>1,526.9</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>1,789.8</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>506.5</td>
</tr>
<tr>
<td>Other</td>
<td>0.6</td>
</tr>
<tr>
<td>Eliminations</td>
<td>(15.0)</td>
</tr>
<tr>
<td>Consolidated revenue</td>
<td>$6,321.0</td>
</tr>
</tbody>
</table>

(a) Revenue generated primarily by utilities customers represented 15.6%, 15.0% and 14.9% of Communications segment revenue for the years ended December 31, 2020, 2019 and 2018, respectively.

<table>
<thead>
<tr>
<th>EBITDA:</th>
<th>For the Years Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
</tr>
<tr>
<td>Communications</td>
<td>$270.1</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>80.4</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>510.9</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>14.9</td>
</tr>
<tr>
<td>Other</td>
<td>30.7</td>
</tr>
<tr>
<td>Corporate</td>
<td>(124.5)</td>
</tr>
<tr>
<td>Consolidated EBITDA</td>
<td>$782.5</td>
</tr>
</tbody>
</table>

For the year ended December 31, 2020, Corporate EBITDA included $5.6 million of debt extinguishment losses. For the year ended
December 31, 2019, Corporate EBITDA included $3.3 million of indefinite-lived pre-qualification intangible asset impairment charges. For the year ended December 31, 2018, Corporate EBITDA included $47.7 million of goodwill impairment charges and Other segment EBITDA included project gains of $1.0 million from a proportionately consolidated non-controlled Canadian joint venture, which is managed by a third party and for which the Company has minimal direct construction involvement.

### Depreciation and Amortization:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>$87.1</td>
<td>$65.0</td>
<td>$59.3</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>18.2</td>
<td>14.1</td>
<td>13.7</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>156.6</td>
<td>127.2</td>
<td>113.7</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>24.7</td>
<td>20.0</td>
<td>19.8</td>
</tr>
<tr>
<td>Other</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Corporate</td>
<td>11.1</td>
<td>9.1</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td><strong>$297.8</strong></td>
<td><strong>$235.5</strong></td>
<td><strong>$212.9</strong></td>
</tr>
</tbody>
</table>

### As of December 31:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>$1,941.9</td>
<td>$1,958.1</td>
<td>$1,461.7</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>653.7</td>
<td>570.5</td>
<td>358.7</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>1,631.1</td>
<td>1,762.4</td>
<td>1,965.3</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>541.6</td>
<td>463.9</td>
<td>423.9</td>
</tr>
<tr>
<td>Other</td>
<td>191.8</td>
<td>192.2</td>
<td>193.9</td>
</tr>
<tr>
<td>Corporate</td>
<td>267.7</td>
<td>49.9</td>
<td>36.5</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td><strong>$5,227.8</strong></td>
<td><strong>$4,997.0</strong></td>
<td><strong>$4,440.0</strong></td>
</tr>
</tbody>
</table>

### Capital Expenditures:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>$38.4</td>
<td>$36.0</td>
<td>$69.3</td>
</tr>
<tr>
<td>Clean Energy and Infrastructure</td>
<td>14.0</td>
<td>12.7</td>
<td>6.5</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>149.2</td>
<td>59.7</td>
<td>83.5</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>3.8</td>
<td>6.8</td>
<td>10.2</td>
</tr>
<tr>
<td>Other</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Corporate</td>
<td>8.3</td>
<td>11.3</td>
<td>10.9</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td><strong>$213.7</strong></td>
<td><strong>$126.5</strong></td>
<td><strong>$180.4</strong></td>
</tr>
</tbody>
</table>

### EBITDA Reconciliation:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income before income taxes</td>
<td>$425.2</td>
<td>$510.9</td>
<td>$365.3</td>
</tr>
<tr>
<td>Plus:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>59.6</td>
<td>77.0</td>
<td>82.6</td>
</tr>
<tr>
<td>Depreciation</td>
<td>258.8</td>
<td>212.5</td>
<td>192.3</td>
</tr>
<tr>
<td>Amortization</td>
<td>38.9</td>
<td>23.0</td>
<td>20.6</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td><strong>$782.5</strong></td>
<td><strong>$823.4</strong></td>
<td><strong>$660.8</strong></td>
</tr>
</tbody>
</table>

**Foreign Operations and Other:** MasTec operates in North America, primarily in the United States and Canada, and, to a lesser extent, in Mexico and the Caribbean. Revenue derived from U.S. operations totaled $6.2 billion, $6.9 billion and $6.7 billion for the years ended December 31, 2020, 2019 and 2018, respectively. Revenue derived from foreign operations totaled $133.1 million, $233.5 million and $164.3 million for the years ended December 31, 2020, 2019 and 2018, respectively, the majority of which was derived from the Company’s Canadian operations in its Oil and Gas segment, and, to a lesser extent, from the Company’s operations in Mexico. Long-lived assets held in the U.S. included property and equipment, net, of $959.5 million, $874.7 million and $797.4 million as of December 31, 2020, 2019 and 2018, respectively, and, for the Company’s businesses in foreign countries, totaled $22.8 million, $31.1 million and $40.4 million, respectively. Intangible assets and goodwill, net, related to the Company’s U.S. operations totaled approximately $1.4 billion as of both December 31, 2020 and 2019 and totaled $1.2 billion as of December 31, 2018. For the Company’s businesses in foreign countries, intangible assets and goodwill, net, totaled approximately $50.5 million, $56.4 million and $61.5 million, as of December 31, 2020, 2019 and 2018, respectively. The majority of the Company’s long-lived and intangible assets and goodwill in foreign countries relate to its Canadian operations. As of December 31, 2020, 2019 and 2018, amounts due from customers from which foreign
revenue was derived accounted for approximately 5% of the Company’s consolidated net accounts receivable position for each year, which represents accounts receivable, net, less deferred revenue. Revenue from governmental entities for the year ended December 31, 2020 totaled approximately 2%, and for each of the years ended December 31, 2019 and 2018, was less than 1% of total revenue, substantially all of which was derived from the Company’s U.S. operations.

### Significant Customers

Revenue concentration information for significant customers as a percentage of total consolidated revenue was as follows:

<table>
<thead>
<tr>
<th>Customer:</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT&amp;T (including DIRECTV)</td>
<td>18%</td>
<td>20%</td>
<td>23%</td>
</tr>
<tr>
<td>Energy Transfer affiliates</td>
<td>5%</td>
<td>8%</td>
<td>14%</td>
</tr>
<tr>
<td>Equitrans Midstream Corporation</td>
<td>3%</td>
<td>11%</td>
<td>20%</td>
</tr>
</tbody>
</table>

(a) The Company’s relationship with AT&T is based upon multiple separate master service and other service agreements, including for installation and maintenance services, as well as construction/installation contracts for AT&T’s: (i) wireless; (ii) wireline/fiber; and (iii) various install-to-the-home businesses, including DIRECTV®. Revenue from AT&T is included within the Communications segment.

(b) The Company’s relationship with Energy Transfer affiliates is based upon various construction contracts for pipeline activities with Energy Transfer Operating, L.P., and its subsidiaries and affiliates, for which the related revenue is included within the Oil and Gas segment.

(c) The Company’s relationship with Equitrans Midstream Corporation and its affiliates is based upon various construction contracts for pipeline activities, for which the related revenue is included within the Oil and Gas segment.

### Note 14 – Commitments and Contingencies

MasTec is subject to a variety of legal cases, claims and other disputes that arise from time to time in the ordinary course of its business, including project contract price and acquisition purchase price disputes. MasTec cannot provide assurance that it will be successful in recovering all or any of the potential damages it has claimed or in defending claims against the Company. The outcome of such cases, claims and disputes cannot be predicted with certainty and an unfavorable resolution of one or more of them could have a material adverse effect on the Company’s business, financial condition, results of operations and cash flows.

### Other Commitments and Contingencies

#### Leases

In the ordinary course of business, the Company enters into non-cancelable operating leases for certain of its facility, vehicle and equipment needs, including related party leases. See Note 8 - Lease Obligations and Note 15 - Related Party Transactions.

#### Letters of Credit

In the ordinary course of business, the Company is required to post letters of credit for its insurance carriers and surety bond providers and in support of performance under certain contracts as well as certain obligations associated with the Company’s equity investments and other strategic arrangements, including its variable interest entities. Such letters of credit are generally issued by a bank or similar financial institution. The letter of credit commits the issuer to pay specified amounts to the holder of the letter of credit under certain conditions. If this were to occur, the Company would be required to reimburse the issuer of the letter of credit, which, depending upon the circumstances, could result in a charge to earnings. As of December 31, 2020 and 2019, there were $151.8 million and $115.1 million, respectively, of letters of credit issued under the Company’s credit facilities. The Company is not aware of any material claims relating to its outstanding letters of credit as of December 31, 2020 or 2019.

#### Performance and Payment Bonds

In the ordinary course of business, MasTec is required by certain customers to provide performance and payment bonds for contractual commitments related to its projects. These bonds provide a guarantee to the customer that the Company will perform under the terms of a contract and that the Company will pay its subcontractors and vendors. If the Company fails to perform under a contract or to pay its subcontractors and vendors, the customer may demand that the surety make payments or provide services under the bond. The Company must reimburse the surety for expenses or outlays it incurs. As of December 31, 2020 and 2019, outstanding performance and payment bonds approximated $764.8 million and $551.4 million, respectively, and estimated costs to complete projects secured by these bonds totaled $263.2 million and $194.7 million as of December 31, 2020 and 2019, respectively.

#### Investment and Strategic Arrangements

The Company holds undivided interests, ranging from 85% to 90%, in multiple proportionately consolidated non-controlled contractual joint ventures that provide infrastructure construction services for electrical transmission projects, as well as a 50% undivided interest in a civil construction project. Income and/or losses incurred by these joint ventures are generally shared proportionally by the respective joint venture members, with the members of the joint ventures jointly and severally liable for all of the obligations of the joint venture. The respective joint venture agreements provide that each joint venture partner indemnify the other party for any liabilities incurred by such joint venture in excess of its ratable portion of such liabilities. Thus, it is possible that the Company could be required to pay or perform obligations in excess of its share if the other joint venture partners fail or refuse to pay or perform their respective share of the obligations. As of December 31, 2020, the Company was not aware of material future claims against it in connection with these arrangements.

The Company has other investment and strategic arrangements, under which it may incur costs or provide financing, performance, financial and/or other guarantees. See Note 4 - Fair Value of Financial Instruments and Note 15 - Related Party Transactions regarding the Company’s investment and strategic arrangements.

#### Self-Insurance

MasTec maintains insurance policies for workers’ compensation, general liability and automobile liability, which are
subject to per claim deductibles. The Company is self-insured up to the amount of the deductible. The Company also maintains excess umbrella coverage. As of December 31, 2020 and 2019, MasTec’s estimated liability for unpaid claims and associated expenses, including incurred but not reported losses related to these policies, totaled $129.6 million and $123.4 million, respectively, of which $86.1 million and $87.3 million, respectively, were reflected within other long-term liabilities in the consolidated balance sheets. MasTec also maintains an insurance policy with respect to employee group medical claims, which is subject to annual per employee maximum losses. MasTec’s estimated liability for employee group medical claims totaled $4.3 million and $4.2 million as of December 31, 2020 and 2019, respectively.

The Company is required to post collateral, generally in the form of letters of credit, surety bonds and cash to certain of its insurance carriers. Insurance-related letters of credit for the Company’s workers’ compensation, general liability and automobile liability policies amounted to $59.3 million and $64.0 million as of December 31, 2020 and 2019, respectively. Outstanding surety bonds related to self-insurance programs amounted to $37.4 million and $38.5 million as of December 31, 2020 and 2019, respectively.

Employment Agreements. The Company has employment agreements with certain executives and other employees, which provide for compensation and certain other benefits and for severance payments under certain circumstances. Certain employment agreements also contain clauses that become effective upon a change in control of the Company. Upon the occurrence of any of the defined events in the various employment agreements, the Company would be obligated to pay certain amounts to the related employees, which vary with the level of the employees’ respective responsibility.

Collective Bargaining Agreements and Multiemployer Plans. As discussed in Note 1 - Business, Basis of Presentation and Significant Accounting Policies, certain of MasTec’s subsidiaries are party to various collective bargaining agreements with unions representing certain of their employees, which require the Company to pay specified wages, provide certain benefits and contribute certain amounts to MEPPs. The Employee Retirement Income Security Act of 1974, as amended by the Multiemployer Pension Plan Amendments Act of 1980 (collectively, “ERISA”), which governs U.S.-registered MEPPs, subjects employers to substantial liabilities in the event of an employer’s complete or partial withdrawal from, or upon termination of, such plans.

The Company currently contributes, and in the past, has contributed, to plans that are underfunded, and, therefore, could have potential liability associated with a voluntary or involuntary withdrawal from, or termination of, these plans. As of December 31, 2020, the Company does not have plans to withdraw from, and is not aware of circumstances that would reasonably lead to material claims against it, in connection with the MEPPs in which it participates. There can be no assurance, however, that the Company will not be assessed liabilities in the future, including in the form of a surcharge on future benefit contributions or increased contributions on underfunded plans. The amount the Company could be obligated to pay or contribute in the future cannot be estimated, as these amounts are based on future levels of work of the union employees covered by these plans, investment returns, which could be negatively affected by economic and market conditions, and the level of underfunding of such plans.

Indemnities. The Company generally indemnifies its customers for the services it provides under its contracts, as well as other specified liabilities, which may subject the Company to indemnity claims, liabilities and related litigation. As of December 31, 2020 and 2019, the Company was not aware of any material asserted or unasserted claims in connection with these indemnity obligations.

Other Guarantees. From time to time, in the ordinary course of its business, MasTec guarantees the obligations of its subsidiaries, including obligations under certain contracts with customers, certain lease obligations and in some states, obligations in connection with obtaining contractors’ licenses. MasTec has also issued performance and other guarantees in connection with certain of its equity investments. MasTec also generally warrants the work it performs following substantial completion of a project. Much of the work performed by the Company is evaluated for defects shortly after the work is completed. If warranty claims occur, the Company could be required to repair or replace warranted items, or, if customers elect to repair or replace the warranted item using the services of another provider, the Company could be required to pay for the cost of the repair or replacement. Warranty claims have historically not been material.

Concentrations of Risk. The Company is subject to certain risk factors, including, but not limited to: governmental and/or regulatory changes, including governmental permitting, or other factors affecting the industries in which the Company operates; changes in customers’ capital spending plans; risks related to market conditions, market uncertainty, including from health outbreaks such as the COVID-19 pandemic and/or economic downturns; risks related to rapid technological changes or customer consolidation; competition; the ability to manage projects effectively and in accordance with management’s estimates; the nature of its contracts, which do not obligate MasTec’s customers to undertake any infrastructure projects and may be canceled on short notice; customer disputes related to the performance of services; seasonality, adverse weather conditions and fluctuations in operational factors; potential exposure to environmental liabilities; risks related to the Company’s acquisitions and strategic investment arrangements, including acquisition integration and financing; exposure from system or information technology interruptions; recoverability of goodwill; collectibility of receivables and resolution of unapproved change orders; availability of qualified employees; the adequacy of our reserves; exposure to litigation; exposure related to foreign operations; and exposure to multiemployer pension plan liabilities. The Company grants credit, generally without collateral, to its customers. Consequently, the Company is subject to potential credit risk related to changes in business and economic factors, including from current economic uncertainty. However, MasTec generally has certain lien rights on that work and maintains a diverse customer base. The Company believes its billing and collection policies are adequate to minimize potential credit risk. MasTec’s customers include: public and private energy providers; pipeline operators; wireless and wireline/fiber service providers; broadband operators; install-to-the-home service providers; and government entities. The industries served by MasTec’s customers include the communications and utilities industries, among others. The Company had approximately 475 customers for the year ended December 31, 2020. As of December 31, 2020, two customers each accounted for approximately, 15% and 12%, respectively, of the Company’s consolidated net accounts receivable position, which represents accounts receivable, net, less deferred revenue. As of December 31, 2019, three customers each accounted for approximately 17%, 13% and 11%, respectively, of the Company’s consolidated net accounts receivable position. In addition, the Company derived 58%, 64% and 72%, of its revenue from its top ten customers for the years ended December 31, 2020, 2019 and 2018, respectively.

Note 15 – Related Party Transactions
MasTec purchases, rents and leases equipment and purchases various types of supplies and services used in its business, including ancillary construction services, project-related site restoration and marketing and business development activities, from a number of different vendors on a non-exclusive basis, and from time to time, rents equipment to, sells certain supplies, or performs construction services on behalf of, entities in which members of subsidiary management have ownership or commercial interests. For the years ended December 31, 2020, 2019 and 2018, such payments to related party entities totaled approximately $80.9 million, $108.0 million and $134.4 million, respectively. Payables associated with such arrangements totaled approximately $8.9 million and $14.7 million as of December 31, 2020 and 2019, respectively. Revenue from such related party arrangements totaled approximately $4.1 million, $2.3 million and $10.3 million for the years ended December 31, 2020, 2019 and 2018.

Related amounts receivable, net, as of December 31, 2020 totaled approximately $0.5 million, and as of December 31, 2019, were de minimis.

In 2018, MasTec acquired a construction management firm specializing in steel building systems, of which Juan Carlos Mas, who is the brother of Jorge Mas, Chairman of MasTec’s Board of Directors, and José R. Mas, MasTec’s Chief Executive Officer, was a minority owner, for approximately $6.1 million in cash and an estimated earn-out liability of approximately $1.4 million, net, as adjusted. Amounts outstanding for advances made by the Company on behalf of this entity, net, totaled approximately $0.1 million and $0.5 million as of December 31, 2020 and 2019, respectively, which are expected to be settled under customary terms associated with the related purchase agreement.

The Company rents and leases equipment and purchases equipment supplies and servicing from CCI. Juan Carlos Mas serves as the chairman of CCI, and a member of management of a MasTec subsidiary and an entity that is owned by the Mas family are minority owners. For the years ended December 31, 2020, 2019 and 2018, MasTec paid CCI $6.8 million, $41.7 million and $57.6 million, net of rebates, respectively, related to this activity. Amounts payable to CCI, net of rebates receivable, totaled approximately $4.2 million and $0.2 million as of December 31, 2020 and 2019, respectively. The Company has also rented equipment to CCI. Revenue from equipment rentals to CCI totaled approximately $0.9 million for the year ended December 31, 2020, for which the related receivables were de minimis as of December 31, 2020.

MasTec has a subcontracting arrangement with an entity for the performance of construction services, the minority owners of which include an entity controlled by Jorge Mas and José R. Mas, along with two members of management of a MasTec subsidiary. For the years ended December 31, 2020, 2019 and 2018, MasTec incurred subcontracting expenses of approximately $1.9 million, $10.3 million and $9.9 million, respectively, under these arrangements. As of December 31, 2020 and 2019, related amounts payable totaled approximately $1.4 million and $0.2 million, respectively.

MasTec has a subcontracting arrangement with an entity associated with a separate acquisition, in which members of management of the acquired business have an ownership interest, which amount was collected as of December 31, 2020.

The Company has a 25% interest in an entity associated with an acquisition, under which the acquired business and the entity have a subcontracting arrangement. The Company's interest in this entity is accounted for as an equity method investment. For the year ended December 31, 2020, MasTec received payments totaling approximately $0.4 million from this investee, and as of December 31, 2020, the Company’s net investment in this entity was a liability of approximately $2.0 million, which net amount includes approximately $1.9 million of accounts receivable, net, less deferred revenue, related to the subcontracting arrangement. Additionally, the Company has a strategic arrangement with an entity associated with a separate acquisition, in which members of management of the acquired business have an ownership interest. For the year ended December 31, 2020, approximately $0.9 million of income and recovery of costs was recognized in connection with this arrangement, and as of December 31, 2020, amounts receivable totaled $0.4 million. In addition, for the year ended December 31, 2020, the Company advanced $1.2 million on behalf of this entity, which amount was collected as of December 31, 2020.

One of the Company’s subsidiaries has a subcontracting arrangement with a contractual joint venture in which it holds a 35% undivided interest, for which the related project was complete as of December 31, 2020. Outstanding performance guarantees on behalf of this contractual joint venture totaled Canadian $26.4 million as of both December 31, 2020 and 2019, or approximately $20.7 million and $20.3 million, respectively.

Non-controlling interests in entities consolidated by the Company represent ownership interests held by members of management of certain of the Company's subsidiaries, primarily in the Company's Oil and Gas segment.

**Split Dollar Agreements**

MasTec has an amended and restated split dollar life insurance agreement with (i) Jorge Mas, and José R. Mas and Juan Carlos Mas, as trustees of the Jorge Mas Irrevocable Trust (the “Jorge Mas trust”); and (ii) José R. Mas, and Jorge Mas, Juan Carlos Mas and Patricia Mas, as trustees of the José Ramon Mas Irrevocable Trust (the “José R. Mas trust”). The Company is the sole owner of each of the policies and is designated as the named fiduciary under each split dollar agreement, and the policies subject to the split dollar agreement may not be surrendered without the express written consent of the applicable trust. The total maximum face amount of the insurance policies subject to the split dollar agreements is capped at $200 million in the case of Jorge Mas and $75 million in the case of José R. Mas. Upon the death of the applicable executive or the survivor of the applicable executive and his wife, the Company is entitled to receive a portion of the death benefit under the policy equal to the greater of (i) premiums paid by the Company on the policy and (ii) the then cash value of the policy (excluding surrender charges or other similar...
charges or reductions) immediately before the triggering death. In addition, each executive is entitled to purchase the applicable policy under certain events, including a change in control of the Company.

The Company paid approximately $1.1 million in each of the years ended December 31, 2020, 2019 and 2018 in connection with the split dollar agreements for Jorge Mas, and paid approximately $0.7 million in each of the years ended December 31, 2020, 2019 and 2018 in connection with the split dollar agreements for José R. Mas. Life insurance assets associated with these agreements, which amounts are included within other long-term assets, totaled approximately $22.2 million and $20.3 million as of December 31, 2020 and 2019, respectively.

Note 16 – Quarterly Information (Unaudited)

The following table presents selected unaudited quarterly operating results for the years ended December 31, 2020 and 2019 (in millions, except per share data). The Company believes that all necessary adjustments have been included in the amounts stated below to present fairly the quarterly results when read in conjunction with the consolidated financial statements and notes thereto. The sum of the individual quarterly amounts to the full year amounts as disclosed below may contain slight summation differences due to rounding.

<table>
<thead>
<tr>
<th>For the 2020 Quarters Ended</th>
<th>For the 2019 Quarters Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>March 31</td>
</tr>
<tr>
<td>Revenue</td>
<td>$1,416.6</td>
</tr>
<tr>
<td>Costs of revenue, excluding depreciation and amortization</td>
<td>$1,226.3</td>
</tr>
<tr>
<td>Net income</td>
<td>$36.1</td>
</tr>
<tr>
<td>Net income attributable to MasTec, Inc.</td>
<td>$36.2</td>
</tr>
<tr>
<td>Earnings per share:</td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>$0.48</td>
</tr>
<tr>
<td>Diluted</td>
<td>$0.48</td>
</tr>
</tbody>
</table>

Certain transactions affecting comparisons of the Company’s quarterly results, which may not represent the amounts recognized for the full year for such transactions, include the following:

(i) Loss on extinguishment of debt totaling $5.6 million in the third quarter of 2020;
(ii) Indefinite-lived pre-qualification intangible asset impairment charges, pretax, totaling $3.3 million in the fourth quarter of 2019;
(iii) Net tax deficiencies from the vesting of share-based payment awards of $0.1 million in the first quarter of 2020, and net tax benefits of $0.6 million in the fourth quarter of 2020. Net tax benefits from the vesting of share-based payment awards of $2.3 million and $1.6 million in the first and fourth quarters of 2019, respectively.
(iv) Income tax effects from changes in state tax rates totaling an expense of $2.5 million in the fourth quarter of 2020; and income tax effects from changes in Canadian provincial statutory tax rates as well as changes in state tax rates totaling benefits of $1.4 million, $0.5 million and $5.9 million in the second, third and fourth quarters of 2019, respectively.

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Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

Item 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. As of the end of the period covered by this Form 10-K, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)). We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on management’s evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of December 31, 2020.

Management’s Report on Internal Control Over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our internal control over financial reporting as of the end of the period covered by this report. In making its assessment of the effectiveness of internal control, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO criteria”) in Internal Control—Integrated Framework (2013). Our internal control over financial reporting is designed to provide reasonable assurance to management and to our Board of Directors regarding the reliability of financial reporting and the preparation and fair presentation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Management’s assessment of the effectiveness of internal control over financial reporting did not include the internal controls over financial reporting of Condotte America, Inc. and Wyco Field Services, LLC, which were effectively acquired in the second quarter of 2020 and DirectSAT USA, LLC, which was effectively acquired in the fourth quarter of 2020.

All of these acquisitions are included in the 2020 consolidated financial statements in this Form 10-K. These acquisitions’ total assets constituted approximately 2% of the Company’s total assets as of December 31, 2020, and represented approximately 1% and less than 1% of the Company’s revenues and net income, respectively, for the year then ended.

Based on this assessment, management has concluded that our internal control over financial reporting was effective as of December 31, 2020.

BDO USA, LLP, the independent registered public accounting firm which audits our financial statements, has audited our internal control over financial reporting as of December 31, 2020 and has expressed an unqualified opinion thereon as stated in their report that is included in Item 8. “Financial Statements and Supplementary Data,” of this Form 10-K.

Changes in Internal Control Over Financial Reporting. There have been no changes in the Company's internal control over financial reporting during the fourth quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.
Report of Independent Registered Public Accounting Firm
Shareholders and Board of Directors
MasTec, Inc.
Coral Gables, Florida

Opinion on Internal Control over Financial Reporting
We have audited MasTec, Inc. and subsidiaries’ (the “Company’s”) internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the “COSO criteria”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes and financial schedule listed in the accompanying index (collectively referred to as the “consolidated financial statements”) and our report dated February 25, 2021 expressed an unqualified opinion thereon.

Basis for Opinion
The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying “Item 9A, Management’s Report on Internal Control over Financial Reporting.” Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of internal control over financial reporting in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

As indicated in the accompanying “Item 9A, Management’s Report on Internal Control over Financial Reporting”, management’s assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Condotte America, Inc. (“Condotte”), Wyco Field Services, LLC (“Wyco”) and DirectSAT USA, LLC (“DirectSAT”). Condotte and Wyco were acquired during the second quarter of 2020 and DirectSAT during the fourth quarter of 2020, all of which are included in the consolidated balance sheet of the Company as of December 31, 2020, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for the year then ended. These acquisitions constituted approximately 2% of total assets as of December 31, 2020, and approximately 1% and less than 1% of revenues and net income, respectively, for the year then ended. Management did not assess the effectiveness of internal control over financial reporting of Condotte, Wyco and DirectSAT because of the timing of their acquisitions. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Condotte, Wyco and DirectSAT.

Definition and Limitations of Internal Control over Financial Reporting
A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ BDO USA, LLP
Miami, Florida
February 25, 2021
ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information about directors required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2021 Annual Meeting of Shareholders.

We have adopted a code of business conduct and ethics, called the Code of Business Conduct and Ethics, that applies to all of our directors, officers, including our principal executive, financial and accounting officers, and employees and includes additional criteria that are applicable to our Chief Executive Officer and senior financial officers. The full text of the Code of Business Conduct and Ethics is available in the Investor section of MasTec’s website at www.mastec.com under the tab “Corporate Governance” and is available in print to any shareholder who requests it. See also Item 1. “Business - Available Information.” We intend to provide amendments or waivers to our Code of Business Conduct and Ethics for any of our directors and principal officers on our website within four business days after such amendment or waiver. The reference to our website address does not constitute incorporation by reference of any of the information contained on the website, and such information is not a part of this Annual Report.

ITEM 11. EXECUTIVE COMPENSATION

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2021 Annual Meeting of Shareholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

Equity Compensation Plans

The following table sets forth information about our common stock that may be issued under all of our equity compensation plans as of December 31, 2020, which included: the 2013 Incentive Plan; the 2011 ESPP; and the 2013 Bargaining Units ESPP.

<table>
<thead>
<tr>
<th>Plan Category</th>
<th>(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</th>
<th>(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights</th>
<th>(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity compensation plans approved by security holders</td>
<td>N/A</td>
<td>N/A</td>
<td>2,664,548 (1)</td>
</tr>
<tr>
<td>Equity compensation plans not approved by security holders</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>N/A</td>
<td>N/A</td>
<td>2,664,548</td>
</tr>
</tbody>
</table>

(1) Under the 2013 Incentive Plan, 1,167,860 shares were available for issuance as of December 31, 2020. Under the 2011 ESPP and 2013 Bargaining Units ESPP, 561,666 shares and 935,022 shares, respectively, were available for issuance as of December 31, 2020.

The other information required by this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2021 Annual Meeting of Shareholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2021 Annual Meeting of Shareholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required for this item is incorporated by reference from our Proxy Statement to be filed in connection with our 2021 Annual Meeting of Shareholders.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The following financial statements, schedules and exhibits are filed as part of this Form 10-K:

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<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Composite Articles of Incorporation of MasTec, Inc., filed as Exhibit 3.1 to our Annual Report on Form 10-K filed with the SEC on February 25, 2010 and incorporated by reference herein.</td>
</tr>
<tr>
<td>3.2</td>
<td>Amended and Restated By-Laws of MasTec, Inc., amended and restated as of January 22, 2010, filed as Exhibit 3.1 to our Current Report on Form 8-K filed with the SEC on January 28, 2010 and incorporated by reference herein.</td>
</tr>
<tr>
<td>4.1</td>
<td>Indenture, dated June 5, 2009, by and among MasTec, Inc., MacTec Inc.’s subsidiaries party thereto, as guarantors, and U.S. Bank National Association, as trustee, filed as Exhibit 4.2 to our Current Report on Form 8-K filed with the SEC on June 5, 2009 and incorporated by reference herein.</td>
</tr>
<tr>
<td>4.2</td>
<td>Form of 4.50% Senior Note due 2028, incorporated by reference to Exhibit A of Exhibit 4.3 and filed as Exhibit 4.1 to our Current Report on Form 8-K filed with the SEC on August 4, 2020.</td>
</tr>
<tr>
<td>4.3</td>
<td>Indenture, dated August 4, 2020, by and among the Company, certain of the Company’s subsidiaries and U.S. Bank National Association, as trustee, filed as Exhibit 4.2 to our Current Report on Form 10-Q filed with the SEC on August 4, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>4.4</td>
<td>Description of Capital Stock, filed as Exhibit 4.17 to our Annual Report on Form 10-K filed with the SEC on February 27, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.1+</td>
<td>Split Dollar Agreement, dated as of February 26, 2018, by and between MasTec, Inc., Jorge Mas, and José Ramon Mas and Juan Carlos Mas, as Trustees of the Jorge Mas Irrevocable Trust, dated January 1, 2012, filed as Exhibit 10.1 to our Annual Report on Form 10-K filed with the SEC on February 27, 2018 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.2+</td>
<td>Split Dollar Agreement, dated as of February 26, 2018, by and between MasTec, Inc., José Ramon Mas, and Patricia C. Mas, Jorge Mas and Juan Carlos Mas, as Trustees of the José Ramon Mas Irrevocable Trust, dated December 7, 2012, filed as Exhibit 10.2 to our Annual Report on Form 10-K filed with the SEC on February 27, 2018 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.3+</td>
<td>MasTec, Inc. Amended and Restated Deferred Compensation Plan, filed as Exhibit 10.3 to our Current Report on Form 10-Q filed with the SEC on August 4, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.4+</td>
<td>Employment Agreement, effective as of January 1, 2010, between MasTec, Inc. and Robert Apple, filed as Exhibit 10.2 to our Current Report on Form 8-K filed with the SEC on January 28, 2010 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.5+</td>
<td>MasTec, Inc. Amended and Restated 2011 Employee Stock Purchase Plan, filed as Exhibit 10.5 to our Quarterly Report on Form 10-Q filed with the SEC on August 4, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.6</td>
<td>Fifth Amended and Restated Credit Agreement, dated as of September 19, 2019, by and among MasTec Inc., MasTec North America, Inc. as Borrowers, Bank of America, N.A., as Administrative Agent, Swing Line Lender and an L/C Issuer, and the other lenders party thereto, filed as Exhibit 10.1 to our Quarterly Report on Form 10-Q filed with the SEC on October 31, 2019 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.7</td>
<td>Second Amended and Restated Subsidiary Guaranty Agreement, dated as of February 22, 2017, by and among the Guarantors party thereto and Bank of America, N.A., as Administrative Agent, filed as Exhibit 10.7 to our Annual Report on Form 10-K filed with the SEC on February 27, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.8</td>
<td>Amended and Restated Security Agreement, dated as of February 22, 2017, by and among MasTec, Inc., certain of its subsidiaries and Bank of America, N.A., as Administrative Agent, filed as Exhibit 10.8 to our Annual Report on Form 10-K filed with the SEC on February 27, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.9</td>
<td>Fifth Amended and Restated Pledge Agreement, dated as of February 22, 2017, by and among MasTec, Inc., certain of its subsidiaries and Bank of America, N.A., as Administrative Agent, filed as Exhibit 10.9 to our Annual Report on Form 10-K filed with the SEC on February 27, 2020 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.10+</td>
<td>Employment Agreement, dated April 18, 2007, by and between MasTec, Inc. and José R. Mas, filed as Exhibit 10.1 to our Current Report on Form 8-K filed with the SEC on April 20, 2007 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.11+</td>
<td>Employment Agreement, dated as of January 1, 2008, by and between MasTec, Inc. and Alberto de Cardenas, filed as Exhibit 10.53 to our Annual Report on Form 10-K filed with the SEC on February 28, 2008 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.12+</td>
<td>MasTec, Inc. Amended and Restated Bargaining Units ESPP, filed as Exhibit 10.2 to our Quarterly Report on Form 10-Q filed with the SEC on May 4, 2017 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.13+</td>
<td>Form of Employee Restricted Stock Agreement for the MasTec, Inc. Amended and Restated 2013 Incentive Compensation Plan, filed as Exhibit 10.3 to our Quarterly Report on Form 10-Q filed with the SEC on May 4, 2017 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.14+</td>
<td>Form of Non-Employee Restricted Stock Agreement for the MasTec, Inc. Amended and Restated 2013 Incentive Compensation Plan, filed as Exhibit 10.4 to our Quarterly Report on Form 10-Q filed with the SEC on May 4, 2017 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.15+</td>
<td>Form of Employee Restricted Stock Units Agreement for the MasTec, Inc. Amended and Restated 2013 Incentive Compensation Plan, filed as Exhibit 10.5 to our Quarterly Report on Form 10-Q filed with the SEC on May 4, 2017 and incorporated by reference herein.</td>
</tr>
<tr>
<td>10.16+</td>
<td>Form of Executive Employee Restricted Stock Agreement for the MasTec, Inc. Amended and Restated 2013 Incentive Compensation Plan (for awards made prior to May 14, 2020), filed as Exhibit 10.6 to our Quarterly Report on Form 10-Q filed with the SEC on May 4, 2017 and incorporated by reference herein.</td>
</tr>
</tbody>
</table>
ITEM 16. FORM 10-K SUMMARY

Not applicable.
### MASTEC, INC.
**SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS**
(in millions)

<table>
<thead>
<tr>
<th></th>
<th>Balance at Beginning of Period</th>
<th>Charges to Cost and Expense</th>
<th>Other Additions</th>
<th>(Deductions)</th>
<th>Balance at End of Period</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year ended December 31, 2020</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for credit losses</td>
<td>$ 10.1</td>
<td>$ 12.1 (a)</td>
<td>—</td>
<td>(1.7) (b)</td>
<td>$ 20.5</td>
</tr>
<tr>
<td>Allowance for unbilled receivables</td>
<td>31.3</td>
<td>38.5 (b)</td>
<td>—</td>
<td>(39.4) (b)</td>
<td>30.4</td>
</tr>
<tr>
<td>Valuation allowance for inventory</td>
<td>7.7</td>
<td>1.8 (c)</td>
<td>—</td>
<td>(1.0) (d)</td>
<td>8.5</td>
</tr>
<tr>
<td>Valuation allowance for deferred tax assets</td>
<td>48.8</td>
<td>6.8 (e)</td>
<td>—</td>
<td>(9.8) (f)</td>
<td>45.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 97.9</td>
<td>$ 59.2</td>
<td>—</td>
<td>(51.9)</td>
<td>$ 105.2</td>
</tr>
<tr>
<td><strong>Year ended December 31, 2019</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for credit losses</td>
<td>$ 16.3</td>
<td>$ 1.7 (a)</td>
<td>—</td>
<td>(7.9) (b)</td>
<td>$ 10.1</td>
</tr>
<tr>
<td>Allowance for unbilled receivables</td>
<td>22.0</td>
<td>49.7 (c)</td>
<td>—</td>
<td>(40.4) (b)</td>
<td>31.3</td>
</tr>
<tr>
<td>Valuation allowance for inventory</td>
<td>7.8</td>
<td>2.1 (b)</td>
<td>—</td>
<td>(2.2) (d)</td>
<td>7.7</td>
</tr>
<tr>
<td>Valuation allowance for deferred tax assets</td>
<td>40.6</td>
<td>8.2 (e)</td>
<td>—</td>
<td>—</td>
<td>48.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 86.7</td>
<td>$ 61.7</td>
<td>—</td>
<td>(50.5)</td>
<td>$ 97.9</td>
</tr>
<tr>
<td><strong>Year ended December 31, 2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for credit losses</td>
<td>$ 8.2</td>
<td>$ 8.6 (a)</td>
<td>—</td>
<td>(0.5) (b)</td>
<td>$ 16.3</td>
</tr>
<tr>
<td>Allowance for unbilled receivables</td>
<td>27.2</td>
<td>33.0 (c)</td>
<td>—</td>
<td>(38.2) (b)</td>
<td>22.0</td>
</tr>
<tr>
<td>Valuation allowance for inventory</td>
<td>7.7</td>
<td>1.1 (b)</td>
<td>—</td>
<td>(1.0) (d)</td>
<td>7.8</td>
</tr>
<tr>
<td>Valuation allowance for deferred tax assets</td>
<td>40.5</td>
<td>0.1 (e)</td>
<td>—</td>
<td>—</td>
<td>40.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 83.6</td>
<td>$ 42.8</td>
<td>—</td>
<td>(39.7)</td>
<td>$ 86.7</td>
</tr>
</tbody>
</table>

(a) Provisions for receivables.
(b) Write-offs of and reversals for receivables.
(c) Provisions for obsolete inventory and other adjustments to net realizable value.
(d) Inventory write-offs.
(e) Additions related to federal, foreign and state attributes.
(f) Deductions related to federal, foreign and state attributes.
SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Miami, State of Florida, on February 25, 2021.

M ASTEC, INC.

/\ JOSÉ R. MAS
José R. Mas
Chief Executive Officer
(Principal Executive Officer)

/\ GEORGE L. PITA
George L. Pita
Chief Financial Officer
(Principal Financial and Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on February 25, 2021.

/\ JORGE MAS
Jorge Mas
Chairman of the Board of Directors

/\ JOSÉ R. MAS
José R. Mas
Chief Executive Officer and Director
(Principal Executive Officer)

/\ GEORGE L. PITA
George L. Pita
Chief Financial Officer
(Principal Financial and Accounting Officer)

/\ C. ROBERT CAMPBELL
C. Robert Campbell
Director

/\ ERNST N. CSISZAR
Ernst N. Csizsar
Director

/\ ROBERT J. DWYER
Robert J. Dwyer
Director

/\ JULIA L. JOHNSON
Julia L. Johnson
Director

/\ JAVIER PALOMAREZ
Javier Palomarez
Director
MASTEC, INC.

DEFERRED COMPENSATION PLAN

Amended and Restated Effective January 1, 2020
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MASTEC, INC. DEFERRED COMPENSATION PLAN
Amended and Restated Effective January 1, 2020

Purpose

The purpose of this Deferred Compensation Plan, established effective as of July 1, 2008, amended and restated January 1, 2010, January 1, 2012, January 1, 2016 and January 1, 2020, is to provide specified benefits to a select group of management and highly compensated Employees who contribute materially to the continued growth, development, and future business success of MasTec, Inc. The Plan shall be unfunded for tax purposes and for purposes of Title I of ERISA.

All provisions of the Plan in effect from the original effective date to December 31, 2019 have been incorporated into this amended and restated plan.

Article 1
Definitions

For purposes of the Plan, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

1.1 “Account Balance” shall mean, with respect to a Participant, a credit on the records of the Company equal to the sum of (i) the Deferral Account balance and (ii) the Company Contribution Account balance. The Account Balance, and each other specified account balance, shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her Beneficiary, pursuant to the Plan.

1.2 “Affiliated Group” means (i) the Company and (ii) all entities with which the Company would be considered a single employer under Code Sections 414(b) and 414(c), provided that in applying Code Sections 1563(a)(1), (2) and (3) for purposes of determining whether a controlled group of corporations exists under Code Section 414(b), the language “at least 50 percent” shall be used instead of “at least 80 percent” each place it appears in Code Sections 1563(a)(1), (2) and (3), and in applying Treasury Regulation Section 1.414(c)-2 for purposes of determining whether trades or businesses (whether or not incorporated) are under common control for purposes of Code Section 414(c), the language “at least 50 percent” shall be used instead of “at least 80 percent” each place it appears in Treasury Regulation Section 1.414(c)-2. The term “Affiliated Group” shall be interpreted in a manner consistent with the definition of “service recipient” contained in Code Section 409A.

1.3 “Annual Installment Method” shall be an annual installment payment over the number of years selected by the Participant in accordance with the Plan, calculated as follows: (i) for the first annual installment, the vested Account Balance of the Participant shall be calculated as of the date of payment in accordance with Articles IV and V, and (ii) for remaining annual installments, the vested Account Balance of the Participant shall be calculated on every applicable anniversary of the first annual installment. Each annual installment shall be calculated by multiplying this balance by a fraction, the numerator of which is one and the denominator of which is the remaining number of annual payments due the Participant. As an example, if the Participant elects a ten (10) year Annual Installment Method, the first payment shall be 1/10 of the vested Account Balance, calculated as described in this definition. The following year, the payment shall be 1/9 of the vested Account Balance, calculated as described in this definition.

For purposes of Section 409A and regulations thereunder an annual installment payment shall be considered as “a single election” as defined in IRS regulation 1.409A-2(b)(2)(iii).

The Annual Installment Method was added to the plan January 1, 2010 and applied to distribution options selected for Deferral Amounts beginning with the 2010 Plan Year.
“Base Salary” shall mean the annual base rate of cash compensation and overtime payable by the Affiliated Group during a calendar year, excluding bonuses, commissions, fringe benefits, stock options, relocation expenses, incentive payments, non-monetary awards, fees, automobile and other allowances, and prior to reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or non-qualified plans of the Affiliated Group under Code Section 125, 402(e)(3), 402(h), or 403(b). Base Salary payable after the last day of a calendar year solely for services performed during the final payroll period described in Code Section 3401(b) containing December 31 of such year shall be treated as earned during the subsequent calendar year.

“Beneficiary” shall mean the person or persons, designated in accordance with Article 6, that are entitled to receive benefits under the Plan upon the death of a Participant.

“Beneficiary Designation Form” shall mean the form established from time to time by the Board that a Participant completes, signs and returns to the Board to designate one or more Beneficiaries.

“Board” shall mean the board of directors of the Company or a committee appointed by the Board to administer the Plan.

“Bonus” shall mean any compensation relating to services performed during any calendar year(s), whether or not paid in a calendar year or included on the Form W-2 for the calendar year, payable to a Participant as a Bonus to an Employee under the Company’s written bonus or cash compensation incentive plans, excluding stock options and restricted stock, and which qualifies as “performance-based compensation” under IRS regulation 1.409A-1(e)(1).

(a) “Performance Based Bonus” shall mean any Bonus that is payable to a participant.

“Class Year” shall mean the designation of the Account Balance by year in which the Deferral Amounts are received by the Plan. Class Year segregation of Accounts was added to the Plan January 1, 2010 and applied to Deferral Amounts made for the 2010 and 2011 Plan Years and Class Year segregation of the Retirement Account was reinstated and applies to Deferral Amounts allocated to the Retirement Account for Plan Years beginning after December 31, 2014.

“Change in Control” shall mean the occurrence of a “change in the ownership,” a “change in the effective control,” or a “change in the ownership of a substantial portion of the assets” of the Company within the meaning of Code Section 409A.

“Code” shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.

“Company” shall mean MasTec, Inc., a Florida corporation, and any successor to all or substantially all of the Company’s assets or business.

“Company Contribution Account” shall mean (i) the sum of the Participant’s Annual Company Contribution Amounts, plus (ii) amounts credited in accordance with all the applicable crediting provisions of the Plan that relate to the Participant’s Company Contribution Account, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to the Plan that relate to the Participant’s Company Contribution Account.

“Company Contribution Amount” shall mean, for any one Plan Year, the amount determined in accordance with Section 3.3.

“Deferral Account” shall mean (i) the sum of all of a Participant’s Deferral Amounts, plus (ii) amounts credited in accordance with all the applicable crediting provisions of the Plan that relate to the Participant’s Deferral Account, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to the Plan that relate to his or her Deferral Account.
1.16 “Deferral Amount” shall mean that portion of a Participant’s Base Salary and Bonus that a Participant elects to have, and that is deferred in accordance with Article 3, for any one Plan Year. In the event of a Participant’s Retirement, Disability, death or a Termination of Employment prior to the end of a Plan Year, such year’s Deferral Amount shall be the actual amount withheld prior to such event.

1.17 “Deferral Election” shall mean a Participant’s election on an Election Form to defer a portion of his Base Salary or Bonus, or both, in accordance with the provisions of Article 3.

1.18 “Disability” shall mean the occurrence of circumstances under which a Participant meets one of the following requirements (a) the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (b) the Participant is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant’s employer.

1.19 “Disability Benefit” shall mean the benefit set forth in Section 5.5.

1.20 “Election Form” shall mean the form established from time to time by the Board that a Participant completes, signs and returns to the Board to make a Deferral Election under the Plan.

1.21 “Employee” shall mean a person who is an employee of the Company or any other member of the Affiliated Group.

1.22 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as it may be amended from time to time.

1.23 “In-Service Account” shall mean (i) the sum of that portion of a Participant’s Deferral Amount that a Participant elects to have distributed while in service of the Company in accordance with Article 4, plus (ii) amounts credited in accordance with all the applicable crediting provisions of the Plan, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to the Plan that relate to his or her In-Service Account. In-Service Accounts were added to the plan January 1, 2010 and applied to Deferral Amounts made beginning with the 2010 Plan Year.

1.24 “In-Service Benefit” shall mean the benefit set forth in Section 4.3.

1.25 “Participant” shall mean any Employee (i) who is selected to participate in the Plan, (ii) who elects to participate in the Plan, (iii) who signs an Election Form and a Beneficiary Designation Form, (iv) whose signed Election Form and Beneficiary Designation Form are accepted by the Board, (v) who commences participation in the Plan, and (vi) whose participation in the Plan has not terminated. A spouse or former spouse of a Participant shall not be treated as a Participant in the Plan or have an account balance under the Plan, even if he or she has an interest in the Participant’s benefits under the Plan as a result of applicable law or property settlements resulting from legal separation or divorce.

1.26 “Plan” shall mean the MasTec, Inc. Deferred Compensation Plan, as amended from time to time.

1.27 “Plan Year” shall mean a period beginning on January 1 of each calendar year and continuing through December 31 of such calendar year. However, the first Plan Year shall run from July 1, 2008 to December 31, 2008.

1.28 “Pre-Retirement and Pre-Termination Death Benefit” shall mean the benefit set forth in Section 5.3.

1.29 “Post-Retirement and Post-Termination Death Benefit” shall mean the benefit set forth in Section 5.4.
1.30 “Retirement”, “Retire(s)” or “Retired” shall mean, with respect to an Employee, severance from employment from the Company or any other member of the Affiliated Group for any reason other than a leave of absence, death or Disability on or after the attainment of age sixty-five (65) with 5 years of service. For purposes of this section 1.30, a “year of service” shall have the same meaning as under the MasTec 401(k) Retirement Plan.

1.31 “Retirement Account” shall mean (i) that portion of a Participant’s Deferral Amount that a Participant elects to have distributed upon termination in accordance with Article 5, plus (ii) amounts credited in accordance with all the applicable crediting provisions of the Plan, less (iii) all distributions made to the Participant or his or her Beneficiary pursuant to the Plan that relate to his or her Retirement Account. Retirement Accounts were added to the plan January 1, 2010 and applied to Deferral Amounts made beginning with the 2010 Plan Year.

1.32 “Retirement Benefit” shall mean the benefit set forth in Section 5.1.

1.33 “Short-Term Payout” shall mean the payout set forth in Section 4.1.

1.34 “Termination Benefit” shall mean the benefit set forth in Section 5.2.

1.35 “Termination of Employment” shall mean a termination of employment with the Affiliated Group in such a manner as to constitute a “separation from service” as defined under Code Section 409A, voluntarily or involuntarily, for any reason other than Retirement, Disability, or death. For this purpose, the employment relationship is treated as continuing while a Participant is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months or, if longer, so long as the individual retains a right to reemployment with the Affiliated Group under an applicable statute or by contract. A leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Affiliated Group. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first day immediately following such six-month period. A Termination of Employment will occur if there is a reasonable expectation that the level of services by the Participant for the Affiliated Group will permanently decrease to 20% or less of the average level of services during the previous 36 months (or, if shorter, the actual period of services).

1.36 “Trust” shall mean one or more rabbi trusts established by the Company in accordance with Article 12 of the Plan as amended from time to time.

1.37 “Unforeseeable Emergency” shall mean a severe financial hardship to the Participant resulting from (i) an illness or accident of the Participant or Beneficiary or his spouse or dependent (as defined in Code Section 152(a) without regard to Code Sections 152(b)(1), 152(b)(2), and 152(d)(1) (B)), (ii) loss of the Participant’s property due to casualty (including the need to rebuild a home following damage to the home not otherwise covered by insurance), or (iii) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The term “Unforeseeable Emergency” shall be interpreted in a manner consistent with the definition of “unforeseeable emergency” contained in Code Section 409A.

### Article 2

#### Selection, Enrollment, Eligibility

2.1 **Selection by Board.** Participation in the Plan shall be limited to those Employees (i) who are officers or key employees, and (ii) who are part of a select group of management or highly compensated employees, within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, as reasonably determined from time to time by the Board.

2.2 **Enrollment Requirements.** As a condition to participation, each selected Employee shall complete, execute and return to the Board an Election Form and a Beneficiary Designation Form, all within 30 days.
Eligibility; Commencement of Participation. Provided an Employee selected to participate in the Plan has met all enrollment requirements set forth in the Plan and required by the Board, including returning all required documents to the Company within thirty (30) days (or such shorter time as the Board may determine) after he or she is selected to participate in the Plan, that Employee shall commence participation in the Plan on the first day of the month following the month in which the Employee completes all enrollment requirements. If an Employee fails to meet all such requirements within the period required, that Employee shall not be eligible to participate in the Plan until the first day of the Plan Year following the delivery to and acceptance by the Board of the required documents.

2.4 Termination of Deferrals. If the Company determines in good faith that a Participant no longer qualifies as a member of a select group of management or highly compensated employees, as membership in such group is determined in accordance with Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA, the Participant’s entitlement to defer Base Salary and Bonus shall cease with respect to calendar years following the calendar year in which such determination is made, although the Participant shall remain subject to all terms and conditions of the Plan for as long as he remains a Participant.

Article 3
Deferral Elections

3.1 Elections to Defer Base Salary or Bonus.

(a) Deferral Election.

(i) New Participant. In connection with a Participant’s commencement of participation in the Plan, a Participant may elect to defer Base Salary or Bonus, or both, by filing with the Board an Election Form that conforms with the requirements of Article 2 within the time period specified in Section 2.3, and the Deferral Election shall become irrevocable at the end of such time period. The Deferral Election shall apply only to Base Salary earned during the first Plan Year beginning with the first payroll period that begins immediately after the date the Deferral Election becomes irrevocable, and the Deferral Election shall apply only to that portion of the Bonus earned after the Deferral Election becomes irrevocable. If a Participant does not make a deferral election with respect to the first Plan Year with respect to which the Participant is eligible to participate in the Plan, the Participant may elect to defer Base Salary or Bonus, or both, for any subsequent Plan year by filing with the Board an Election Form that conforms with the requirements of Article 2 before the start of that Plan Year.

(ii) Annual Deferral Election. Unless Section 3.1(a)(i) applies, each Participant may elect to defer Base Salary or Bonus for a Plan Year by filing a Deferral Election with the Company within the timeframes specified by the Board for the Plan Year for which such Base Salary or Bonus is earned. However, the Deferral Election with respect to Base Salary or as a bonus becomes irrevocable as of such December 31 preceding the Plan Year for which such Base Salary is earned and with respect to a Performance based Bonus that qualifies as “Performance Based Compensation” as defined in IRS regulation 1.409A-1(e) becomes irrevocable as of the date six months prior to the end of the performance period or such earlier dates as specified by the Board.

(b) Amount of Deferral. A Participant shall designate on the Deferral Election form the amount of Base Salary or Bonus, or both, that is to be deferred in accordance with this Article 3. The amount may be a flat dollar amount or percentage, as selected by the Participant, which, unless otherwise determined by the Board, shall not exceed 50% of the Participant’s Base Salary or 100% of the Participant’s Bonus; provided that the total amount deferred by a Participant shall be limited in
any calendar year, if necessary, to satisfy FICA, income tax, and employee benefit plan withholding requirements as determined in the sole and absolute discretion of the Board.

In addition, beginning with the 2011 Plan Year, if a Participant will receive a distribution of a portion of his deferral to the MasTec, Inc. 401(k) Retirement Plan ("401(k) Plan") due to the 401(k) Plan’s failure to pass the Actual Deferral Percentage (ADP) test performed, the Participant may authorize the Company to reduce the balance of his future Base Salary by the amount of that distribution, including earnings. That reduction shall be made on a pro-rata basis commencing with my first paycheck received on or after July 1 of the year in which the corrective distribution is paid. As an example, a Participant may elect on the 2011 Deferral Election form to have 2011 Base Salary received on or after July 1, 2011 reduced on a pro-rata basis by the amount of the corrective distribution received in 2011 from the 401(k) Plan for the 2010 plan year.

(c) **Allocation of Deferral.** Effective with the Plan Year beginning January 1, 2010, a Participant shall further designate the percentage of each Class Year’s Base Salary and Bonus deferral that will be allocated to the Class Year’s Retirement Account and In-Service Account. The allocation of each Class Year’s Deferral Amount into the Retirement Account or In-Service Account shall be in whole percentages only. A Participant is not obligated to apply the same percentage allocation to the Base Salary and Bonus. As an example, an employee can allocate 50% of the Base Salary deferral into the Retirement Account and 50% into the In-Service Account while allocating 100% of the Bonus into the Retirement Account.

Effective with the Plan Year beginning January 1, 2012, a Participant shall be allowed to designate the percentage of each Class Year’s Base Salary and Bonus deferral into multiple In-Service Accounts in addition to the Retirement Account. Such allocation shall be in whole percentages. A Participant is not obligated to apply the same percentage allocation to the Base Salary and Bonus and can allocate Base Salary and Bonus to the same or different In-Service Accounts. A Participant shall be limited to the number of In-Service Accounts that may be active at any time, including those in the process of being distributed and those established during the 2010 and 2011 Plan Years, as determined from time to time by the Company. Each Plan Year after 2012, a Participant may allocate Deferral Amounts into those In-Service Accounts through the end of the Plan Year preceding the Plan Year in which the In-Service Account is scheduled to be distributed. Once a Participant has reached the maximum number of allowable In-Service Accounts, he cannot establish a new In Service Account until the Plan Year beginning after the Plan Year in which an existing In-Service Account has been completely distributed. As an example, an In-Service Account is established on January 1, 2012 with a payment schedule of four annual installments beginning August 1, 2016. For plan Years 2013, 2014 and 2015, the Participant can continue to direct Deferral Amounts into that In-Service Account. Since the payment will commence in 2016, no Deferral Amount can be directed into that In-Service Account for 2016. The Participant can direct 2016 Deferral Amounts either into a new In-Service Account, assuming he has not already established the maximum number of In-Service Accounts, including the one that will begin to be distributed in 2016, or into any other existing In-Service Account that is not currently being distributed or scheduled to be or begin to be distributed in 2016.

(d) **Duration of Deferral Election.** A Participant’s Deferral Election shall apply only to Base Salary or Bonus earned for services performed during the Plan Year to which the Deferral Election relates. A Participant must indicate a new Deferral Election for any subsequent Plan Year by filing a new Election Form with the Company prior to the beginning of such Plan Year or at such time as the Board may require, which Deferral Election shall be effective on the first day of the next following Plan Year.

(e) **Class Year Elections:** Effective for the 2010 and 2011 Plan Years, each Plan Year’s Deferral Election will be maintained in separate and distinct accounts by Retirement Account and In Service Account and by calendar year in which the contribution is received. Unique distribution elections apply to each Class Year. Effective for Plan Years beginning after December 31, 2014, Deferral Amounts allocated to the Retirement Account will be maintained in separate and distinct
accounts by Plan Year with respect to which the contribution is received and unique distribution elections will apply to each Class Year.

(f) **Multiple In-Service Accounts**: Effective with the Plan Year beginning January 1, 2012, a Participant may establish multiple In-Service Accounts as described in Section 3.1(c). However, only one Retirement Account will exist for Deferral Amounts made beginning with the 2012 Plan Year.

(g) Any Company Contribution Amount shall be accounted for separately.

3.2 **Withholding of Deferral Amounts**. For each Plan Year, the Base Salary portion of the Deferral Amount shall be withheld from each regularly scheduled Base Salary payroll in equal amounts, as adjusted from time to time for increases and decreases in Base Salary. The Bonus portion of the Deferral Amount shall be withheld at the time the Bonus is or otherwise would be paid to the Participant, whether or not this occurs during the Plan Year.

3.3 **Annual Company Contribution Amount**. For each Plan Year, the Board, in its sole discretion, may, but is not required to, credit any amount it desires to any Participant’s Company Contribution Account under the Plan, which amount shall equal the Annual Company Contribution Amount for that Participant for that Plan Year. The amount so credited to a Participant may be smaller or larger than the amount credited to any other Participant, and the amount credited to any Participant for a Plan Year may be zero, even though one or more other Participants receive an Annual Company Contribution Amount for that Plan Year.

3.4 **Vesting**.

(a) A Participant shall at all times be 100% vested in his or her Deferral Account. A Participant shall vest in his or her Company Contribution Account in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Vested Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1</td>
<td>0%</td>
</tr>
<tr>
<td>1 but less than 2</td>
<td>33%</td>
</tr>
<tr>
<td>2 but less than 3</td>
<td>66%</td>
</tr>
<tr>
<td>3 of more</td>
<td>100%</td>
</tr>
</tbody>
</table>

For purposes of this section 3.4(a), a “year of service” shall have the same meaning as under the MasTec 401(k) Retirement Plan.

(b) Notwithstanding anything to the contrary contained in this Section 3.4, in the event of a Change in Control, a Participant’s Company Contribution Account shall immediately become 100% vested (if not already vested in accordance with the above vesting schedule).

(c) Notwithstanding subsection (a), the vesting schedule for a Participant’s Company Contribution Account shall not be accelerated to the extent that the Board determines that such acceleration would cause the deduction limitations of Code Section 280G to become effective. In the event that all of a Participant’s Company Contribution Account is not vested pursuant to such a determination, the Participant may request independent verification of the Board’s calculations with respect to the application of Code Section 280G. In such case, the Board must provide to the Participant within 15 business days of such a request an opinion from a nationally recognized accounting firm selected by the Participant (the “Accounting Firm”). If the Accounting Firm’s opinion is in agreement with the Board’s determination, the opinion shall state that any limitation in the vested percentage hereunder is necessary to avoid the limits of Code Section 280G and contain supporting calculations. The cost of such opinion shall be paid for by the Company.
3.5 **Deferral Accounts and Company Contribution Accounts.** The Company shall establish accounts for Base Salary Deferral Amounts and Bonus Deferral Amounts and, effective with the Plan Year beginning January 1, 2010, further sub-divided into In-Service Accounts and Retirement Accounts for each Participant under the Plan. Each of those accounts will be maintained by Class Year and, effective January 1, 2012 into multiple In-Service Accounts. Each Participant’s Deferral Account shall be further divided into separate subaccounts (“investment fund subaccounts”), each of which corresponds to an investment fund elected by the Participant. A Participant’s Deferral Account shall be credited as follows:

(a) After amounts are withheld and deferred from a Participant’s Base Salary or Bonus, the Company shall credit the investment fund subaccounts of the Participant’s Deferral Account with an amount equal to the amount of Base Salary or Bonus, or both, deferred by the Participant as soon as practicable after the date that the Base Salary or Bonus would have been paid to the Participant, and the portion of the Participant’s deferred Base Salary or Bonus that the Participant has deemed to be invested in a certain type of investment fund shall be credited to the investment fund subaccount corresponding to that investment fund.

(b) The Company shall credit the Participant with an amount equal to the Annual Company Contribution Amount, if any, for that Participant, on the date or dates to be determined by the Board in its sole discretion, and the portion of the Participant’s Annual Company Contribution Amount that the Participant has deemed to be invested in a certain type of investment fund shall be credited to the investment fund subaccount corresponding to that investment fund.

(c) Each business day, each of the Participant’s investment fund subaccounts shall be credited with earnings or losses in an amount equal to that determined by multiplying the balance credited to such investment fund subaccount as of the prior day plus contributions allocated to the investment fund subaccount that day by the rate of net gain or loss for the corresponding investment fund for that day.

(d) Each of the Participant’s investment fund subaccounts shall be reduced pro rata by the amount of any distributions made to the Participant, as of the date of the distribution.

3.6 **Investment Elections.**

(a) The Board shall select from time to time, in its sole and absolute discretion, commercially available investment funds to be used to determine the amount of earnings or losses to be credited to the Participant’s Accounts.

(b) At the time of making a Deferral Election, a Participant shall designate, on the Election Form, the investment fund or funds in which the Participant’s Deferral Account attributable to deferrals of Base Salary or Bonus, or both, and the Participant’s Company Contribution Account attributable to the Annual Company Contribution Amount, if any, for the Plan Year to which the deferral election relates will be deemed to be invested for purposes of determining the amount of earnings or losses to be allocated to that Account. The Participant may specify the deemed investment, in whole percentage increments, in one or more of the investment funds as communicated from time to time by the Board. Effective as of any business day, a Participant may change this investment designation by filing a change of election and making a new designation as designated by the Board.

(c) Notwithstanding any other provision of the Plan that may be interpreted to the contrary, the investment funds selected by the Board or designation of investment funds by a Participant shall not be considered or construed in any manner as an actual investment of the Participant’s Account Balance in any such investment fund. In the event that the Company or the Trustee, in its sole and absolute discretion, shall invest funds in any or all of the selected investment funds, no Participant shall have any rights in or to such investments. Without limiting the foregoing, a Participant’s Account Balance shall at all times be a bookkeeping entry only and shall not represent any...
investment made on his or her behalf by the Company or the Trust; the Participant shall remain at all times an unsecured creditor of the Company.

3.7 FICA and Other Taxes.

(a) **Deferral Amounts.** For each Plan Year in which a Deferral Amount is being withheld from a Participant, the Company shall withhold from that portion of the Participant’s Base Salary and Bonus that is not being deferred, in a manner determined by the Company, the Participant’s share of FICA and other employment taxes on such Deferral Amount. If necessary, the Board may reduce the Deferral Amount in order to comply with this Section 3.6(a).

(b) **Company Contribution Amounts.** When a Participant becomes vested in a portion of his or her Company Contribution Account, the Company may withhold from the Participant’s Base Salary and/or Bonus that is not deferred, in a manner determined by the Company, the Participant’s share of FICA and other employment taxes. If necessary, the Board may reduce the vested portion of the Participant’s Company Contribution Account in order to comply with this Section 3.6(b).

(c) **Distributions.** The Company, or the trustee of the Trust, shall withhold from any payments made to a Participant under the Plan all federal, state and local income, employment and other taxes required to be withheld by the Company, or the trustee of the Trust, in connection with such payments, in amounts and in a manner to be determined in the sole discretion of the Company and the trustee of the Trust.

**Article 4**

**Short-Term Payout; In-Service Distributions; Unforeseeable Emergencies**

4.1 **Short-Term Payout.** In connection with each election to defer a Deferral Amount, a Participant may irrevocably elect to receive a Short-Term Payout from the Plan with respect to all or a portion of such Deferral Amount. The Short-Term Payout shall be a lump sum payment in an amount that is equal to the portion of the Deferral Amount that the Participant elected to have distributed as a Short-Term Payout, plus amounts credited or debited in the manner provided in Section 3.5 above on that amount, calculated as of the close of business on or around the date on which the Short-Term Payout becomes payable, as determined by the Board in its sole discretion. Subject to the terms and conditions of the Plan, each Short-Term Payout elected shall be paid out during a sixty (60) day period commencing immediately after the last day of any Plan Year designated by the Participant. The Plan Year designated by the Participant must be at least five (5) Plan Years after the Plan Year in which the Deferral Amount is actually deferred. As an example, if a Short-Term Payout is elected for Deferral Amounts that are deferred in the Plan Year commencing January 1, 2005, the Short-Term Payout would become payable during a sixty (60) day period commencing January 1, 2011.

4.2 **Other Benefits Take Precedence Over Short-Term.** Should an event occur that triggers a benefit under Article 5, any Deferral Amount, plus amounts credited or debited thereon, that is subject to a Short-Term Payout election under Section 4.1 shall not be paid in accordance with Section 4.1 but shall be paid in accordance with Article 5.

4.3 **In-Service Distributions.** Effective for the 2010 and 2011 Plan Years, a Participant, in connection with his or her participation in the Plan, could elect on an Election Form the month and year of distribution of the Deferral Amount allocated to that Class Year’s In-Service Account. The Participant was allowed to make unique Distribution Elections for the Base Salary and Bonus Deferral Amounts allocated to In-Service Accounts established for the 2010 and 2011 plan Years.

Effective with the Plan Year beginning January 1, 2012, a participant may elect on an Election Form the month and year of distribution of each In-Service Account established. The Participant can make unique Distribution Elections for each established In-Service Account. The earliest permitted distribution date must be three (3) Plan Years from the Plan Year in which the In-Service Account is established. As an
example, for an In-Service Account established in 2012, the earliest distribution date would be January 2015.

For all In-Service Accounts, the Participant may elect payment in a lump sum or pursuant to an Annual Installment Method not to exceed 10 years. If a Participant elects to direct Deferral Amounts to a new In-Service Account but does not indicate the year in which the payment is made, then it will be assumed that no In-Service election was made for that portion of the Deferral Amount allocated to that In-Service Account and all such deferrals will be directed to the Retirement Account. In addition, if a Participant makes an election to allocate deferrals to an In-Service Account and specifies a distribution date but fails to elect a form of payment, the distribution election will be assumed to be a Lump Sum. The lump sum payment shall be made or the installments shall commence within 60 days following the payment date elected by the Participant.

If a Participant elects to direct Deferral Amounts to a new In-Service Account but does not indicate the year in which the payment is made, then it will be assumed that no In-Service election was made for that portion of the Deferral Amount allocated to that In-Service Account and all such deferrals will be directed to the Retirement Account. In addition, if a Participant makes an election to allocate deferrals to an In-Service Account and specifies a distribution date but fails to elect a form of payment, the distribution election will be assumed to be a Lump Sum. The lump sum payment shall be made or the installments shall commence within 60 days following the payment date elected by the Participant.

If Termination of Employment for any reason, other than death, occurs prior to the year selected for the In-Service Distribution or prior to the complete payment of an In-Service Account in the process of being distributed in the form of an Annual Installment Method, then any remaining amount in the In-Service Account shall be paid to the Participant in accordance with the election made for the Retirement Account as outlined in section 5.1. If no Retirement Account is in effect for the associated Class Years of 2010 and 2011 or for Plan Years beginning in 2012, then payment will be made in a lump sum as soon as practicable following Termination of Employment but in no event later than the later of the end of Participant’s tax year or the 15th day of the 3rd calendar month following the month of termination of employment. As an example, the Participant elected to have 100% of 2012 and subsequent Deferral Amounts directed to In-Service Accounts. He terminates employment on November 1, 2015. Payment will not be made in accordance with the Elections made for the In-Service Accounts but rather in a lump sum no later than February 15, 2016.

If Termination of Employment occurs as a result of death, payment will be made in accordance with either Section 5.3 or 5.4.

In no event will any Company Contribution Amount be available for an In-Service distribution.

4.4 Change in Time or Form of Payment for In-Service Distribution. Notwithstanding the methods of payment, the Participant may elect to change the time of such payment under a subsequent election that meets the following requirements:

(a) The subsequent election may not take effect until at least 12 months after the date on which the subsequent election is made.
(b) The subsequent election is made not less than 12 months prior to the date of the scheduled payment.
(c) The payment with respect to which the subsequent election is made must be deferred for a period of not less than five years from the date such payment would otherwise have been made.
(d) The subsequent election may not accelerate the time of any payment.

4.5 Payout/Suspensions for Unforeseeable Emergencies. If the Participant experiences an Unforeseeable Emergency, the Participant may petition the Board to receive a partial or full payout from the Plan attributable to Deferral Amounts. Company Contribution Amounts are not available for Unforeseeable Emergencies. Any payout will be made starting with the most recently completed Class Year and from that Class Year’s In-Service Account, if any, and progressing to each preceding Class Year as necessary. The Retirement Accounts will be used only upon exhausting all completed prior Class Year In-Service Accounts.

As an example, if a request for an Unforeseeable Emergency is made in 2012 and 2010 was the initial Class Year for the Participant; payment will come from the 2011 Class Year’s In-Service Account. To the extent
the 2011 Class Year’s In-Service Account is insufficient, additional amounts will come from the 2010 Class Year’s In-Service Account. If the previously completed Class Year’s In-Service Accounts are insufficient or if none exist, then the payout or any remaining amount needed shall come from the 2011 Class Year’s Retirement Account and then from the 2010 Class Year’s Retirement Account. Only when all prior Class Years have been exhausted will the payout tap the 2012 Class Year and then from the In-Service Account first.

The payout shall not exceed the lesser of the Participant’s Account Balance, calculated as if such Participant were receiving a Termination Benefit, or the amount reasonably needed to satisfy the Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the payout, after taking into account the extent to which such Unforeseeable Emergency is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant’s assets (to the extent such liquidation would not itself cause severe financial hardship).

If the Participant experiences an Unforeseeable Emergency, the Participant may request a suspension of Deferral Amounts. In that case, the suspension will apply for the entire Plan Year in which the request is made and deferrals to be made for the remainder of the Plan Year will be canceled.

If, subject to the sole discretion of the Board, the petition for a suspension and/or payout is approved, suspension shall take effect upon the date of approval and any payout shall be made within 60 days of the date of approval.

Article 5

Benefits

5.1 Retirement Benefit. A Participant who Retires shall receive, as a Retirement Benefit, his or her Account Balance.

(a) For that portion of his Account attributable to Deferral Amounts and Company Contribution Amounts made before January 1, 2010, a Participant shall receive those amounts in a lump sum payable no later than 60 days after the last day of the Plan Year in which the Participant Retires.

(b) For that portion of his Account attributable to Deferral Amounts made for the 2010 and 2011 Plan Years, a Participant, in connection with his or her commencement of participation in the Plan and each subsequent Plan Year shall elect on an Election Form the form of payment with respect to that Class Year’s Deferral Amount. The Participant may elect payment in a lump sum or pursuant to an Annual Installment Method not to exceed 10 years. Thus, separate Retirement Benefit elections may apply to each Class Year but the Participant must make the same Distribution Election for the Base Salary and Bonus Deferral Election made on the Enrollment Form. If a Participant does not make any election with respect to the payment of the Retirement Benefit then such benefit shall be payable in a lump sum. The lump sum payment shall be made, or installment payments shall commence, within 60 days after Retirement.

(c) For that portion of his Account attributable to Deferral Amounts made for Plan Years commencing in 2012, 2013 and 2014, a Participant, in connection with his or her commencement of participation in the Plan and each subsequent Plan Year shall elect on an Election Form the form of payment with respect to Deferral Amount allocated to the Retirement Account. The Participant may elect payment in a lump sum or pursuant to an Annual Installment Method not to exceed 10 years. Only one distribution election may apply to Deferral Amounts allocated to the Retirement Account for Plan Years commencing in 2012, 2013 and 2014, and that distribution election will apply to Base Salary and Bonus Deferral Amounts allocated to the Retirement Account for the 2012, 2013 and 2014 Plan Years. If a Participant does not make any election with respect to the payment of the Retirement Benefit for the 2012 Plan Year or, if later, for his or her initial period of eligibility with respect to the 2012, 2013 or 2014 Plan Years, then the distribution election with respect to Base Salary and Bonus Deferral Amounts allocated to the Retirement Account for the 2012, 2013 and 2014 Plan Years shall be deemed to be a lump sum and may only be changed by
the Participant in accordance with section 5.6. Any lump sum payment shall be made, or installment payments shall commence, in the seventh (7th) month following Retirement.

(d) Any Company Contribution Amount credited to the Participant shall be paid in a Lump Sum in the seventh (7th) month following Retirement.

(e) For that portion of his Account attributable to Deferral Amounts made for the Plan Years beginning after December 31, 2014, a Participant, in connection with his or her commencement of participation in the Plan and each subsequent Plan Year shall elect on an Election Form the form of payment with respect to that Class Year’s Deferral Amount. The Participant may elect payment in a lump sum or pursuant to an Annual Installment Method not to exceed 10 years. Thus, separate Retirement Benefit distribution elections may apply to each Class Year but the Participant must make the same distribution election for the Base Salary and Bonus Deferral Election made on the Enrollment Form for a particular Class Year. If a Participant does not make any distribution election with respect to the payment of the Retirement Benefit then such benefit shall be payable in a lump sum. The lump sum payment shall be made, or installment payments shall commence, within 60 days after Retirement.

5.2 **Termination Benefit.** A Participant who experiences a Termination of Employment prior to Retirement shall receive as a Termination Benefit of his AccountBalance attributable to Deferral Amounts and Company Contribution Amounts for Plan Years prior to 2012 in a lump sum payment which shall be made within 60 days of Termination of Employment.

Commencing with the 2012 Plan Year, a Participant who experiences a Termination of Employment shall receive a Termination Benefit attributable to his Deferral Amounts in the same form as elected for his Retirement Account and such amount shall be made or shall commence, if installment payments were elected, in the seventh (7th) month following Termination of Employment. However, any Company Contribution Account shall be paid in a Lump Sum in the seventh (7th) month following Termination of Employment.

5.3 **Pre-Retirement and Pre-Termination Death Benefit.** The Beneficiary of a Participant who dies prior to Retirement or Termination of Employment shall receive a Death Benefit in the form of a lump sum equal to the then remaining Account Balance, including any Installment Payment currently being distributed. The payment shall be made within sixty (60) days after death, but in no event later than December 31 of the first calendar year following the calendar year during which the death occurs, or such other deadline in compliance with the applicable requirements of Code Section 409A.

5.4 **Post-Retirement and Post-Termination Death Benefit.** If a Participant dies after Retirement or Termination of Employment but before the Account Balance is paid in full, the Participant’s unpaid Account Balance shall be paid to the Beneficiary in a lump sum. The payment shall be made within sixty (60) days after death, but in no event later than December 31 of the first calendar year following the calendar year during which the death occurs, or such other deadline in compliance with the applicable requirements of Code Section 409A.

5.5 **Disability Benefit.** A Participant suffering a Disability shall, for benefit purposes under the Plan, be deemed to have experienced a Termination of Employment, in which case the Participant shall receive a Disability Benefit equal to his or her Account Balance. The Disability Benefit shall be paid in a lump sum within sixty (60) days of the Participant’s deemed Termination of Employment. However, if a Participant suffers a Disability but has met the requirements to be Retired, his Account shall be paid in accordance with the form elected under Section 5.1 and will be paid, or commence to be paid within sixty (60) days of the Participant’s deemed Retirement.

5.6 **Change in Time or Form of Payment for Retirement Benefit.** Notwithstanding the method of payment elected by a Participant on an Election Form with respect to the Base Salary or Bonus deferred pursuant to section 5.1, the Participant may elect to change the time or form of such payment under a subsequent election that meets the following requirements:
(a) The subsequent election may not take effect until at least 12 months after the date on which the subsequent election is made.

(b) The first payment with respect to which the subsequent election is made must be deferred for a period of not less than five years from the date such payment would otherwise have been made. This five year deferral shall not apply to any change in the Death Benefit or upon the occurrence of a Disability.

(c) The subsequent election may not accelerate the time of any payment.

The form of payment elected in a subsequent election must be a lump sum or an Annual Installment Method of between 2 and 10 years.

In addition, each participant will be allowed to elect an Annual Installment Method with respect to the Deferral Amounts made for the 2008 and 2009 Plan Years, subject to the requirements in this section 5.6.

5.7 **Involuntary Cash Out Limit.** If a Participant’s total Account Balance under this plan and all other such arrangements required to be aggregated under Code Section 409A and regulations thereunder is less than or equal to the deferral limit in effect under section 402(g) of the Code for the calendar year in which the Participant experiences a Retirement or Termination of Employment, then, despite the election made by the Participant, the Company may, at its discretion, pay the Account Balance in a lump sum within sixty (60) days of Retirement or Termination of Employment. In addition, if the present value of any remaining installments due a Participant who had elected an Annual Installment Method falls below the deferral limit in effect under section 402(g) of the Code for the calendar year, then the Company may, at its discretion, pay the remaining Account Balance in a lump sum within sixty (60) days.

5.8 **Limitation on Key Employees.** Notwithstanding any other provision of the Plan to the contrary, the payment of a Retirement Benefit, Disability Benefit, or Termination Benefit with respect to a “key employee” of the Company, within the meaning of Code Section 416(i)(1), if at that time any stock of the Company is publicly traded on an established securities market or otherwise, shall not be made within six months following his separation from service with the Company, except in the event of death.

**Article 6**

**Beneficiary Designation**

6.1 **Beneficiary.** Each Participant shall have the right, at any time, to designate his or her Beneficiary(ies) (both primary as well as contingent) to receive any benefits payable under the Plan to a beneficiary upon the death of a Participant. The Beneficiary designated under the Plan may be the same as or different from the Beneficiary designation under any other plan of the Company in which the Participant participates.

6.2 **Beneficiary Designation: Change.** A Participant shall designate his or her Beneficiary by completing and signing the Beneficiary Designation Form, and returning it to the Board. A Participant shall have the right to change a Beneficiary by completing, signing and otherwise complying with the terms of the Beneficiary Designation Form and the Board's rules and procedures, as in effect from time to time. Upon the acceptance by the Board of a new Beneficiary Designation Form, all Beneficiary designations previously filed shall be canceled. The Board shall be entitled to rely on the last Beneficiary Designation Form filed by the Participant and accepted by the Board prior to his or her death.

6.3 **Acknowledgment.** No designation or change in designation of a Beneficiary shall be effective until received and acknowledged in writing by the Board.

6.4 **No Beneficiary Designation.** If a Participant fails to designate a Beneficiary as provided in Sections 6.1, 6.2 and 6.3 above or, if all Beneficiaries predecease the Participant or die prior to complete distribution of the Participant’s benefits, then the Participant’s Beneficiary shall be deemed to be his or her surviving
spouse. If the Participant has no surviving spouse, the benefits remaining under the Plan to be paid to a Beneficiary shall be payable to the Participant’s estate.

6.5 **Doubt as to Beneficiary.** If the Board has any doubt as to the proper Beneficiary to receive payments pursuant to the Plan, the Board shall have the right, exercisable in its discretion, to cause the Company to withhold such payments until this matter is resolved to the Board’s satisfaction.

6.6 **Discharge of Obligations.** The payment of benefits under the Plan to a Beneficiary shall fully and completely discharge the Company and the Board from all further obligations under the Plan with respect to the Participant, and that Participant’s participation in the Plan shall terminate upon such full payment of benefits.

**Article 7**

**Leave of Absence**

7.1 **Paid Leave of Absence.** If a Participant is authorized by the Company for any reason to take a paid leave of absence from the employment of the Company, the Participant shall continue to be considered employed by the Company and the Deferral Amount shall continue to be withheld during such paid leave of absence in accordance with Section 3.1.

7.2 **Unpaid Leave of Absence.** If a Participant is authorized by the Company for any reason to take an unpaid leave of absence from the employment of the Company, the Participant shall continue to be considered employed by the Company and the Participant shall be excused from making deferrals until the Participant returns to a paid employment status. Upon such return, deferrals shall resume for the remaining portion of the Plan Year in which the return occurs, based on the deferral election, if any, made for that Plan Year. If no election was made for that Plan Year, no deferral shall be withheld.

**Article 8**

**Termination, Amendment or Modification**

8.1 **Termination.** Although the Company anticipates that it will continue the Plan for an indefinite period of time, there is no guarantee that the Company will continue the Plan or will not terminate the Plan at any time in the future. Accordingly, the Company reserves the right to terminate the Plan at any time with respect to any or all of its participating Employees, by action of the Board. Upon the termination of the Plan, further deferrals under the Plan shall terminate but all Account Balances shall remain subject to the terms of the Plan and the elections made in the applicable Election Forms.

8.2 **Amendment.** The Company may, at any time, amend or modify the Plan in whole or in part by the action of the Board; provided, however, that: (i) no amendment or modification shall be effective to decrease or restrict the value of a Participant’s Account Balance in existence at the time the amendment or modification is made, calculated as if the Participant had experienced a Termination of Employment as of the effective date of the amendment or modification or, if the amendment or modification occurs after the date upon which the Participant was eligible to Retire, the Participant had Retired as of the effective date of the amendment or modification, and (ii) no amendment or modification of this Section 8.2 of the Plan shall be effective. The amendment or modification of the Plan shall not affect any Participant or Beneficiary who has become entitled to the payment of benefits under the Plan as of the date of the amendment or modification. The Company specifically reserves the right to amend the Plan to conform the provisions of the Plan to the guidance issued by the Secretary of the Treasury with respect to Code Section 409A, in accordance with such guidance.

8.3 **Effect of Payment.** The full payment of the applicable benefit under Articles 4 or 5 of the Plan shall completely discharge all obligations to a Participant and his or her Beneficiaries under the Plan and the Participant’s participation in the Plan shall terminate.

**Article 9**

**Administration**
9.1 Administrative Duties. To the extent that ERISA applies to the Plan, the Company shall be the “named fiduciary” of the Plan and the “plan administrator” of the Plan. The Board shall be responsible for the general administration of the Plan. The Board will, subject to the terms of the Plan, have the authority to: (i) approve for participation employees who are recommended for participation by the president and Chief Executive Officer of the Company, (ii) adopt, alter, and repeal administrative rules and practices governing the Plan, (iii) interpret the terms and provisions of the Plan, and (iv) otherwise supervise the administration of the Plan. All decisions by the Board will be made with the approval of not less than a majority of its members. The Board may delegate any of its authority, including the Board’s authority to amend or modify the Plan to certain other person or persons that it deems appropriate, subject to any limitations as the Board may provide.

9.2 Agents. In the administration of the Plan, the Board may, from time to time, employ agents and delegate to them such administrative duties as it sees fit (including acting through a duly appointed representative) and may from time to time consult with counsel who may be counsel to the Company.

9.3 Binding Effect of Decisions. All decisions by the Board, and by any other person or persons to whom the Board has delegated authority, shall be final and conclusive and binding upon all persons having any interest in the Plan.

9.4 Indemnity of Board. The Company shall indemnify and hold harmless the members of the Board and any Employee to whom the duties of the Board may be delegated against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to the Plan, except in the case of willful misconduct by the Board, any of its members, or any such Employee.

9.5 Information. To enable the Board to perform its functions, the Company shall supply full and timely information to the Board on all matters relating to the compensation of its Participants, the date and circumstances of the Retirement, Disability, death or Termination of Employment of its Participants, and such other pertinent information as the Board may reasonably require.

Article 10
Other Benefits and Agreements

10.1 Coordination with Other Benefits. The benefits provided for a Participant and Participant’s Beneficiary under the Plan are in addition to any other benefits available to such Participant under any other plan or program for employees of the Company. The Plan shall supplement and shall not supersede, modify or amend any other such plan or program except as may otherwise be expressly provided.

Article 11
Claims Procedures

11.1 Procedures for Handling Claims. In accordance with the provisions of Section 503 of ERISA, the Company shall provide a procedure for handling claims for benefits under the Plan. The procedure shall be in accordance with the regulations issued by the Secretary of Labor and provide adequate written notice within a reasonable period of time with respect to a claim denial. The procedure shall also provide for a reasonable opportunity for a full and fair review by the Company of any claim denial.

Article 12
Trust

12.1 Establishment of the Trust. The Company may establish one or more Trusts to which the Company may transfer such assets as the Company determines in its sole discretion to assist in meeting its obligations under the Plan.
12.2 **Interrelationship of the Plan and the Trust.** The provisions of the Plan and the Participant’s Election Forms shall govern the rights of a Participant to receive distributions pursuant to the Plan. The provisions of the Trust shall govern the rights of the Company, Participants and the creditors of the Company to the assets transferred to the Trust.

12.3 **Distributions From the Trust.** The Company’s obligations under the Plan may be satisfied with Trust assets distributed pursuant to the terms of the Trust, and any such distribution shall reduce the Company’s obligations under the Plan.

**Article 13**

**Miscellaneous**

13.1 **Status of Plan.** The Plan is intended to be a plan that is not qualified within the meaning of Code Section 401(a) and that “is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employee” within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA. The Plan shall be administered and interpreted to the extent possible in a manner consistent with that intent.

13.2 **Unsecured General Creditor.** Participants and their Beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests or claims in any property or assets of the Company. For purposes of the payment of benefits under the Plan, any and all of the Company’s assets shall be, and remain, the general, unpledged unrestricted assets of the Company. The Company’s obligation under the Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.

13.3 **Company’s Liability.** The Company’s liability for the payment of benefits shall be defined only by the Plan and the Participant’s Election Forms. The Company shall have no obligation to a Participant under the Plan except as expressly provided in the Plan and his or her Election Forms.

13.4 **Nonassignability.** Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in advance of actual receipt, the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure, attachment, garnishment or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, be transferable by operation of law in the event of a Participant’s or any other person’s bankruptcy or insolvency or be transferable to a spouse as a result of a property settlement or otherwise.

13.5 **Not a Contract of Employment.** The terms and conditions of the Plan shall not be deemed to constitute a contract of employment between the Company and the Participant, either expressed or implied. Such employment is hereby acknowledged to be an “at will” employment relationship that can be terminated at any time for any reason, or no reason, with or without cause, and with or without notice, unless expressly provided in a written employment agreement. Nothing in the Plan shall be deemed to give a Participant the right to be retained in the service of the Company, or to interfere with the right of the Company to discipline or discharge the Participant at any time.

13.6 **Furnishing Information.** A Participant or his or her Beneficiary will cooperate with the Board by furnishing any and all information requested by the Board and take such other actions as may be requested in order to facilitate the administration of the Plan and the payments of benefits hereunder, including but not limited to taking such physical examinations as the Board may deem necessary.

13.7 **Terms.** Whenever any words are used herein in the masculine, they shall be construed as though they were in the feminine in all cases where they would so apply; and whenever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.
13.8 **Captions.** The captions of the articles, sections and paragraphs of the Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

13.9 **Governing Law.** Subject to ERISA, the provisions of the Plan shall be construed and interpreted according to the internal laws of the State of Florida without regard to its conflicts of laws principles.

13.10 **Notice.** Any notice or filing required or permitted to be given to the Board under the Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, to the address below:

MasTec, Inc.
800 S Douglas Rd, 12th Floor
Coral Gables, FL 33134

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Any notice or filing required or permitted to be given to a Participant under the Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

13.11 **Successors.** The provisions of the Plan shall bind and inure to the benefit of the Company and its successors and assigns and the Participant and the Participant’s Beneficiaries.

13.12 **Spouse’s Interest.** The interest in the benefits hereunder of a spouse of a Participant who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such spouse in any manner, including but not limited to such spouse’s will, nor shall such interest pass under the laws of intestate succession.

13.13 **Validity.** In case any provision of the Plan shall be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but the Plan shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.

13.14 **Incompetent.** If the Board determines in its discretion that a benefit under the Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person’s property, the Board may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Board may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant’s Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.

13.15 **Court Order.** The Board is authorized to make any payments directed by court order in any action in which the Plan or the Board has been named as a party. In addition, if a court determines that a spouse or former spouse of a Participant has an interest in the Participant’s benefits under the Plan in connection with a property settlement or otherwise, the Board, in its sole discretion, shall have the right, notwithstanding any election made by a Participant, to immediately distribute the spouse’s or former spouse’s interest in the Participant’s benefits under the Plan to that spouse or former spouse.

13.16 **Insurance.** The Company, on its own behalf or on behalf of the trustee of the Trust, and, in its sole discretion, may apply for and procure insurance on the life of the Participant, in such amounts and in such forms as the Trust may choose. The Company or the trustee of the Trust, as the case may be, shall be the sole owner and beneficiary of any such insurance. The Participant shall have no interest whatsoever in any such policy or policies, and at the request of the Company shall submit to medical examinations and supply such information and execute such documents as may be required by the insurance company or companies to whom the Company has applied for insurance.
13.17 **No Acceleration of Benefits.** The acceleration of the time or schedule of any payment under the Plan is not permitted, except as provided in regulations by the Secretary of the Treasury.

13.18 **Resolution of Conflict.** Any and all disputes, claims and controversies between the parties hereto concerning the validity, interpretation, performance, termination or breach of this Plan, which cannot be resolved by the parties within ninety (90) days after such dispute, claim or controversy arises shall be referred to and finally settled by arbitration in front of one Arbitrator. Such arbitration shall be initiated by the initiating party giving notice (the “Arbitration Notice”) to the other party (the “Respondent”) that it intends to submit such dispute, claim or controversy to arbitration. The Arbitrator shall be appointed according to the rules of the American Arbitration Association as in effect on the date the notice of submission to arbitration is given (the "Rules"). Such arbitration shall be held in Miami, Florida in accordance with the Rules except as otherwise expressly provided herein. The Arbitrator shall render a written decision stating reasons therefore in reasonable detail within three (3) months after his/her appointment. Each party shall bear its own costs and attorney fees. All other costs and expenses of arbitration shall be apportioned between the parties by the Arbitrator. The awards of the Arbitrator shall be final and binding, and judgment thereon may be rendered by any court having jurisdiction thereof, or application may be made to such court for the judicial acceptance of the award and an order of enforcement as the case may be.

13.19 **Compliance with Code Section 409A.** The Plan is intended to provide for the deferral of compensation in accordance with Code Section 409A for compensation earned, vested, or deferred after December 31, 2004. Notwithstanding any provisions of the Plan or any Election Form to the contrary, no otherwise permissible election under the Plan shall be given effect that would result in the taxation of any amount under Code Section 409A. This plan shall be construed in a manner consistent with the applicable requirements of Code Section 409A; and the Board, in its sole discretion and without the consent of any Participant or Beneficiary, may amend the provisions of this plan if and to the extent that such amendment is necessary or appropriate to comply with the applicable requirements of Code Section 409A.
IN WITNESS WHEREOF, the Company has signed this Plan document on ________________, 2020.

MasTec, Inc.
By:
Title:

-19-
1. Purpose. The purpose of the Plan is to provide incentive for present and future employees of the Company and any Designated Subsidiary to acquire a proprietary interest (or increase an existing proprietary interest) in the Company through the purchase of Common Stock. It is the Company’s intention that the Plan qualify as an “employee stock purchase plan” under Section 423 of the Code. Accordingly, the provisions of the Plan shall be administered, interpreted and construed in a manner consistent with the requirements of that section of the Code.

The Plan was originally adopted by the Board, effective July 1, 2011, and approved by the Company’s shareholders on May 5, 2011 at the Company’s 2011 Annual Meeting of Shareholders. The Plan was subsequently amended and restated effective July 1, 2013 and October 15, 2015. This amendment and restatement of the Plan shall be effective as of January 1, 2021 (the “Restatement Effective Date”).

2. Definitions.

a) “Applicable Percentage” means, with respect to each Offering Period, eighty-five percent (85%), unless and until such Applicable Percentage is increased by the Committee, in its sole discretion, provided that any such increase in the Applicable Percentage with respect to a given Offering Period must be established not less than one (1) calendar day prior to the Offering Date thereof.

b) “Board” means the Board of Directors of the Company.


d) “Committee” means the Compensation Committee of the Board or, if no such Committee exists, then the Board.

e) “Common Stock” means the Company’s common stock, par value $.10 per share.

f) “Company” means MasTec, Inc., a Florida corporation.

g) “Compensation” means, with respect to each Participant for each pay period, the full base salary and overtime paid to such Participant by the Company or a Designated Subsidiary. Except as otherwise determined by the Committee, “Compensation” does not include: (i) bonuses or commissions, (ii) any amounts contributed by the Company or a Designated Subsidiary to any pension plan, (iii) any automobile or relocation allowances (or reimbursement for any such expenses), (iv) any amounts paid as a starting bonus or finder’s fee, (v) any amounts realized from the exercise of any stock options or incentive awards, (vi) any amounts paid by the Company or a Designated Subsidiary for other fringe benefits, such as health and welfare, hospitalization and group life insurance benefits, or perquisites, or paid in lieu of such benefits, or (vii) other similar forms of extraordinary compensation.

h) “Continuous Status as an Employee” means the absence of any interruption or termination of service as an Employee. Continuous Status as an Employee shall not be considered interrupted in the case of a leave of absence agreed to in writing by the Company or the Designated Subsidiary that employs the Employee, provided that such leave is for a period of not more than 90 days or reemployment upon the expiration of such leave is guaranteed by contract or statute.

i) “Designated Subsidiaries” means the Subsidiaries that have been designated by the Board or the Committee from time to time in their sole discretion as eligible to participate in the Plan.

j) “Employee” means any person, including an Officer, whose customary employment with the Company or one of its Designated Subsidiaries is at least twenty (20) hours per week.

k) “Entry Date” means the first day of each Offering Period.


m) “Exercise Date” means the last Trading Day of each Offering Period.

n) Reserved.

o) “Exercise Price” means the price per share of Common Stock offered in a given Offering Period determined as provided in Section 7(b).
p) “Fair Market Value” means, with respect to a share of Common Stock, the Fair Market Value as determined under Section 7(c).

q) “First Offering Date” means July 1, 2011.


s) “MNPI” means material non-public information (“MNPI”) relating to the Company.

t) “Offering Date” means the first Trading Day of each Offering Period.

u) “Offering Period” means, with respect to the Offering Period that begins on January 1, 2021, the period beginning on January 1, 2021 and ending on January 13, 2021. With respect to Offering Periods that begin on or after January 14, 2021, each fourteen (14) calendar day period that begins every second succeeding Thursday and ends fourteen (14) days later on the second succeeding Wednesday, beginning with the Thursday occurring on January 14, 2021. For example, the first Offering Period that begins after January 13, 2021, shall begin on Thursday, January 14, 2021 and end on Wednesday, January 27, 2021, the next Offering Period shall begin on Thursday, January 28, 2021 and end on Wednesday, February 10, 2021, and subsequent Offering Periods shall continue as described in this Section 2(u). Each Offering Period shall be subject to adjustment as provided in Section 4(b).

v) “Officer” means a person who is an officer of the Company within the meaning of Section 16 under the Exchange Act and the rules and regulations promulgated thereunder.

w) “Participant” means an Employee who has elected to participate in the Plan by filing an enrollment agreement with the Company as provided in Section 5 hereof.

x) “Plan” means this MasTec, Inc. Amended and Restated 2011 Employee Stock Purchase Plan.

y) “Plan Contributions” means, with respect to each Participant, the lump sum cash transfers, if any, made by the Participant to the Plan pursuant to Section 6 hereof, plus the after-tax payroll deductions, if any, withheld from the Compensation of the Participant and contributed to the Plan for the Participant as provided in Section 6 hereof, and any other amounts contributed to the Plan for the Participant in accordance with the terms of the Plan.

z) “Payroll Deduction Period” means, with respect to the Offering Period that begins on January 1, 2021 and ends on January 13, 2021, the period beginning on January 1, 2021 and ending on January 8, 2021, and with respect to Offering Periods that begin on or after January 14, 2021, the twelve (12) calendar day period that begins every Monday that immediately precedes the first day of the Offering Period to which the Payroll Deduction Period applies, and ends on the Friday that immediately precedes the last day of the Offering Period to which the Payroll Deduction Period applies. For example, the Payroll Deduction Period that applies to the Offering Period that begins on January 14, 2021 shall begin on Monday, January 11, 2021 and end on Friday, January 22, 2021, and the Payroll Deduction Period that applies to the Offering Period that begins on January 28, 2021, shall begin on Monday, January 25, 2021 and end on Friday, February 5, 2021, and subsequent Payroll Deduction Periods shall continue as described in this Section 2(z). Each Payroll Deduction Period shall be subject to adjustment as provided in Section 4(b).

aa) “Pre-Clearance Insider” shall have the meaning set forth in the Insider Trading Policy.

bb) “Subsidiary” means any corporation, domestic or foreign, of which the Company owns, directly or indirectly, 50% or more of the total combined voting power of all classes of stock, and that otherwise qualifies as a “subsidiary corporation” within the meaning of Section 424(f) of the Code.

c) “Trading Day” means a day on which the national stock exchanges and the Nasdaq system are open for trading.

dd) “Trading Window” shall have the meaning set forth in the Insider Trading Policy.

3. Eligibility.

(a) First Offering Date. Any individual who is an Employee as of the First Offering Date and has been employed by the Company or any Subsidiary (or any predecessor) for 30 days preceding the First Offering Date shall be eligible to become a Participant as of the First Offering Date.

(b) Subsequent Offering Dates. Any individual who is an Employee as of the first Offering Date to occur in a given calendar month (the “First Eligible Offering Date”) and has been employed by the Company or any Subsidiary (or any predecessor) for thirty (30) days preceding the first day of the calendar month in which the First Eligible Offering Date
offering, shall be eligible to become a Participant as of the First Eligible Offering Date. For example, subject to the limitations set forth in Section 5(c), an individual that first became an Employee on January 22, 2021 would be eligible to become a Participant on the Offering Date occurring on March 11, 2021, provided that the individual remained an Employee on March 11, 2021.

4. Offering Periods.

(a) In General. The Plan shall generally be implemented by a series of Offering Periods the first of which shall begin on January 1, 2021. The duration of any Offering Period shall be subject to adjustment as provided in Section 4(b).

(b) Changes by Committee.

i. The Committee shall have the power to make other changes to the duration and/or the frequency of Offering Periods and the corresponding Payroll Deduction Periods with respect to future offerings if such change is announced at least one (1) calendar day prior to the scheduled beginning of the first Offering Period to be affected.

ii. The Committee may shorten the duration of any Offering Period and the corresponding Payroll Deduction Period then in progress by requiring that the Offering Period end immediately following the close of any Trading Day within that Offering Period (after the purchase of Common Stock on that Trading Day), if such change is announced at least one (1) calendar day prior to the Trading Day on which the Committee proposes that the Offering Period terminate.

iii. If the Company determines that the accounting treatment of purchases under the Plan will change or has changed in a manner that is detrimental to the Company’s best interests, then the Committee may, in its discretion, take any or all of the following actions: (A) terminate any Offering Period and corresponding Payroll Deduction Period that is then ongoing immediately following the close of any Trading Day within that Offering Period (after the purchase of Common Stock on that Trading Day); (B) amend the Plan so that each offering under the Plan will reduce the effect of such detrimental accounting treatment; or (C) terminate any ongoing Offering Period and corresponding Payroll Deduction Period at any time and refund any contributions to the applicable Participants.

5. Participation.

(a) Entry Dates. Employees meeting the eligibility requirements of Section 3(b) hereof after the First Offering Date may elect to participate in the Plan commencing on any Entry Date by completing an enrollment agreement on the form provided by the Company and filing the enrollment agreement with the Company. For the Offering Period that begins on January 1, 2021, the deadline for filing the enrollment agreement with the Company shall be December 31, 2020. For all Offering Periods that begin on or after January 14, 2021, the enrollment agreement shall be effective as of the first Offering Period that begins after the date the Company receives the enrollment agreement, provided that the Company received the enrollment agreement on or before the sixth (6th) calendar day (a Friday) preceding the Entry Date of the Offering Period to which such enrollment agreement relates, unless a different time for filing the enrollment agreement is set by the Company for all eligible Employees with respect to a given Offering Period. For example, the deadline for completing and filing the enrollment form for the Offering Period beginning February 11, 2021 would be February 5, 2021.

(b) Special Rule for First Offering Date. All Employees who are eligible as of the First Offering Date may elect to participate in the Plan commencing as of the First Offering Date by completing an enrollment agreement on the form provided by the Company and filing the enrollment agreement with the Company on or prior the deadline prescribed by the Company for initial enrollment.

(c) Certain Limitations on Participation. Notwithstanding anything to the contrary set forth in this Plan, no Employee that is otherwise eligible to elect to become a Participant may do so if such Employee has knowledge of any MNPI at the time such Employee files the enrollment agreement with the Company; provided, further, that an Employee who is otherwise eligible to elect to become a Participant and who is a Pre-Clearance Insider, may do so only during a Trading Window and only if such Employee has pre-cleared such election with the Company’s General Counsel in accordance with the Insider Trading Policy.

6. Plan Contributions.

(a) Contribution by Payroll Deduction or Direct Payment. Except as otherwise authorized by the Committee, all contributions to the Plan shall be made only by payroll deductions or by direct after-tax contributions to the Plan. The direct after-tax contributions to the Plan shall be made in accordance with Section 6(g) and at such other times and subject to such terms and conditions as the Committee may in its discretion determine. All direct after-tax contributions to the Plan shall be made in a manner consistent with the provisions of the Plan and the provisions of Section 423 of the Code or any successor thereto, and shall be treated in the same manner as payroll deductions contributed to the Plan as provided herein.

(b) Payroll Deduction Election on Enrollment Agreement. At the time a Participant files the enrollment agreement with respect to an Offering Period, the Participant may authorize payroll deductions to be made on each payroll date during the Payroll Deduction Period with respect to a given Offering Period that he or she is a Participant in an amount (i) not less than 1% and not more than 15% of the Participant’s Compensation on each payroll date during the Payroll
Grant of Option

(a) Shares of Common Stock Subject to Option. On a Participant’s Entry Date, subject to the limitations set forth in Section 7(a) and this Section 7(a), the Participant shall be granted an option to purchase on the Exercise Date during the Offering Period in which such Entry Date occurs (at the Exercise Price determined as provided in Section 7(b) below) up to a number of shares of Common Stock determined by dividing such Participant’s Plan Contributions accumulated during the Payroll Deduction Period applicable to the Offering Period by the Exercise Price; provided, that the maximum number of shares a Participant may purchase during any Offering Period shall be 5,000 shares.

(b) Exercise Price. The Exercise Price per share of Common Stock offered to each Participant in a given Offering Period shall be the Applicable Percentage of the Fair Market Value of a share of Common Stock on the Exercise Date.
(c) **Fair Market Value.** The Fair Market Value of a share of Common Stock on a given date shall be determined by the Committee or under procedures established by the Committee. Unless otherwise determined by the Committee, the Fair Market Value of a share of Common Stock as of any given date shall be the closing sale price per share reported on a consolidated basis for stock listed on the principal stock exchange or market on which shares are traded on the date as of which such value is being determined, or, if there is no sale on that date, then on the last previous day on which a sale was reported.

(d) **Limitation on Option that may be Granted.** Notwithstanding any provision of the Plan to the contrary, no Participant shall be granted an option under the Plan (i) to the extent that if, immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to Section 424(d) of the Code) would own stock and/or hold outstanding options to purchase stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or of any Subsidiary of the Company, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries intended to qualify under Section 423 of the Code accrue at a rate which exceeds $25,000 of Fair Market Value of Common Stock (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time. The limitations set forth in this Section 7(d) shall be applied in conformance with applicable regulations under Section 423(b)(8) of the Code.

(e) **No Rights as Shareholder.** A Participant will have no interest or voting right in shares covered by his or her option until such option has been exercised.

8. **Exercise of Options.**

(a) **Automatic Exercise.** A Participant’s option for the purchase of shares shall be exercised automatically on each Exercise Date, and the maximum number of full and partial shares subject to the option shall be purchased for the Participant at the applicable Exercise Price with the Plan Contributions accumulated during the Payroll Contribution Period applicable to the Offering Period in which such Exercise Date occurs. During a Participant’s lifetime, a Participant’s option to purchase shares hereunder is exercisable only by the Participant.

(b) **Carryover of Excess Contributions.** Any portion of the Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period, which remains after the purchase of shares by the Participant on an Exercise Date and is insufficient to purchase a full share of Common Stock shall remain in the Participant’s account and be added to the Plan Contributions accumulated during the next Payroll Contribution Period that is applicable to the next Offering Period, unless the Participant timely withdraws from participation in the Plan. Any portion of the Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period, which remains after the purchase of shares by the Participant on an Exercise Date and is sufficient to purchase one or more full shares of Common Stock shall be distributed automatically to the Participant.

9. **Issuance of Shares.**

(a) **Delivery of Shares.** As promptly as practicable after each Exercise Date, the Company shall arrange for the delivery to each Participant (or the Participant’s beneficiary), as appropriate, or to a custodial account held by a custodian appointed by the Company for the benefit of each Participant (or the Participant’s beneficiary) as appropriate, of a certificate representing the shares purchased upon exercise of the Participant’s option or, at the Company’s option, through appropriate book entry procedures. Unless otherwise permitted by the Committee, based upon rules and procedures that are uniformly applied to all Participants, all shares purchased upon exercise of the Participant’s option that are delivered to a custodial account held by a custodian appointed by the Company for the benefit of the Participant shall not be eligible for transfer out of the custodial account held by a custodian appointed by the Company for the benefit of the Participant, until the later of (i) the two-year anniversary of the Offering Date on which the Participant’s option to purchase such shares was granted, and (ii) the one-year anniversary of the Exercise Date on which the Participant purchased the shares, unless the transfer would be considered a “disposition of stock” for purposes of Section 423 of the Code, which generally includes any sale, transfer, gift, or any transfer of legal title of the shares other than transfers to the Participant’s estate or by bequest or inheritance, certain tax-free exchanges, a mere pledge or hypothecation, or a transfer to the Participant’s spouse or incident to divorce (as described in Section 1041(a) of the Code).

(b) **Registration of Shares.** Shares to be delivered to a Participant under the Plan will be registered in the name of the Participant or in the name of the Participant and his or her spouse, as requested by the Participant.

(c) **Compliance with Applicable Laws.** The Plan, the grant and exercise of options to purchase shares under the Plan, and the Company’s obligation to sell and deliver shares upon the exercise of options to purchase shares shall be subject to compliance with all applicable federal, state and foreign laws, rules and regulations and the requirements of any stock exchange on which the shares may then be listed. In accordance with the foregoing sentence, no options shall be exercised, and no shares shall be purchased, on June 30, 2015, or any other Exercise Date, unless a Form S-8 for the Plan has been filed and is fully effective in accordance with the requirements of the Securities Act of 1933, as amended, and the rules and regulations of the Securities and Exchange Commission thereunder, on the applicable Exercise Date. Any Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period and held by the Company on any Exercise Date for which
purchases may not be made pursuant to the preceding sentence shall be returned to the Participants who made those Plan Contributions as soon as administratively practicable after the applicable Exercise Date.

(d) **Withholding.** The Company may make such provisions as it deems appropriate for withholding by the Company pursuant to federal or state tax laws of such amounts as the Company determines it is required to withhold in connection with the purchase or sale by a Participant of any Common Stock acquired pursuant to the Plan. The Company may require a Participant to satisfy any relevant tax requirements before authorizing any issuance of Common Stock to such Participant.

10. **Participant Accounts.**

(a) **Bookkeeping Accounts Maintained.** Individual bookkeeping accounts will be maintained for each Participant in the Plan to account for the balance of his or her Plan Contributions during the Payroll Deduction Period with respect to a given Offering Period, options issued, and shares purchased under the Plan. However, all Plan Contributions made for a Participant shall be deposited in the Company’s or a Designated Subsidiary’s general corporate accounts, and no interest shall accrue or be credited with respect to a Participant’s Plan Contributions. All Plan Contributions received or held by the Company or a Designated Subsidiary may be used by the Company or a Designated Subsidiary for any corporate purpose, and neither the Company nor a Designated Subsidiary shall be obligated to segregate or otherwise set apart such Plan Contributions from any other corporate funds.

(b) **Withdrawal of Account Balance Following Exercise Date.** Any portion of the Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period, which remains after the purchase of shares by the Participant on an Exercise Date and is sufficient to purchase one or more full shares of Common Stock shall be distributed automatically to the Participant as soon as administratively practicable following such Exercise Date.

11. **Designation of Beneficiary.**

(a) **Designation.** A Participant may file a written designation of a beneficiary who is to receive any shares and cash, if any, from the Participant’s account under the Plan in the event of the Participant’s death subsequent to an Exercise Date on which the Participant’s option hereunder is exercised but prior to delivery to the Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant’s account under the Plan in the event of the Participant’s death prior to the exercise of the option.

(b) **Change of Designation.** A Participant’s beneficiary designation may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant’s death, the Company shall deliver such shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

12. **Transferability.** Neither Plan Contributions credited to a Participant’s account nor any rights to exercise any option or receive shares of Common Stock under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will or the laws of descent and distribution, or as provided in Section 11). Any attempted assignment, transfer, pledge or other distribution shall be without effect, except that the Company may treat such act as an election to withdraw in accordance with Section 13(a).

13. **Withdrawal; Termination of Employment.**

(a) **Withdrawal.** A Participant may withdraw from participation in future Offering Periods under the Plan by giving written notice to the Company. Except as otherwise determined by the Committee under rules applicable to all Participants, the Plan withdrawal shall be effective as of the first Offering Period that begins after the date the Company receives the Participant’s written notice of withdrawal, provided that the Company received the Participant’s written notice of withdrawal on or before the sixth (6th) calendar day (a Friday) preceding the first day of the Offering Period to which the Participant’s written notice of withdrawal relates. For example, the deadline for completing and filing the Participant’s written notice of withdrawal for the Offering Period beginning Thursday, January 28, 2021 would be Friday, January 22, 2021. Payroll deductions, if any have been authorized, shall cease with respect to the Payroll Deduction Period applicable to the Offering Period to which the Participant’s written notice of withdrawal relates and is effective and, subject to administrative practicability, no further purchases shall be made for the Participant’s account. The Participant’s unexercised options to purchase shares pursuant to the Plan automatically will be terminated. Payroll deductions will not resume on behalf of a Participant who has withdrawn from the Plan (a “Former Participant”) unless the Former Participant enrolls in a subsequent Offering Period in accordance with Section 5(a) and Section 13(b).

(b) **Effect of Withdrawal on Subsequent Participation.** A Former Participant who has withdrawn from the Plan pursuant to Section 13(a) shall be eligible to participate in the Plan again by submitting a new enrollment agreement in accordance with Section 5(a); provided, that if a Participant makes frequent withdrawals and re-entries into the Plan, such

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(a) Number of Shares. Subject to adjustment as provided in Section 14(b) below, the maximum number of shares of the Company's Common Stock that shall be made available for sale under the Plan shall be 2,000,000 shares. Shares of Common Stock subject to the Plan may be newly issued shares or shares reacquired in private transactions or open market purchases. If and to the extent that any right to purchase reserved shares shall not be exercised by any Participant for any reason or if such right to purchase shall terminate as provided herein, shares that have not been so purchased hereunder shall again become available for the purpose of the Plan unless the Plan shall have been terminated, but all shares sold under the Plan, regardless of source, shall be counted against the limitation set forth above.

(b) Adjustments Upon Changes in Capitalization; Corporate Transactions.

i. If the outstanding shares of Common Stock are increased or decreased, or are changed into or are exchanged for a different number or kind of shares, as a result of one or more reorganizations, restructurings, recapitalizations, reclassifications, stock splits, reverse stock splits, stock dividends or the like, then the Committee shall, in such manner as it may deem equitable, substitute, exchange or adjust any or all of the number and/or kind of shares, and the per-share option price thereof, which may be issued in the aggregate and to any Participant upon exercise of options granted under the Plan.

ii. In the event of the proposed dissolution or liquidation of the Company, the Offering Period will terminate immediately prior to the consummation of such proposed action, unless otherwise provided by the Committee.

iii. In the event of a proposed sale of all or substantially all of the Company's assets, or the merger of the Company with or into another corporation (each, a “Sale Transaction”), each option under the Plan shall be assumed or an equivalent option shall be substituted by such successor corporation or a parent or subsidiary of such successor corporation, unless the Committee determines, in the exercise of its sole discretion and in lieu of such assumption or substitution, to shorten the Offering Period then in progress by setting a new Exercise Date (the “New Exercise Date”). If the Committee shortens the Offering Period then in progress in lieu of assumption or substitution in the event of a Sale Transaction, the Committee shall notify each Participant in writing, at least one (1) calendar day prior to the New Exercise Date that the exercise date for such Participant’s option has been changed to the New Exercise Date and that such Participant’s option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Plan as provided in Section 13(a). For purposes of this Section 14(b), an option granted under the Plan shall be deemed to have been assumed if, following the Sale Transaction, the option confers the right to purchase, for each share of option stock subject to the option immediately prior to the Sale Transaction, the consideration (whether stock, cash or other securities or property) received in the Sale Transaction by holders of Common Stock for each share of Common Stock held on the effective date of the Sale Transaction (and if such holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Common Stock); provided, that if the consideration received in the Sale Transaction was not solely common stock of the successor corporation or its parent (as defined in Section 424(e) of the Code), the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon exercise of the option to be solely common stock of the successor corporation or its parent equal in fair market value (as determined by the Committee in its sole and absolute discretion) to the per share consideration received by the holders of Common Stock in the Sale Transaction.

iv. In all cases, the Committee shall have sole discretion to exercise any of the powers and authority provided under this Section 14, and the Committee's actions hereunder shall be final and binding on all Participants. Fractional shares of Common Stock may be issued under the Plan pursuant to any adjustment authorized under the provisions of this Section 14.
15. Administration.

(a) Committee. The Plan shall be administered by the Committee. The Committee shall have the authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan. The administration, interpretation, or application of the Plan by the Committee shall be final, conclusive and binding upon all persons.

(b) Requirements of Exchange Act. Notwithstanding the provisions of Section 15(a) above, in the event that Rule 16b-3 promulgated under the Exchange Act or any successor provision thereto ("Rule 16b-3") provides specific requirements for the administrators of plans of this type, the Plan shall only be administered by such body and in such a manner as shall comply with the applicable requirements of Rule 16b-3. Unless permitted by Rule 16b-3, no discretion concerning decisions regarding the Plan shall be afforded to any person that is not “disinterested” as that term is used in Rule 16b-3.

16. Amendment, Suspension, and Termination of the Plan.

(a) Amendment of the Plan. The Board or the Committee may at any time, or from time to time, amend the Plan in any respect; provided, that (i) no such amendment may make any change in any option theretofore granted which adversely affects the rights of any Participant and (ii) the Plan may not be amended in any way that will cause rights issued under the Plan to fail to meet the requirements for employee stock purchase plans as defined in Section 423 of the Code or any successor thereto. To the extent necessary to comply with Rule 16b-3 under the Exchange Act, Section 423 of the Code, or any other applicable law or regulation, the Company shall obtain shareholder approval of any such amendment. The Committee is permitted to allocate and delegate its authority to amend the Plan to certain other person or persons that it deems appropriate, subject to any limitations as the Committee may provide.

(b) Suspension of the Plan. The Board or the Committee may, as of the close of any Exercise Date, suspend the Plan; provided, that the Board or Committee provides notice to the Participants at least one (1) calendar day prior to the suspension. The Board or Committee may resume the normal operation of the Plan as of any Exercise Date; provided further, that the Board or Committee provides notice to the Participants at least one (1) calendar day prior to the date of termination of the suspension period. A Participant shall remain a Participant in the Plan during any suspension period (unless he or she withdraws pursuant to Section 13(a)), however no options shall be granted or exercised, and no payroll deductions shall be made in respect of any Participant during the suspension period. The Plan shall resume its normal operation upon termination of a suspension period.

(c) Termination of the Plan. The Plan and all rights of Employees hereunder shall terminate on the earliest of:

i. the Exercise Date that Participants become entitled to purchase a number of shares greater than the number of reserved shares remaining available for purchase under the Plan;

ii. such date as is determined by the Board in its discretion; or

iii. the last Exercise Date immediately preceding the tenth (10th) anniversary of the Restatement Effective Date.

In the event that the Plan terminates under circumstances described in Section 16(c)(i) above, reserved shares remaining as of the termination date shall be sold to Participants on a pro rata basis, based on the relative value of their cash account balances in the Plan as of the termination date.

17. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

18. Expenses of the Plan. All costs and expenses incurred in administering the Plan shall be paid by the Company, except that any stamp duties or transfer taxes applicable to participation in the Plan may be charged to the account of such Participant by the Company.

19. No Employment Rights. The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company or any Subsidiary, and it shall not be deemed to interfere in any way with the right of the Company or any Subsidiary to terminate, or otherwise modify, an employee’s employment at any time.

20. Applicable Law. The internal laws of the State of Florida shall govern all matter relating to this Plan except to the extent (if any) superseded by the laws of the United States.

21. Additional Restrictions of Rule 16b-3. The terms and conditions of options granted hereunder to, and the purchase of shares by, persons subject to Section 16 of the Exchange Act shall comply with the applicable provisions of Rule 16b-3. This Plan shall be deemed to contain, and such options shall contain, and the shares issued upon exercise thereof
shall be subject to, such additional conditions and restrictions as may be required by Rule 16b-3 to qualify for the maximum exemption from Section 16 of the Exchange Act with respect to Plan transactions.

22. **Effective Date.** Subject to adoption of the Plan by the Board, the Plan shall become effective on the First Offering Date. The Board shall submit the Plan to the shareholders of the Company for approval within twelve months after the date the Plan is adopted by the Board.
1. **Purpose.** The purpose of the Plan is to provide incentive for present and future employees of any Designated Subsidiary to acquire a proprietary interest (or increase an existing proprietary interest) in the Company through the purchase of Common Stock. It is the Company’s intention that the Plan qualify as an “employee stock purchase plan” under Section 423 of the Code. Accordingly, the provisions of the Plan shall be administered, interpreted and construed in a manner consistent with the requirements of that section of the Code.

The Plan was originally adopted by the Board, effective July 1, 2013, and approved by the Company’s shareholders on May 23, 2013 at the Company’s 2013 Annual Meeting of Shareholders. The Plan was subsequently amended and restated effective July 1, 2013. This amendment and restatement of the Plan shall be effective as of January 1, 2021 (the “Restatement Effective Date”).

2. **Definitions.**
   a) “Applicable Percentage” means, with respect to each Offering Period, eighty-five percent (85%), unless and until such Applicable Percentage is increased by the Committee, in its sole discretion, provided that any such increase in the Applicable Percentage with respect to a given Offering Period must be established not less than one (1) calendar day prior to the Offering Date thereof.
   b) “Board” means the Board of Directors of the Company.
   d) “Committee” means the Compensation Committee of the Board or, if no such Committee exists, then the Board.
   e) “Common Stock” means the Company’s common stock, par value $.10 per share.
   f) “Company” means MasTec, Inc., a Florida corporation.
   g) “Continuous Status as an Employee” means the absence of any interruption or termination of service as an Employee. Continuous Status as an Employee shall not be considered interrupted in the case of a leave of absence agreed to in writing by the Company or the Designated Subsidiary that employs the Employee, provided that such leave is for a period of not more than 90 days or reemployment upon the expiration of such leave is guaranteed by contract or statute.
   h) “Designated Subsidiaries” means the Subsidiaries that have been designated by the Board or the Committee from time to time in their sole discretion as eligible to participate in the Plan.
   i) “Employee” means any person, including an Officer, whose customary employment with one of the Designated Subsidiaries is at least twenty (20) hours per week.
   j) “Entry Date” means the first day of each Offering Period.
   l) “Exercise Date” means the last Trading Day of each Offering Period.
   m) “Fair Market Value” means, with respect to a share of Common Stock, the Fair Market Value as determined under Section 7(c).
   n) Reserved.
   o) “Exercise Price” means the price per share of Common Stock offered in a given Offering Period determined as provided in Section 7(b).
q) “First Offering Date” means July 1, 2013.


s) “MNPI” means material non-public information (“MNPI”) relating to the Company.

t) “Offering Date” means the first Trading Day of each Offering Period.

u) “Offering Period” means, with respect to the Offering Period that begins on January 1, 2021, the period beginning on January 1, 2021 and ending on January 13, 2021. With respect to Offering Periods that begin on or after January 14, 2021, each fourteen (14) calendar day period that begins every second succeeding Thursday and ends fourteen (14) days later on the second succeeding Wednesday, beginning with the Thursday occurring on January 14, 2021. For example, the first Offering Period that begins after January 13, 2021, shall begin on Thursday, January 14, 2021 and end on Wednesday, January 27, 2021, the next Offering Period shall begin on Thursday, January 28, 2021 and end on Wednesday, February 10, 2021, and the next Offering Period shall begin on Thursday, February 11, 2021 and end on Wednesday, February 24, 2021, and subsequent Offering Periods shall continue as described in this Section 2(u). Each Offering Period shall be subject to adjustment as provided in Section 4(b).

v) “Officer” means a person who is an officer of the Company within the meaning of Section 16 under the Exchange Act and the rules and regulations promulgated thereunder.

w) “Participant” means an Employee who has elected to participate in the Plan by filing an enrollment agreement with the Company as provided in Section 5 hereof.

x) “Plan” means this MasTec, Inc. Amended and Restated Bargaining Units ESPP.

y) “Plan Contributions” means, with respect to each Participant, the lump sum cash transfers, if any, made by the Participant to the Plan pursuant to Section 6 hereof, plus the after-tax payroll deductions, if any, withheld from the Compensation of the Participant and contributed to the Plan for the Participant as provided in Section 6 hereof, and any other amounts contributed to the Plan for the Participant in accordance with the terms of the Plan.

z) “Payroll Deduction Period” means, with respect to the Offering Period that begins on January 1, 2021 and ends on January 13, 2021, the period beginning on January 1, 2021 and ending on January 8, 2021, and with respect to Offering Periods that begin on or after January 14, 2021, the twelve (12) calendar day period that begins every Monday that immediately precedes the first day of the Offering Period to which the Payroll Deduction Period applies, and ends on the Friday that immediately precedes the last day of the Offering Period to which the Payroll Deduction Period applies. For example, the Payroll Deduction Period that applies to the Offering Period that begins on January 14, 2021 shall begin on Monday, January 11, 2021 and end on Friday, January 22, 2021, and the Payroll Deduction Period that applies to the Offering Period that begins on January 28, 2021, shall begin on Monday, January 25, 2021 and end on Friday, February 5, 2021, and subsequent Payroll Deduction Periods shall continue as described in this Section 2(z). Each Payroll Deduction Period shall be subject to adjustment as provided in Section 4(b).

aa) “Pre-Clearance Insider” shall have the meaning set forth in the Insider Trading Policy.

bb) “Subsidiary” means any corporation, domestic or foreign, of which the Company owns, directly or indirectly, 50% or more of the total combined voting power of all classes of stock, and that otherwise qualifies as a “subsidiary corporation” within the meaning of Section 424(f) of the Code.

cc) “Trading Day” means a day on which the national stock exchanges and the Nasdaq system are open for trading.

dd) “Trading Window” shall have the meaning set forth in the Insider Trading Policy.

3. Eligibility.

(a) First Offering Date. Any individual who is an Employee as of the First Offering Date and has been employed by the Company or any Subsidiary (or any predecessor) for 30 days preceding the First Offering Date shall be eligible to become a Participant as of the First Offering Date.

(b) Subsequent Offering Dates. Any individual who is an Employee as of the first Offering Date to occur in a given calendar month (the “First Eligible Offering Date”) and has been employed by the Company or any Subsidiary (or any predecessor) for thirty (30) days preceding the first day of the calendar month in which the First Eligible Offering Date occurs, shall be eligible to become a Participant as of the First Eligible Offering Date. For example, subject to the limitations set forth in Section 5(c), an individual that first became an Employee on January 22, 2021 would be eligible to become a Participant on the Offering Date occurring on March 11, 2021, provided that the individual remained an Employee on March 11, 2021.
4. **Offering Periods.**

   (a) **In General.** The Plan shall generally be implemented by a series of Offering Periods the first of which shall begin on January 1, 2021. The duration of any Offering Period shall be subject to adjustment as provided in Section 4(b).

   (b) **Changes by Committee.**

      i. The Committee shall have the power to make other changes to the duration and/or the frequency of Offering Periods and the corresponding Payroll Deduction Periods with respect to future offerings if such change is announced at least one (1) calendar day prior to the scheduled beginning of the first Offering Period to be affected.

      ii. The Committee may shorten the duration of any Offering Period and the corresponding Payroll Deduction Period then in progress by requiring that the Offering Period end immediately following the close of any Trading Day within that Offering Period (after the purchase of Common Stock on that Trading Day), if such change is announced at least one (1) calendar day prior to the Trading Day on which the Committee proposes that the Offering Period terminate.

      iii. If the Company determines that the accounting treatment of purchases under the Plan will change or has changed in a manner that is detrimental to the Company’s best interests, then the Committee may, in its discretion, take any or all of the following actions: (A) terminate any Offering Period and corresponding Payroll Deduction Period that is then ongoing immediately following the close of any Trading Day within that Offering Period (after the purchase of Common Stock on that Trading Day); (B) amend the Plan so that each offering under the Plan will reduce the effect of such detrimental accounting treatment; or (C) terminate any ongoing Offering Period and corresponding Payroll Deduction Period at any time and refund any contributions to the applicable Participants.

5. **Participation.**

   (a) **Entry Dates.** Employees meeting the eligibility requirements of Section 3(b) hereof after the First Offering Date may elect to participate in the Plan commencing on any Entry Date by completing an enrollment agreement on the form provided by the Company and filing the enrollment agreement with the Company. For the Offering Period that begins on January 1, 2021, the deadline for filing the enrollment agreement with the Company shall be December 31, 2020. For all Offering Periods that begin on or after January 14, 2021, the enrollment agreement shall be effective as of the first Offering Period that begins after the date the Company receives the enrollment agreement, provided that the Company received the enrollment agreement on or before the sixth (6th) calendar day (a Friday) preceding the Entry Date of the Offering Period to which such enrollment agreement relates, unless a different time for filing the enrollment agreement is set by the Company for all eligible Employees with respect to a given Offering Period. For example, the deadline for completing and filing the enrollment form for the Offering Period beginning February 11, 2021 would be February 5, 2021.

   (b) **Special Rule for First Offering Date.** All Employees who are eligible as of the First Offering Date may elect to participate in the Plan commencing as of the First Offering Date by completing an enrollment agreement on the form provided by the Company and filing the enrollment agreement with the Company on or prior the deadline prescribed by the Company for initial enrollment.

   (c) **Certain Limitations on Participation.** Notwithstanding anything to the contrary set forth in this Plan, no Employee that is otherwise eligible to elect to become a Participant may do so if such Employee has knowledge of any MNPI at the time such Employee files the enrollment agreement with the Company; provided, further, that an Employee who is otherwise eligible to elect to become a Participant and who is a Pre-Clearance Insider, may do so only during a Trading Window and only if such Employee has pre-cleared such election with the Company’s General Counsel in accordance with the Insider Trading Policy.

6. **Plan Contributions.**

   (a) **Contribution by Payroll Deduction or Direct Payment.** Except as otherwise authorized by the Committee, all contributions to the Plan shall be made only by payroll deductions or by direct after-tax contributions to the Plan. The direct after-tax contributions to the Plan shall be made in accordance with Section 6(g) and at such other times and subject to such terms and conditions as the Committee may in its discretion determine. All direct after-tax contributions to the Plan shall be made in a manner consistent with the provisions of the Plan and the provisions of Section 423 of the Code or any successor thereto, and shall be treated in the same manner as payroll deductions contributed to the Plan as provided herein.

   (b) **Payroll Deduction Election on Enrollment Agreement.** At the time a Participant files the enrollment agreement with respect to an Offering Period, the Participant may authorize payroll deductions to be made on each payroll date during the Payroll Deduction Period with respect to a given Offering Period that he or she is a Participant in an amount (i) not less than 1% and not more than 15% of the Participant's Compensation on each payroll date during the Payroll Deduction Period, or (ii) denominated in dollars of not less than $5 and not more than $500 of the Participant's Compensation on each payroll date during the Payroll Deduction Period. The amount of payroll deductions must be a whole percentage (e.g., 1%, 2%, 3%, etc.), or a whole dollar amount, as applicable, of the Participant’s Compensation.
Commencement of Payroll Deductions. Except as otherwise determined by the Committee under rules applicable to all Participants, payroll deductions for Participants enrolling in the Plan shall commence with the earliest administratively practicable payroll date that occurs within the Payroll Deduction Period for the applicable Offering Period with respect to which the Participant files an enrollment agreement in accordance with Section 5.

Automatic Continuation of Payroll Deductions. Once a Participant enrolls in an Offering Period, or if the Participant elects changes in accordance with Sections 6(e) or 6(f), such Participant shall be deemed (i) to have elected to participate in the immediately succeeding Offering Periods (and, for purposes of such succeeding Offering Periods the Participant’s “Entry Date” shall be deemed to be the first day of such Offering Period) and (ii) to have authorized the same payroll deduction for the immediately succeeding Offering Periods as was in effect for the Participant immediately prior to the commencement of the succeeding Offering Periods.

Change of Payroll Deduction Election Prior to Payroll Deduction Period. A Participant may decrease or increase the rate or amount of his or her payroll deductions applicable to a future Payroll Deduction Period with respect to a given Offering Period (within the limitations of Section 6(b) above) by completing and filing with the Company a new enrollment agreement authorizing a change in the rate or amount of payroll deductions; provided, however, that no Participant may change the rate or amount of such Participant's payroll deductions if the Participant has knowledge of any MNPI at the time the Participant files the new enrollment agreement with the Company; provided, further, that a Participant who is a Pre-Clearance Insider may effect any such change only during a Trading Window and if such Participant has pre-cleared such change with the Company's General Counsel in accordance with the Insider Trading Policy. Except as otherwise determined by the Committee under rules applicable to all Participants, the change in rate or amount of payroll deductions shall be effective as of the first Payroll Deduction Period that begins after the date the Company receives the new enrollment agreement, provided that the Company received the new enrollment agreement on or before the third (3rd) calendar day (a Friday) preceding the first day of the Payroll Deduction Period to which such new enrollment agreement relates. For example, the deadline for completing and filing the new enrollment form for the Payroll Deduction Period beginning Monday, January 25, 2021 would be Friday, January 22, 2021. A Participant may not change the rate or amount of his or her payroll deductions with respect to any Payroll Deduction Period that is ongoing at the time the Company receives the new enrollment agreement.

Automatic Changes in Payroll Deduction. Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code, Section 7(d) hereof, or any other applicable law, a Participant's payroll deductions may be decreased, including to zero dollars or 0% of the Participant's Compensation, as applicable, at such time during any Payroll Deduction Period with respect to any Offering Period which is scheduled to end during the current calendar year that the aggregate of all payroll deductions accumulated with respect to such Offering Period and any other Offering Period ending within the same calendar year are equal to the product of $25,000 multiplied by the Applicable Percentage for the calendar year. Payroll deductions shall recommence at the rate or amount provided in the Participant’s enrollment agreement at the beginning of the Payroll Deduction Period that applies to the first Offering Period which is scheduled to begin in the following calendar year, unless the Participant terminates participation as provided in Section 13(a).

Contribution by Direct Payment. A Participant may make a direct after-tax contribution to the Plan that shall be added to the balance of his or her Plan Contributions during the Payroll Deduction Period with respect to a given Offering Period; provided, that no Participant may make such a contribution while in possession of MNPI, and provided further that a Participant who is a Pre-Clearance Insider may make such a contribution only during a Trading Window and if such Participant has pre-cleared such contribution with the Company’s General Counsel in accordance with the Insider Trading Policy. Direct after-tax contributions that are received by the Company shall be applied to the first Payroll Deduction Period that begins after the date the Company receives the after-tax contribution, provided that the Company received the after-tax contribution on or before the third (3rd) calendar day (a Friday) preceding the first day of the Payroll Deduction Period to which such after-tax contribution shall apply. For example, the deadline for making a direct after-tax contribution applicable to the Payroll Deduction Period beginning Monday, January 25, 2021 would be Friday, January 22, 2021.

Grant of Option.

Shares of Common Stock Subject to Option. On a Participant's Entry Date, subject to the limitations set forth in Section 7(d) and this Section 7(a), the Participant shall be granted an option to purchase on the Exercise Date during the Offering Period in which such Entry Date occurs (at the Exercise Price determined as provided in Section 7(b) below) up to a number of shares of Common Stock determined by dividing such Participant’s Plan Contributions accumulated during the Payroll Contribution Period applicable to the Offering Period by the Exercise Price; provided, that the maximum number of shares a Participant may purchase during any Offering Period shall be 5,000 shares.

Exercise Price. The Exercise Price per share of Common Stock offered to each Participant in a given Offering Period shall be the Applicable Percentage of the Fair Market Value of a share of Common Stock on the Exercise Date.

Fair Market Value. The Fair Market Value of a share of Common Stock on a given date shall be determined by the Committee or under procedures established by the Committee. Unless otherwise determined by the Committee, the Fair Market Value of a share of Common Stock as of any given date shall be the closing sale price per share reported on a consolidated basis for stock listed on the principal stock exchange or market on which shares are traded on the date.
as of which such value is being determined, or, if there is no sale on that date, then on the last previous day on which a sale was reported.

(d) **Limitation on Option that may be Granted.** Notwithstanding any provision of the Plan to the contrary, no Participant shall be granted an option under the Plan (i) to the extent that if, immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to Section 424(d) of the Code) would own stock and/or hold outstanding options to purchase stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or of any Subsidiary of the Company, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries intended to qualify under Section 423 of the Code accrue at a rate which exceeds $25,000 of Fair Market Value of Common Stock (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time. The limitations set forth in this Section 7(d) shall be applied in conformance with applicable regulations under Section 423(b)(8) of the Code.

(e) **No Rights as Shareholder.** A Participant will have no interest or voting right in shares covered by his or her option until such option has been exercised.

8. **Exercise of Options.**

(a) **Automatic Exercise.** A Participant’s option for the purchase of shares shall be exercised automatically on each Exercise Date, and the maximum number of full and partial shares subject to the option shall be purchased for the Participant at the applicable Exercise Price with the Plan Contributions accumulated during the Payroll Contribution Period applicable to the Offering Period in which such Exercise Date occurs. During a Participant’s lifetime, a Participant’s option to purchase shares hereunder is exercisable only by the Participant.

(b) **Carryover of Excess Contributions.** Any portion of the Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period, which remains after the purchase of shares by the Participant on an Exercise Date and is insufficient to purchase a full share of Common Stock shall remain in the Participant’s account and be added to the Plan Contributions accumulated during the next Payroll Contribution Period that is applicable to the next Offering Period, unless the Participant timely withdraws from participation in the Plan. Any portion of the Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period, which remains after the purchase of shares by the Participant on an Exercise Date and is sufficient to purchase one or more full shares of Common Stock shall be distributed automatically to the Participant.

9. **Issuance of Shares.**

(a) **Delivery of Shares.** As promptly as practicable after each Exercise Date, the Company shall arrange for the delivery to each Participant (or the Participant’s beneficiary), as appropriate, or to a custodial account held by a custodian appointed by the Company for the benefit of each Participant (or the Participant’s beneficiary) as appropriate, of a certificate representing the shares purchased upon exercise of the Participant’s option or, at the Company’s option, through appropriate book entry procedures. Unless otherwise permitted by the Committee, based upon rules and procedures that are uniformly applied to all Participants, all shares purchased upon exercise of the Participant’s option that are delivered to a custodial account held by a custodian appointed by the Company for the benefit of the Participant shall not be eligible for transfer out of the custodial account held by a custodian appointed by the Company for the benefit of the Participant, until the later of (i) the two-year anniversary of the Offering Date on which the Participant’s option to purchase such shares was granted, and (ii) the one-year anniversary of the Exercise Date on which the Participant purchased the shares, unless the transfer would be considered a “disposition of stock” for purposes of Section 423 of the Code, which generally includes any sale, exchange, gift, or any transfer of legal title of the shares other than transfers to the Participant’s estate or by bequest or inheritance, certain tax-free exchanges, a mere pledge or hypothecation, or a transfer to the Participant’s spouse or incident to divorce (as described in Section 1041(a) of the Code).

(b) **Registration of Shares.** Shares to be delivered to a Participant under the Plan will be registered in the name of the Participant or in the name of the Participant and his or her spouse, as requested by the Participant.

(c) **Compliance with Applicable Laws.** The Plan, the grant and exercise of options to purchase shares under the Plan, and the Company’s obligation to sell and deliver shares upon the exercise of options to purchase shares under the Plan, and the Company’s obligation to sell and deliver shares upon the exercise of options to purchase shares under the Plan, shall be subject to compliance with all applicable federal, state and foreign laws, rules and regulations and the requirements of any stock exchange on which the shares may then be listed. In accordance with the foregoing sentence, no options shall be exercised, and no shares shall be purchased, on June 30, 2015, or any other Exercise Date, unless a Form S-8 for the Plan has been filed and is fully effective in accordance with the requirements of the Securities Act of 1933, as amended, and the rules and regulations of the Securities and Exchange Commission thereunder, on the applicable Exercise Date. Any Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period and held by the Company on any Exercise Date for which purchases may not be made pursuant to the preceding sentence shall be returned to the Participants who made those Plan Contributions as soon as administratively practicable after the applicable Exercise Date.

(d) **Withholding.** The Company may make such provisions as it deems appropriate for withholding by the Company pursuant to federal or state tax laws of such amounts as the Company determines it is required to withhold in
connection with the purchase or sale by a Participant of any Common Stock acquired pursuant to the Plan. The Company may require a Participant to satisfy any relevant tax requirements before authorizing any issuance of Common Stock to such Participant.

10. **Participant Accounts.**

   (a) **Bookkeeping Accounts Maintained.** Individual bookkeeping accounts will be maintained for each Participant in the Plan to account for the balance of his or her Plan Contributions during the Payroll Deduction Period with respect to a given Offering Period, options issued, and shares purchased under the Plan. However, all Plan Contributions made for a Participant shall be deposited in the Company’s or a Designated Subsidiary’s general corporate accounts, and no interest shall accrue or be credited with respect to a Participant’s Plan Contributions. All Plan Contributions received or held by the Company or a Designated Subsidiary may be used by the Company or a Designated Subsidiary for any corporate purpose, and neither the Company nor a Designated Subsidiary shall be obligated to segregate or otherwise set apart such Plan Contributions from any other corporate funds.

   (b) **Withdrawal of Account Balance Following Exercise Date.** Any portion of the Plan Contributions accumulated during a Payroll Contribution Period applicable to a given Offering Period, which remains after the purchase of shares by the Participant on an Exercise Date and is sufficient to purchase one or more full shares of Common Stock shall be distributed automatically to the Participant as soon as administratively practicable following such Exercise Date.

11. **Designation of Beneficiary.**

   (a) **Designation.** A Participant may file a written designation of a beneficiary who is to receive any shares and cash, if any, from the Participant’s account under the Plan in the event of the Participant’s death subsequent to an Exercise Date on which the Participant’s option hereunder is exercised but prior to delivery to the Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant’s account under the Plan in the event of the Participant’s death prior to the exercise of the option.

   (b) **Change of Designation.** A Participant’s beneficiary designation may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant’s death, the Company shall deliver such shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

12. **Transferability.** Neither Plan Contributions credited to a Participant’s account nor any rights to exercise any option or receive shares of Common Stock under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will or the laws of descent and distribution, or as provided in Section 11). Any attempted assignment, transfer, pledge or other distribution shall be without effect, except that the Company may treat such act as an election to withdraw in accordance with Section 13(a).

13. **Withdrawal; Termination of Employment.**

   (a) **Withdrawal.** A Participant may withdraw from participation in future Offering Periods under the Plan by giving written notice to the Company. Except as otherwise determined by the Committee under rules applicable to all Participants, the Plan withdrawal shall be effective as of the first Offering Period that begins after the date the Company receives the Participant’s written notice of withdrawal, provided that the Company received the Participant’s written notice of withdrawal on or before the sixth (6th) calendar day (a Friday) preceding the first day of the Offering Period to which the Participant’s written notice of withdrawal relates. For example, the deadline for completing and filing the Participant’s written notice of withdrawal for the Offering Period beginning Thursday, January 28, 2021 would be Friday, January 22, 2021. Payroll deductions, if any have been authorized, shall cease with respect to the Payroll Deduction Period applicable to the Offering Period to which the Participant’s written notice of withdrawal relates and is effective and, subject to administrative practicability, no further purchases shall be made for the Participant’s account. The Participant’s unexercised options to purchase shares pursuant to the Plan automatically will be terminated. Payroll deductions will not resume on behalf of a Participant who has withdrawn from the Plan (a “Former Participant”) unless the Former Participant enrolls in a subsequent Offering Period in accordance with Section 5(a) and Section 13(b).

   (b) **Effect of Withdrawal on Subsequent Participation.** A Former Participant who has withdrawn from the Plan pursuant to Section 13(a) shall be eligible to participate in the Plan again by submitting a new enrollment agreement in accordance with Section 5(a); provided, that if a Participant makes frequent withdrawals and re-entries into the Plan, such Participant may be made ineligible, by the Committee in its sole and absolute discretion, to participate in the Plan for a period of time to the extent necessary to comply with applicable requirements under the Exchange Act, including without limitation Rule 10b5-1.
(c) **Termination of Employment.** If a Participant’s Continuous Status as an Employee terminates during an Offering Period for any reason, including retirement or death, the maximum number of full and partial shares subject to the option granted to the Participant on the Entry Date of the Offering Period in which the Participant’s Continuous Status as an Employee terminates shall be purchased for the Participant at the applicable Exercise Price with the Plan Contributions accumulated during the Payroll Contribution Period applicable to the Offering Period in which Participant’s Continuous Status as an Employee terminates. Notwithstanding the foregoing, any Plan Contributions credited to the Participant’s account during the Payroll Deduction Period with respect to an Offering Period that follows the Offering Period in which the Participant’s Continuous Status as an Employee terminates shall be returned to the Participant or, in the case of death, to the Participant’s beneficiary as determined pursuant to Section 11, and the Participant’s option to purchase shares under the Plan will automatically terminate. For example, if a Participant’s Continuous Status as an Employee terminates on February 5, 2021, (i) the Participant’s Plan Contributions accumulated during the Payroll Contribution Period applicable to the Offering Period beginning Thursday, January 28, 2021 and ending Wednesday, February 10, 2021 shall be used to purchase shares on the February 10, 2021 Exercise Date, and (ii) the Participant’s Plan Contributions, if any, accumulated during the Payroll Contribution Period applicable to the Offering Period beginning Thursday, February 11, 2021 and ending Wednesday, February 24, 2021 shall be returned to the Participant or, in the case of death, to the Participant’s beneficiary.

14. **Common Stock Available under the Plan.**

(a) **Number of Shares.** Subject to adjustment as provided in Section 14(b) below, the maximum number of shares of the Company’s Common Stock that shall be made available for sale under the Plan shall be 1,000,000 shares. Shares of Common Stock subject to the Plan may be newly issued shares or shares reacquired in private transactions or open market purchases. If and to the extent that any right to purchase reserved shares shall not be exercised by any Participant for any reason or if such right to purchase shall terminate as provided herein, shares that have not been so purchased hereunder shall again become available for the purpose of the Plan unless the Plan shall have been terminated, but all shares sold under the Plan, regardless of source, shall be counted against the limitation set forth above.

(b) **Adjustments Upon Changes in Capitalization; Corporate Transactions.**

i. if the outstanding shares of Common Stock are increased or decreased, or are changed into or are exchanged for a different number or kind of shares, as a result of one or more reorganizations, restructurings, recapitalizations, reclassifications, stock splits, reverse stock splits, stock dividends or the like, then the Committee shall, in such manner as it may deem equitable, substitute, exchange or adjust any or all of the number and/or kind of shares, and the per-share option price thereof, which may be issued in the aggregate and to any Participant upon exercise of options granted under the Plan.

ii. In the event of the proposed dissolution or liquidation of the Company, the Offering Period will terminate immediately prior to the consummation of such proposed action, unless otherwise provided by the Committee.

iii. In the event of a proposed sale of all or substantially all of the Company’s assets, or the merger of the Company with or into another corporation (each, a “Sale Transaction”), each option under the Plan shall be assumed or an equivalent option shall be substituted by such successor corporation or a parent or subsidiary of such successor corporation, unless the Committee determines, in the exercise of its sole discretion and in lieu of such assumption or substitution, to shorten the Offering Period then in progress by setting a new Exercise Date (the “New Exercise Date”). If the Committee shortens the Offering Period then in progress in lieu of assumption or substitution in the event of a Sale Transaction, the Committee shall notify each Participant in writing, at least one (1) calendar day prior to the New Exercise Date, that the exercise date for such Participant’s option has been changed to the New Exercise Date and that such Participant’s option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Plan as provided in Section 13(a).

For purposes of this Section 14(b), an option granted under the Plan shall be deemed to have been assumed if, following the Sale Transaction, the option confers the right to purchase, for each share of option stock subject to the option immediately prior to the Sale Transaction, the consideration (whether stock, cash or other securities or property) received in the Sale Transaction by holders of Common Stock for each share of Common Stock held on the effective date of the Sale Transaction (and if such holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Common Stock); provided, that if the consideration received in the Sale Transaction was not solely common stock of the successor corporation or its parent (as defined in Section 424(e) of the Code), the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon exercise of the option to be solely common stock of the successor corporation or its parent equal in fair market value (as determined by the Committee in its sole and absolute discretion) to the per share consideration received by the holders of Common Stock in the Sale Transaction.

iv. In all cases, the Committee shall have sole discretion to exercise any of the powers and authority provided under this Section 14, and the Committee’s actions hereunder shall be final and binding on all Participants. Fractional shares of Common Stock may be issued under the Plan pursuant to any adjustment authorized under the provisions of this Section 14.

15. **Administration.**

(a) **Committee.** The Plan shall be administered by the Committee. The Committee shall have the authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, and to make all other
determinations necessary or advisable for the administration of the Plan. The administration, interpretation, or application of the Plan by the Committee shall be final, conclusive and binding upon all persons.

(b) **Requirements of Exchange Act.** Notwithstanding the provisions of Section 15(a) above, in the event that Rule 16b-3 promulgated under the Exchange Act or any successor provision thereto (“Rule 16b-3”) provides specific requirements for the administrators of plans of this type, the Plan shall only be administered by such body and in such a manner as shall comply with the applicable requirements of Rule 16b-3. Unless permitted by Rule 16b-3, no discretion concerning decisions regarding the Plan shall be afforded to any person that is not “disinterested” as that term is used in Rule 16b-3.

16. **Amendment, Suspension, and Termination of the Plan.**

(a) **Amendment of the Plan.** The Board or the Committee may at any time, or from time to time, amend the Plan in any respect; provided, that (i) no such amendment may make any change in any option theretofore granted which adversely affects the rights of any Participant and (ii) the Plan may not be amended in any way that will cause issues raised under the Plan to fail to meet the requirements for employee stock purchase plans as defined in Section 423 of the Code or any successor thereto. To the extent necessary to comply with Rule 16b-3 under the Exchange Act, Section 423 of the Code, or any other applicable law or regulation, the Company shall obtain shareholder approval of any such amendment. The Committee is permitted to allocate and delegate its authority to amend the Plan to certain other person or persons that it deems appropriate, subject to any limitations as the Committee may provide.

(b) **Suspension of the Plan.** The Board or the Committee may, as of the close of any Exercise Date, suspend the Plan; provided, that the Board or Committee provides notice to the Participants at least one (1) calendar day prior to the suspension. The Board or Committee may resume the normal operation of the Plan as of any Exercise Date; provided further, that the Board or Committee provides notice to the Participants at least one (1) calendar day prior to the date of termination of the suspension period. A Participant shall remain a Participant in the Plan during any suspension period (unless he or she withdraws pursuant to Section 13(a)), however no options shall be granted or exercised, and no payroll deductions shall be made in respect of any Participant during the suspension period. The Plan shall resume its normal operation upon termination of a suspension period.

(c) **Termination of the Plan.** The Plan and all rights of Employees hereunder shall terminate on the earliest of:

- i. the Exercise Date that Participants become entitled to purchase a number of shares greater than the number of reserved shares remaining available for purchase under the Plan;
- ii. such date as is determined by the Board in its discretion; or
- iii. the last Exercise Date immediately preceding the tenth (10th) anniversary of the Restatement Effective Date.

In the event that the Plan terminates under circumstances described in Section 16(c)(i) above, reserved shares remaining as of the termination date shall be sold to Participants on a pro rata basis, based on the relative value of their cash account balances in the Plan as of the termination date.

17. **Notices.** All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

18. **Expenses of the Plan.** All costs and expenses incurred in administering the Plan shall be paid by the Company, except that any stamp duties or transfer taxes applicable to participation in the Plan may be charged to the account of such Participant by the Company.

19. **No Employment Rights.** The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company or any Subsidiary, and it shall not be deemed to interfere in any way with the rights of the Company or any Subsidiary to terminate, or otherwise modify, an employee’s employment at any time.

20. **Applicable Law.** The internal laws of the State of Florida shall govern all matter relating to this Plan except to the extent (if any) superseded by the laws of the United States.

21. **Additional Restrictions of Rule 16b-3.** The terms and conditions of options granted hereunder to, and the purchase of shares by, persons subject to Section 16 of the Exchange Act shall comply with the applicable provisions of Rule 16b-3. This Plan shall be deemed to contain, and such options shall contain, and the shares issued upon exercise thereof shall be subject to, such additional conditions and restrictions as may be required by Rule 16b-3 to qualify for the maximum exemption from Section 16 of the Exchange Act with respect to Plan transactions.
22. **Effective Date.** Subject to adoption of the Plan by the Board, the Plan shall become effective on the First Offering Date. The Board shall submit the Plan to the shareholders of the Company for approval within twelve months after the date the Plan is adopted by the Board.
Cash Construction Company, Inc. (TX) (100% owned by MasTec North America, Inc.)
EC Source Services, LLC (FL) (100% owned by MasTec, Inc.)
MasTec Canada, Inc. (Canada) (100% owned by Pacer Construction Holdings Corporation (Canada))
(100% owned by MasTec Canadian Holdco ULC (Canada))
(100% owned by MasTec Cooperative (UA))
MasTec Comanche, LLC (FL) (100% owned by MasTec Pipeline Holdings, LLC)
MasTec Cooperative (NL) (99.99% owned by MasTec North America, Inc.)
(0.01% owned by MasTec Foreign Holdings, LLC (FL))
MasTec Lux Foreign Finance S.a r.l. (100% owned by MasTec FFH, Inc. (FL))
(100% owned by MasTec North America, Inc.)
MasTec Network Solutions, LLC f/k/a Nsoro MasTec, LLC (FL) (100% owned by MasTec, Inc.)
MasTec North America, Inc. (FL) (100% owned by MasTec, Inc.)
MasTec Pipeline Holdings, LLC (FL) (100% owned by MasTec, Inc.)
MasTec TPP, LLC (FL) (100% owned by MasTec Pipeline Holdings, LLC)
Precision Pipeline LLC (WI) (100% owned by Precision Acquisition, LLC (WI))
(100% owned by MasTec, Inc.)
Pumpco, Inc. (TX) (100% owned by MasTec North America, Inc.)
SEFNCO Communications, Inc. (CA) (100% owned by MasTec North America, Inc.)
Three Phase Line Construction, Inc. (NH) (100% owned by MasTec, Inc.)
Wanzek Construction, Inc. (ND) (100% owned by MasTec North America, Inc.)

Certain other subsidiaries have been omitted because, in the aggregate, they would not constitute a significant subsidiary.
MasTec, Inc.
Coral Gables, Florida

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-235597 and 333-139996, 333-112010, 333-105781, 333-105516, 333-38932, 333-77823, 333-47003, 333-38940, 333-30647, 333-174922, 333-188974, 333-209061, 333-64568, 033-55327 and 333-22465) of MasTec, Inc. of our reports dated February 25, 2021 relating to the consolidated financial statements and financial schedule, and the effectiveness of MasTec, Inc.’s internal control over financial reporting, which appears in this Form 10-K.

/s/ BDO USA, LLP

Miami, Florida
February 25, 2021
CERTIFICATIONS REQUIRED BY SECTION 302(a)
OF SARBANES-OXLEY ACT OF 2002

I, José R. Mas, certify that:

I have reviewed this Form 10-K of MasTec, Inc.;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 25, 2021

/s/ José R. Mas
José R. Mas
Chief Executive Officer
(Principal Executive Officer)
I, George L. Pita, certify that:

I have reviewed this Form 10-K of MasTec, Inc.;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 25, 2021

/s/ George L. Pita
George L. Pita
Chief Financial Officer
(Principal Financial and Accounting Officer)
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of MasTec, Inc. (the “Company”) on Form 10-K for the year ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, José R. Mas, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2021
/s/ José R. Mas
Name: José R. Mas
Title: Chief Executive Officer

The certification set forth above is being furnished as an Exhibit solely pursuant to Section 906 of the Sarbanes–Oxley Act of 2002 and is not being filed as part of the Annual Report of MasTec, Inc. on Form 10-K for the period ending December 31, 2020, or as a separate disclosure document of the Company or the certifying officers.
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of MasTec, Inc. (the “Company”) on Form 10-K for the year ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, George L. Pita, Executive Vice President - Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 25, 2021

/s/ George L. Pita
Name: George L. Pita
Title: Executive Vice President/Chief Financial Officer

The certification set forth above is being furnished as an Exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Annual Report of MasTec, Inc. on Form 10-K for the period ending December 31, 2020, or as a separate disclosure document of the Company or the certifying officers.
Appendix D: Key Personnel Resumes

Please refer to the following pages for the current resumes of key project personnel.
Key Skills:
- Outcome Based Business Models / Sales
- Internet of Everything (IOE)
- Smart & Connected Cities / Projects
- Cloud Models
- Consumption Models
- Large Complex Deals
- Equity / Global Infrastructure Funds
- New / Disruptive Model Creation
- Capital Markets
- Emerging & Mature Market / Sales
- Technology Financing / Leasing
- Direct & Partner Led Engagements
- CLEAD Relationship Development
- Public Private Partnerships
- Top Enterprise Segments
- Attracting & Retaining Top Talent

Experience

SMART CITY CAPITAL, LLC  Aug 2016 - Present

- CEO and Founder
  - Established first of its kind, disruptive & market leading Smart, Safe and Connected, outcome based solution
  - Recruited highly experienced executive team / partners, which has quickly built $1B+ global pipeline
  - Solves key Smart City and IoT adoption barriers, (Know-how & Monetization), supporting $3T addressable markets
  - Solution supports top 5, smart city public sector use cases and top 5 Service Provider / Enterprise verticals
  - Assembled best of breed partner eco-system and funding consortium, delivering end to end solution,
  - Enabling inclusive and transformational solutions focused on eliminating the digital divide, growing sustainability
  - Developed $2B+, of qualified projects, globally

CISCO SYSTEMS, INC.

- Global Director, New / Outcome Based Business Models  Aug 2012 – Aug 2016
  - Developed and Implemented multi-billion dollar IOE, S+CC, Cloud & Infrastructure outcome based models
  - Global Opportunity Engagement for private, public and PPP transactions ranging from $5M to $1B+
  - Established multi-billion Global Infrastructure Fund, in collaboration with the business acceleration team
  - Solutions support Cisco Led (Direct) or Partner Led Go To Market
  - Global C-Lead relationships across key public and private sector customers (Partners and End Customers)
  - Developed and closed over $200M of truly incremental business for Cisco, plus originated $3B of pipeline creation within an in 24-month period. Solutions included IFRS compliant OPEX, Equity & Structured debt
  - Supported all segments including SP, Public Sector, Enterprise, Mid-Market and Top End Commercial
  - Closed various existing go to market and business gaps for Cisco, related equipment providers and partners (Revenue recognition, improved gross margins, consumption, risk sharing and complex project deals)

  - Managed 132 plus countries, recruiting and retaining, 60+ leading leasing & structured finance professionals
  - Grew Emerging Market financing sales volume from $115M to over $1.2B per year
  - Built a best in class, highly profitable $5B+ portfolio globally
  - Fostered top C-LEAD relationships (Customers, Partner and Investors and Lenders)
  - Established new legal entities in Dubai, South Africa and various other countries.
  - On-boarded various funding partners across Emerging Markets, increasing productivity to highest WW.

- Regional Financial Services Senior Sales Manager, Cisco Capital  Nov 2004 – Aug 2006
  - Restructured and led the financing organization, resulting in annual volume growing $8M to $115M in less than two years, improving productivity and portfolio quality. Overall portfolio of $2B+ was developed.
  - Improved customer and channel partner satisfaction levels from worse to best among all theaters
• Increased penetration rate (vs. Cisco bookings) from 2% to 30% (highest globally), accelerating Cisco growth
• Developed financial solutions for Cisco Led and Partner Led opportunities
• Established important Export Credit Agency relationships for Cisco, including IDB, EXIM, etc.

  • Established position globally (first person in the role)
  • Responsible for internal / external marketing, communication and training

• Chief Credit and Operation Officer Apr 2000 – Nov 2002
  • Managed all Risk and Operations Function across LATAM
  • Reduced turnaround times by 50%
  • Asset management pricing (residual, asset and install base churning)
  • Developed operational playbooks, improving expectations and credit submission process
  • Reduced delinquency from 3% to below 1%

• COMPAQ FINANCIAL SERVICES – Region Manager Oct 1998 – Apr 2000
  • Credit & Operations: Recruited to establish The Latin America Operations for Compaq Financial Services.
  • Responsible for general operations, channel financing, project financing and leasing throughout the L/A Region.
  • Projects ranged from $100K USD to in excess $100M USD, thus covering from SOHO/SMB all the way to the largest Enterprise customers.
  • Special emphasis was placed on ISP’s, Financial Institutions and telecommunications companies. Position required maintaining a close line of communications with the respective senior management teams, (i.e., CEO, GSM, CFO, Controller, etc.).
  • Coordinated the development of all operational processes, contractual documents (leasing and structured finance), service provider agreements, credit policies and procedures including; credit, collections, operations and asset management.
  • Managed all financing / leasing partners, established asset remarketing, pricing and refurbishment
  • Responsible for identifying and managing alternative ECA’s, funding, risk and insurance sources (IDB, OPIC, IDB, AIG, , etc.).

  • Credit & Operations: Responsible for for region wide operational and term credit activities for all divisions of HPCO. Managed a $500M USD portfolio.
  • Additionally, responsible for term and structured finance risk management, contract management, systems management, legal coordination, e-finance development and implementation, quality control, portfolio management, and restructures/refinancing.
  • Also served as the liaison between HPCO and the Inter-American Development Bank. Established the first Master Guarantee Agreements between HPCO and EXIM bank.

Education / Personal
• Education: BA; University of Miami, International Finance and Marketing. General Electric FMP program (2 yr. Harvard Led, Master Level Program)
• Married with two sons
• Enjoy cruising, global travel and music
Highly qualified engineering, technology and cyber security professional with over 15 years of experience developing and supporting mission critical systems including naval weapon, radar, propulsion, machinery control and communication systems. Experienced in systems engineering management leading teams of diverse engineers. Expert level knowledge in cyber security testing and compliance. Responsible for technology development activities and formulation of roadmaps to address known and predicted customer capability gaps. Expertise in contract acquisition and execution within the Department of Defense (DoD) and Department of Homeland Security (DHS).

Global Technical Systems

Chief Technology Officer

- Develop integrated solutions for cybersecurity products and monitoring capabilities.
- Engineer, test and lead the implementation of cloud hosted, micro service based, capability modules for Security Information and Event Management (SIEM), threat hunting, vulnerability testing, penetration testing, asset management, incident response and end user training.
- Design high availability and resilient solutions enabled by on premise, hybrid and cloud computing solutions determined by cost, risk, regulatory and compliance requirements.
- Evaluate emerging technologies to make partnership and internal development recommendations.
- Implement Public Key Infrastructure (PKI) for authentication of users and devices and deploy appropriate encryption technologies for data at rest and data in transit.
- Determine methods for optimizing Security Operation Center (SOC) performance utilizing automation to improve accuracy, shorten response time and reduce analyst workload.
- Produce development and integration roadmaps for our products and services.
- Conduct assessments to report cybersecurity vulnerabilities and compliance profiles.
- Conduct resource planning, recruitment, retention, personnel development and training.
- Develop business strategies and ensure alignment of technical resources.
- Serve as the primary technical point of contact to external organizations.

Vice President of Technology

- Provided clients with proposals to reduce cyber risk to operations, brand and value.
- Developed reports of cyber security vulnerabilities and offered products and services to mitigate high impact and exploitable threats.
- Oversaw technical development of our SOC facilities and capabilities.
- Evaluated compliance against industry and government standards including NIST, NERC CIP, HIPAA, and PCI.
- Provided recommendations to clients to limit scope of future audits.
- Authored proposals, white papers, and assisted in the capture of business opportunities.

Director of Engineering

- Direct the design, development, and test of radar, surveillance and communication systems for US Navy and DHS customers.
- Oversaw development of aerostat surveillance system for DHS.
- Serve as the primary interface to internal Production and Quality Assurance departments.
- Support field engineering activities to ensure high operational availability and cybersecurity of deployed systems.
- Manage engineering team of software, firmware, network, hardware and security experts to deliver enhancements for our products.
Utilize the Security Content Automation Protocol (SCAP), SCAP Compliance Checker (SCC) and Nessus toolsets to identify and verify the remediation of vulnerabilities.
Direct engineering department functions to provide budget estimates, plan personnel advancement, conduct training and performance evaluations.
Interface with Contracts and Legal to help with interpreting technical contract requirements.
Work directly with business development teams to capture to new contract opportunities.
Provide technical briefs to senior military and government representatives.
Collaborate directly with congressional liaisons, staffers and lobbyists for funding initiatives.

(05/2011 - 11/2013)
Principal Systems Engineer
- Named key person on contract with US Navy as Lead Software Engineer of digital processing system for mission critical combat system.
- Implemented security compliance for DISA STIGs including Linux, Windows, Networking, Web Servers and Domain Name System (DNS).
- Developed program to comply with security controls for the DoD Information Assurance Certification and Accreditation Process (DIACAP) and DoD Information Technology Security Certification and Accreditation Process (DITSCAP).
- Appointed as Lead Systems Engineer of radar-based aircraft detection system for DHS incorporating NIST 800-53 security controls.
- Decomposed requirements for mechanical, electrical, software and test engineers.
- Identified, monitored, and mitigated program risk to scope, schedule and budget.
- Received production and field failure reports and performed root cause analyses.
- Developed system requirements, performance specifications and operational concepts.
- Ensured systems achieved design objectives and oversaw compliance testing.
- Maintained configuration control of hardware and software baselines.

(06/2008 - 05/2011)
Northrop Grumman
Systems Engineer III
- Provided on-site supervision of direct reports.
- Translated complex work orders into definitive tasks, monitored work progress and expenditures against budget and schedule.
- Managed subcontractor performance and test of aircraft carrier steering control system.
- Performed source code inspections and test of SCADA systems.
- Developed reports for cyber vulnerabilities of control systems.
- Supported test of over 40 SCADA based machinery control systems for aircraft carrier.

(11/2007 - 06/2008)
Systems Engineer II
- Lead author for the development of requirement documents and software requirement specifications for control systems.
- Assisted the review and adjudication of the design with the customer.
- Utilized Computer Aided Systems Engineering (CASE) toolset for requirements and design specifications for shipboard control systems (machinery, propulsion and steering).

Production Engineer
- Designed and developed capacity planning simulations utilizing automation to improve results and refocus over 50 planning personnel.
- Participated in Engineers to Sea Program.
- Developed models to analyze the operational capacity of new aircraft carrier design.
- Produced simulations to reduce workload on US Navy Submarines.

Education
(05/2011) University of Virginia
Masters of Science in Management of Information Technology

(05/2004) Virginia Polytechnic Institute and State University
Bachelors of Science in Business Information Technology
BACKGROUND

11+ years of well-rounded experience across many segments of telecommunications. My exposure to strong leadership across many divisions has cultivated sound interpersonal relationship development and analytical skills.

PROFESSIONAL WORK EXPERIENCE

MasTec Network Solutions, LLC
Director of Operations
June 2018 - Present
Murfreesboro, TN
• Smart city lead, emerging technologies
• Oversight of small cell program, nationally
• Coordinate with regulatory agencies and legal counsel on legislative changes and adherence
• Establish proper processes and protocols for broad-scale network deployment

MasTec Network Solutions, LLC
Program Manager
January 2012 – May 2018
Nashville, TN
• Direct ownership of network build plan from inception to completion
• Ensure accurate scoping of projects for timely delivery of materials
• Manage construction schedules of vendors and milestone completions
• Oversight of field superintendents
• Created end-to-end workflow tool to integrate all teams of program for shared vision

MasTec Network Solutions, LLC
Regional Financial Manager
July 2010 – January 2012
Nashville, TN
• Manage financials and identify financial problems/solutions for more than 14,000 wireless builds totaling more than $250M
• Developed the scoping tool currently used to automatically generate scopes of work and driver-based quotes for database upload for all UMTS/NSB initiatives
• Implemented new financial functions for revenue recognition and billing strategies essential to market success
• High-level data extraction and analysis
• Prepare various Financial and Operational reports to distribute to appropriate personnel

MasTec Network Solutions, LLC
Project Coordinator
January 2010 - July 2010
Nashville, TN
• Function as liaison between project manager, internal controls, and vendors
• Generate Orders of Magnitude for labor and materials
• Manage Purchase orders for labor and materials, as well as final financial reconciliation
• Management of required project deliverables and quality audits
• Developed custom programming scripts to incorporate data for Project Managers

EDUCATION

Bachelor Business Administration, Middle Tennessee State University
Major: Entrepreneurship
Minor: Business Administration
About Me.

Proficient in CATV/Telephone Outside Plant Construction with 40+ years of experience. I’m a multitasker, team player, and able to work under **constant** deadlines. I’m able to efficiently liaison with client management, coordinate planning, development and delivery.

Education.

Amador High School, Pleasanton, California.

Work Experience.

01/2021 to Present  » Operations Manager
MasTec North America, Lexington, SC

11/2019 to 12/2021  » Aerial Supervisor
Noble Broadband LLC, Tampa, FL

06/2019 to 11/2019  » Design Manager
Henkels & McCoy, Canton, MI

04/2017 to 06/2019  » CRO / MRE Aerial Cost Analysist; Aerial Design Rerouter
» CM / Aerial and UG crews; MRE / MRC Field Engineer
Black & Veatch, Tampa, FL

02/2016 to 04/2017  » MRE / OSP / CRO / MRC / Field Superintendent
ITC Service Group, Citrus Heights, CA
» Bechtel Infrastructure & Power Corporation, Atlanta, GA
  ▪ Managed Strand and Fiber Crews

07/2015 to 01/2016  » Field Technician / ISP Engineer / OSP Commercial Engineer
Georgia Custom Cable Design, Fayetteville, GA
  ▪ Installation of PPV and VOD Systems
  ▪ Commercial Satellite Installations

2014 to 06/2015  » Project Manager / Engineer
ITC Service Group INC., Citrus Heights, CA
  ▪ Seattle Centurylink / Corning FTTH
  ▪ Managed FTTH Project, consisting of 30 Engineers
JAMES M. WALIZER

2011 to 2014
» Field Technician / ISP Engineer / OSP Commercial Engineer
Georgia Custom Cable Design, Fayetteville, GA
- Installation of PPV and VOD Systems
- Commercial Satellite Installations

Work Experience (Cont.).

2018 to 2010
» OSP Engineer
Walizer / Brantley Engineering, Boca Raton, FL
- OSP As-built Strand Mapping / Pole Make Ready Engineering / Underground Engineering

2005 to 2007
» Field Technician / ISP Engineer / OSP Commercial Engineer
Georgia Custom Cable Design, Fayetteville, GA
- Installation of PPV and VOD Systems
- Commercial Satellite Installations

1997 to 2004
» Owner Operator / OSP Engineer
Walizer Communications INC, Simi Valley, CA
- All phases of Aerial CATV, Telephone, and Construction
- Including fiber, coax, copper placement, new pole line placement and construction
- Built JPA antenna sites for PAC Bell Mobile services / PAC Bell Wireless
- A/U power supply renovations and emergency replacement

1984 to 1997
» Project Manager / MRE/OSP Engineer / Lineman / Splicer
Bouchard Communications INC, North Hollywood, CA
- All phases of Aerial and Underground CATV, Telephone Plant Construction and Make Ready Engineering / As-built / Strand Mapping
- Including fiber, coax, copper placement, new pole line placement and construction *G.O. 95 Certified
- Cable placement, wreck-out, rodding and cleaning of underground conduit
Profile Summary

Highly accomplished Construction Project Manager and OSP Engineer with a history of responsibility and innovative strategic positions in performance-based organizations. Resourceful effective leader with clear focus and vision to provide viable solutions to technical applications and exceed organizational goals. Open to challenges with avenues for continued learning and growth.

Competencies:
- Proficient in using Bentley V8I, Nitro Pro, Adobe, and Google Earth to design jobs.
- Skilled in GIS and other field services and compliance permits.
- Competent in Salesforce, Ariba, Work Force Management, and multiple other order tracking applications.
- Experienced with Microsoft/Computers/Software.
- Comprehensive understanding of standards and systems acquired through experience as they relate to Project Management, construction, and technical applications.

OSHA 30 Hour Construction Certificate • Engineering Applications • Technical Skills • Spreadsheets • National Electric Code (NESC) Project Work • Influence • Lead, Negotiate and Delegate • Conflict Management/Resolution Skills • Sound Business Decision • Analytical Thinking • Time Management • Organizational Skills • Customer Oriented • High Ethics/Integrity • Results Focused • Communication Skills • Ability to Analyze Data • Multi-task Ability • Coordinate with Multiple Disciplines/Maintain Target Schedules • Build and Develop Cohesive Teams • Budgets • Provides Training • Quality Driven • Management Skills

Professional Experience

Byers Engineering - Honea Path, SC         may/2019 – may/2020
Field Engineer
Engineer all services requests for residential and commercial customers within an aggressive timeframe.
- Engineer all main line fiber extensions
- Issue engineered jobs to contractors for placement of drops
- Keep track of all fibers and terminals currently being used
- Keep track of materials and order more materials as needed
- Deal with local municipality to make sure that we are within specs with fiber placement
- Meet with customers to make sure we have a suitable Dmarc to install services
- QC jobs to make sure that they are up to specs.

AFL Global - West Columbia, SC             may/2018 to Present
Construction Manager/ OSP SR Design Detail Engineer
Manage overall daily contractor projects ensuring completed work adheres to customer standards and within agreed time frame.
- QC work once parts of the job are done as this is a very extensive build, 1500+ miles of overhead aerial fiber.
- Work with PMO group to ensure that all materials are identified and accurate with material purchases.
- Work with PMO group to ensure that all completed work is properly invoiced for both AFl and deliverables to customer.
- Complete As-Builts on all DA’s, some being over 300,000’ at a time, while making sure that hardware and splice points are accurate. Also alter design changes using Adobe and Google Earth when adding new information such as span lengths and changing information to reflect accurate designs. Complete all Material sheets for customer deliverables.

PRG Consulting - Charlotte NC             may/2017-sep/2017
Construction Coordinator
Provided/maintained security of the outside fiber plant (OSP) network, either aerial and/or underground, throughout area of responsibility by managing cable location, locating contractors and initiating protection activities. Worked closely with other carriers, local/ state agencies and building owners/landlords on new building adds and relocations.
• Anticipated constructability issues in complex situations and created solutions in the construction plan and schedule while using Adobe and Google earth.
• Issued work orders, assembled BOM’s, processing permit requests, and prepared quotes and cost estimates.
• Processed and reported work activities, inventoried OSP facilities, documented projects and managed budgets.
• Worked closely with upstream groups, completed fiber verification requests, project estimations, designs, bids, permits and managed construction of new building adds.
• Monitored infrastructure builds and reviews/punch lists and approved work to ensure industry construction standards.
• Prepared project timelines prepared and tracked budgets and provided detailed weekly status reports.
• Obtained contractors for engineering and construction of OSP infrastructure. Managed contractors for route protection.
• Directed emergency restoration and mitigation required by OS, fiber optic damages, natural disasters, and power failures.
• Managed contract and/or employee fiber splicers. Provided training to employees and managed contractors. This included the use of locating equipment, Optical Time Domain Reflectometers, and troubleshooting tone generation/reception.

Spirit Communications - Columbia, SC  
may/2016-May 2017
OSP Engineer
Maintained the security of the outside fiber plant (OSP) network, either aerial and/or underground, throughout area of responsibility by managing cable location, locating contractors and initiating protection activities. Worked with other carriers, local/state agencies and building owners/landlords on new building adds and relocations.

Level 3 Communications - Columbia, SC  
June/2015 to May/2016
OSP Engineer
Outside plant engineering responsibility for practical applications of OSP engineering policies, practical applications, policies, practices, regulations, and guidelines.

• Provided oversight of the design of enterprise and FTTC projects from inception to completion.
• Managed multiple projects and contractors while meeting deadlines and budget requirements.

STS Cable Services - Charlotte, NC  
May/ 2014 to June/2015
Project Manager/Coordinator
Managed overall cable construction; aerial, underground, horizontal drilling, installation and customer Telco Room. Installed coax and fiber optic cables.

• Followed all compliance and regulations pertaining to installation procedures and local guidelines.
• Designed and planned cable routes to meet customer expectations and to stay within operating budget using Adobe and Google Earth.
• Redesigned and planned routes relative to customer requirements.
• Managed 20-30 employees in different job disciplines.
• Managed up to 20 on-going projects at one time, ensuring that they were completed within the time frame and met the customer’s expectations.
• Mitigated any problems that arose with the customer or property owner with communications and correcting the issue.
• Maintained an open rapport with all customers.
• Responsible for ordering and tracking materials while keeping customer costs low. Issued invoices for completed jobs. Allocated revenue to appropriate departments.
OSP Engineer/Project Manager
Designed routes for placement of fiber from existing strand or vaults to communications room. Designed proposed fiber routes to buildings using Google Earth.

- Built workbooks for individual multi-tenant buildings using Microsoft Excel.
- Provided drafting drawing skills to create a platform for the placement of all fiber for backbone and distribution.
- Built maintained relationships with prime contractors. Ensured that all invoices were promptly submitted. Completed billing and payment to all subs and employees.
- Ensured that installation techs understood pathways into buildings and that jobs completed relative to specifications.

NU WAY Enterprises, LLC - Lexington, SC                                      April/2010 to Aug/ 2012
Lineman/Splicer/Underground
Installed main line aerial and underground construction of coax, fiber and copper lines. Installed and maintained power supplies. Provided installation of fiber from splice enclosure to communication room. Surveyed mounting poles to ensure suitability.

Education/Certifications
PENN and Foster College (online)
Currently attending for AD in Electrical Engineering Technology
Central Carolina Technical College - Camden, SC
Completed basic pre-requisites for Associate Degree in Science.
Rick Suarez, Group President

Rick Suarez leads MasTec Network Solutions, a worldwide telecom industry leader, as Group President. He is responsible for the financial well-being of the company, business growth, and bottom line performance. Rick has the overall responsibility for planning and implementing the strategic direction of MasTec Network Solutions.

Education ::
Florida Atlantic University – Bachelor of Science, Electrical Engineering
University of Miami - Master’s in Business Administration
University of Miami - Master’s in Industrial Engineering

Work Experience ::
Southern Bell Telecommunications-
Positions held: Outside Plant Engineer, Planner, Construction Manager, Digital Loop Carrier Manager, Director of Engineering and Construction, and General Manager.
AT&T –
Positions held: Vice President of Construction and Engineering, Southeast, - Responsible for the planning, design and construction of wireline and wireless communication, data and video network for the AT&T Southeast Region.

Rick worked as an engineer for many years before choosing to move into construction management, overseeing thousands of technicians. “I wanted to work with the people who were building what I designed,” he said, foregoing a progression into the corporate workforce. Rick joined MasTec Network Solutions in 2011 and has continued to build upon his reputation as a compassionate leader, always ensuring the best for employees and customers by instilling an employee covenant built on mutual respect and trust. Personally experiencing every facet of the telecom industry helped him develop into a leader known for his deep appreciation of MasTec’s employees and the challenging work they perform every day.
Dave Cundiff, Executive Vice President of National Program Operations

Education ::
Florida State University – Bachelor of Science
Nova Southeastern University – Master’s in Business Administration

Work Experience ::
Dave Cundiff has been in the telecommunications industry since 1990. His experience began in Jacksonville, FL with Southern Bell, leading Central Office Engineering and Operations teams. By 1993 he had moved to leadership positions in the emerging Wireless Industry where he spent the next 25 years of his professional career designing, building and operating Wireless networks for BellSouth, Cingular and AT&T. During this time, not only did he lead numerous organizations with the focus of building and evolving the wireless networks from 1st generation through to 5th Generation Technology, but he also led key strategic and operational teams in the creation of Cingular Wireless, the Acquisition and Integration of AT&T wireless, and the integration / acquisition of the Cingular Wireless network into the National AT&T global network organization.

In support of the AT&T acquisition of BellSouth, Dave led multiple teams with the purpose and goal of ensuring all operational plans and synergies were identified and achieved. Post-acquisition, Dave led the Southeast Wireline and Wireless teams, as AVP of Construction & Engineering, with direct responsibility in engineering, operations and Maintenance. In doing so, Dave was successful with achieving best in class financial and operational results.

In his most recent engagement with AT&T, Dave served as Vice President of The National HQ Construction & Engineering Program Office. He led the National Construction & Engineering Program Office with the key responsibilities for all methods and procedures associated with the wireline and wireless builds along with overall leadership of all National Build Program Management. In his HQ leadership role, Dave worked closely with the leaders of Finance, Strategy, and Business Development teams within AT&T to support and lead future strategic planning and tactical execution.

In 2018, after 28 years with AT&T, Dave retired and began his second career with MasTec Network Solutions as Executive Vice President of National Program Operations. In this leadership role, Dave leads the National Program Office in support of the Multi-Carrier Wireless Construction and Engineering strategic and tactical initiatives.

Throughout the years Dave has been a leader, mentor and friend to many in the Wireless Industry.
John Vento, Executive Vice President

Education ::
University of Bridgeport – Bachelor of Science, Accounting and Finance

Work Experience ::
John Vento is MasTec Network Solutions Executive Vice President. In his role John is responsible for Deployment and Project Management Organization, which includes network design, engineering, site development, site construction and integration services across the United States and Puerto Rico.

John Vento’s diverse telecommunications career began in 1986, in the cable television technology where he held various positions, responsible for outside plant engineering and construction, customer installation and operations. During his career John has held executive management positions with cable television operators, wireless carriers, start-up telecommunication service organizations and large national OEM and turnkey service companies operating in the United States, the Caribbean and in Western Europe.

Later John led business unit start-ups, development and operational turnaround of large national service organizations. Additionally, John’s background includes financial management, business development, mergers and acquisitions as well as construction and engineering.
Jason Noseworthy, Business Development Vice President

Work Experience ::
Jason Noseworthy is the Senior Vice President of Sales, responsible for sales strategy and execution, business development support, and coaching and performance management for a team of sales executives.

Jason began his extensive career as a field engineer traveling the world for Qualcomm. He has managed teams and implemented complex telecommunications projects domestically and in over 36 countries internationally.

From leading 22X IBSC cutover activity to 22X SBSC in Chelyabinsk, Russia, to CDMA equipment certification in Telekom, Indonesia, Jason has seen telecommunications in ways that most domestic-based leaders have not. In his role as Director of Technical Marketing at Ericsson Wireless, he managed a team of domestic and international technical professionals, spearheading global marketing activities. His experience integrating technology while navigating varying cultures in so many international communities, helped to round out his leadership style, eventually driving him into a marketing and sales career.

Jason joined MasTec Network Solutions in 2014 and has worked diligently to build and strengthen national customer relationships. His focus on providing business development support for prospecting, marketing, and closing has helped bolster MasTec Network Solutions’ place as a leader in the telecommunications infrastructure industry.

Originally from Alberta, Canada, Jason, his wife, and two sons live in San Diego, California, and enjoy their time together surfing, snowboarding, hiking and golfing. He enjoys taking his family to many of the international destinations he has explored over the years.
Todd R. Smith, Chief Financial Officer

Education ::
Wofford College – Bachelor of Arts, Accounting
Certified Public Accountant

Work Experience ::
Todd serves as MasTec Network Solutions Chief Financial Officer. In his role as CFO, he maintains the financial controls in the markets, as well as ensures the accuracy of project accounting. During his tenure, Todd has played a critical role in the integration of acquired companies by streamlining accounts, cutting costs and redundancies, and implementing new processes and systems.

Todd joined MasTec Network Solutions as the Director of Operational Finance in June 2011 and was promoted to CFO in 2015.

Todd entered the telecom industry in 2002, working on the Cingular Wireless account for Ernst & Young, LLP. Todd enjoyed a progressive tenure at Ernst & Young starting as a Staff Accountant, being promoted to a Senior Accountant, Manager, and finally Assurance and Advisory Senior Manager.

Todd relocated to Atlanta, GA in order to work on the Cingular Wireless, now AT&T, account for Ernst & Young and his interest in telecom grew from there. “Telecom is always going to be changing and expanding. It is always reinventing itself; never getting stale.”

His success and enthusiasm for telecom drew attention from Commnet Supply, who recruited him to be their Chief Financial Officer in 2005. In his five years at Commnet Supply, Todd devised and implemented cost reduction programs that consolidated multiple locations and resulted in a 20% decrease in fixed costs.

Todd believes that MasTec is well positioned to capitalize on all opportunities that come from the change and perpetual growth of the telecom industry.
Ranjit Verma, Executive Vice President

Education ::
India – Bachelor of Engineering, Electronics and Telecommunications

Work Experience ::
Ranjit Verma leads Technology and Network Strategy, responsible for developing services for new technologies like 5G, Private LTE, IOT and network virtualization through M&A and partnerships.

Ranjit has over 25 years of rich and diverse experience in technology strategy, digital transformation, service management, operations excellence, merger & acquisitions, and strategic partner management supporting Telco Network ecosystem from RF planning, design, BSS, OSS, NOC, RF optimization, transport – microwave and fiber, EPC, core, analytics, R&D and service management supporting all technologies.

Ranjit joined MasTec Network Solutions in February 2019 and played a pivotal role in the acquisition of QuadGen Wireless Solutions. He previously worked in startup companies like B.yond, Tellius and Celcite where he ran Global Services leading to successful acquisitions. Working for Amdocs, Ranjit lead teams across the globe including in South America, NAM, EMEA and APAC.
Ramon Mas, Senior Vice President

Work Experience ::
Ramon Mas currently leads the MasTec Network Solutions M&A (Mergers and Acquisition) initiative and the Supply Chain organization. He also heads up LaunchPad Services, which is comprised of Site Acquisition and A&E services. Additionally, Ramon is responsible for International Telecom operations with a focus on Latin America.

Since joining MasTec in 1994, Ramon has held several senior management positions and has contributed to the implementation of administrative and operational procedures for various MasTec divisions nationwide. Ramon is credited with developing the Wireless and Central Office (EF&I) service lines within MasTec and later served as President of the Network Services group, which encompassed Wireless, EF&I and Enterprise Network Services.
Appendix E: Quality Management Plan

Please refer to the following pages for MasTec’s Quality Control Plan document.
1. Purpose

The purpose of this plan is to define management’s responsibility and identify roles that respective team members have in preparing and administering the control of quality-related activities associated with customer projects. It provides an overview of the MasTec North America, Inc. approach to the planning, organization, direction, and control of quality-related activities associated with the delivery and performance of products and services. This plan is intended to establish an on-site work ethic focused on meeting or exceeding all contract quality requirements.

MasTec North America, Inc. Quality Policy Statement

The MasTec North America Inc. quality policy is as follows:
Perform work to meet or exceed the exact requirements of our customers as defined by the contract documents unless those requirements are changed in accordance with procedures defined in the contract.

2. Plan

Proper management of quality from the beginning stages of construction ensures the efficient and effective fulfillment of all contractual, regulatory and legal requirements as defined by the customer contract.

In order to apply Quality principles to our projects, it helps to think of our work as being divided into several phases:

Preparatory Phase – includes planning, mobilization, preparation of drawings, obtaining permits, initial customer meetings, check of materials on site, final equipment safety checks. Any differences of opinion regarding contract requirements should be solved through discussions in this phase.

Initial Implementation Phase – initial quality control of each separate segment of work is made at the outset of the operation. Get the work off to a proper start. Establish quality workmanship from the beginning. Set up an early initial inspection.

Follow-up Phase – while still performing implementation, follow-up inspections are very important. With advance determination that material and equipment are in compliance with the contract and established workmanship standards, follow-up inspection becomes more effective.

Completion and Documentation – when a segment of work is complete, we should examine the work and prepare a list of any non-conforming items. Documents that prove
our quality control are very important. These include test reports, as-built drawings, certificates, photos, and final inspection reports. The quality plan emphasizes planning, organizing and assurance of the work process so that acceptable work is achieved throughout our project. All quality requirements are addressed in one of the seven processes that compose the Quality Control Plan.

3. Document and Record Control

This process establishes how documents are defined and how practices are controlled and approved prior to issuance. When changed, the documents are reviewed, updated and re-approved as necessary. Controlled documents are identified with the current revision status. Superseded documents are identified to prevent unintended use.

Measures shall be established by the Project Manager to control the issuance of documents, such as, instructions, procedures, and drawings, including changes thereto, which prescribe all activities affecting quality. These measures shall assure that documents, including changes, are reviewed for adequacy and approved for release by authorized personnel and are distributed to and used at the location where the prescribed activity is performed. Changes to documents shall be reviewed and approved by the same Project organization(s) that performed the original review and approval unless the project manager or procedure designates another responsible organization.

This process is under development.

4. Audits and Reviews

Audits are planned and consider the status and importance of the areas audited as well as the results of previous audits. These audits also determine if the various procedures are being effectively implemented and maintained. The criteria, scope, frequency and method of audit are defined. The responsibilities and requirements for planning and conducting audits and for reporting results and maintaining records are documented.

When nonconformities are detected, responsible management ensures that actions are taken without delay to eliminate them and their causes. Follow-up actions are taken that include the verification of the actions taken and the reporting of them.

This process is under development.

5. Quality Action Process
This process defines MasTec North America, Inc.’s approach to the elimination of nonconformance causes (Corrective Actions) and the prevention of their recurrence (Preventive Actions); the actions taken vary based on the effect and magnitude of the nonconformance. The process includes reviewing non-conformances and customer complaints, determining their causes, evaluating the need for action to prevent their recurrence, determining any necessary actions, implementing those actions, and reviewing, recording, and verifying their results.

In addition, this process defines the approach to eliminating potential causes of nonconformance (Preemptive Actions); as with corrective and preventive actions, preemptive actions are appropriate to the effect and magnitude of the potential nonconformance. The process includes reviewing a potential nonconformance and its causes, evaluating the need for action to prevent occurrence, determining and taking necessary actions, recording the results of those actions, and reviewing and verifying them.

While the normal entry route into the Quality Action Process is through the inspection system, the PMO and Quality personnel will initiate actions when requested by any member of MasTec North America, Inc. or the Owner and their third party vendors.

### 5.1 Initialization

Initialization of a Quality Action Process (QAP) takes place after the issue/improvement has been reviewed by Quality and a QAP has been deemed as the proper tool for the documenting, processing, reviewing, and approving of an issue/improvement activity.

In the case of a QAP initiated from a checklist or customer feedback, the classification and location are determined automatically. For QAP’s that are initiated manually, the following must be completed:

- **QAP Type**
  - **Issue**: Select this option if the discrepancy has already occurred.
  - **Improvement**: Select this option if no discrepancy has occurred, but may potentially occur. Also make this selection if an opportunity to improve an existing process has been identified.

- **Classification (only applies to Issue QAP Types)**
  - **Minor**: Non-conformance that does not cause an immediate or critical failure. This is generally used for relatively small issues that should not have any impact on the customer and are not repeating offenders.
  - **Major**: Non-conformance that may result in an immediate or critical failure. This should be used for issues that have a high likelihood of customer impact or for issues that are minor in nature but have occurred in the past and the issue
continues to repeat. A Major issue requires the involvement of the Quality Manager.

**Critical:** Non-conformance that has an immediate and critical failure. This should be used for issues that have already impacted the customer and require immediate attention by the Quality Manager and the Project Manager.

Location: The physical site where the issue has occurred.

Discrepancy: A thorough description of the issue/improvement.

Once all required fields are completed the QAP can be initiated by the responsible QA person.

### 5.2 Root Cause

The purpose of the root cause is to determine the reason the issue occurred. The root cause of an issue can be due to a singularity or a cluster of failure opportunities. It is important to thoroughly understand the issue and what the contributing factors that led to the occurrence of that issue are.

The root cause will be the foundation for the remainder of the QAP. If the wrong root cause is determined, it is likely any preventive action will not be successful. Often during the course of an investigation clues will help point to the true root cause. Be sure to consider all the inputs of the process, including:

- Personnel
- Equipment
- Processes
- Materials
- Measurements
- Environment

Once the root cause has been determined and agreed upon by all party members, the root cause will be closed and a completed date will be recorded.

### 5.3 Corrective Action

The corrective action is a description of what was done to correct the immediate problem. Typically the functional supervisor is responsible for the completion of the corrective action. This activity is tracked in the QAP, similar to the root cause. The functional person is assigned the action along with a due date. Any time the due date is pushed out by Quality, a note should be put in the QAP activity log explaining the reason for the extension.
Once the corrective action is complete it may be closed and the completion date is recorded.

5.4 Preventive Action

This action should be designed to prevent the issue from occurring again, based on the analysis of the root cause. Preventive actions are only required for Major and Critical QAP’s.

Typically the functional supervisor is responsible for the completion of the preventive action with guidance from the Quality staff. This activity is tracked in the QAP, similar to the corrective action. The responsible person is assigned the action along with a due date. Any time the due date is pushed out by Quality, a note should be put in the QAP activity log explaining the reason for the extension.

Once the preventive action is complete it may be closed and the completion date is recorded.

In addition, preventive actions must be followed up with a verification of the effectiveness for the preventive actions. Typically this verification may be set 30 to 90 days out from the time the preventive actions is complete. No specific amount of time is required; however, the time spent (estimated in the verification due date) is typically based on a factor of the time cycle for the activity and a quantity of cycles needed to determine if the preventive action has truly corrected the issue.

Typically, the effectiveness verification is assigned to the Quality staff and the due date is assigned. Once the verification is complete, and if effective, it may be closed and the completion date is recorded.

If the verification results show the preventive action is not effective:

The root cause shall be reviewed for accuracy and re-opened if necessary. If this is the case, a note should be recorded in the activity log.

The preventive action must be re-opened and a new or modified version of the preventive action must be initiated. A note should be recorded in the activity log for this action.

The effectiveness verification must be updated to reflect the verification required to assure the new preventive action is effective.

5.5 Preemptive Action

This action should be designed to improve a process or correct a potential issue that has been identified and brought to the attention of the QA staff. Preemptive actions only apply to improvement QAP’s.
The assignee may be any MasTec North America Inc. person that is determined to be the responsible party for the activity. A due date is assigned based on the estimated time needed to complete the action. Any time the due date is pushed out by Quality, a note should be put in the QAP activity log explaining the reason for the extension.

Once the preemptive action is complete it may be closed and the completion date is recorded.

5.6 Closure

Once all activities have been completed and recorded, the QAP may be closed; however, the Quality Manager may choose to leave the QAP open until they make additional on-site reviews of the activities. If this is done, an entry should be put into the activity log explaining this intent.

Once a QAP is closed, it cannot be modified, so be certain all actions are completed and properly recorded before closing the QAP.

6. Nonconformance Control Process

6.1 Purpose

This document defines the process for controlling nonconforming products found during installation of contractual items. Nonconforming items found are documented as Quality Action Plans.

6.2 Nonconforming Items

The following will be considered as nonconforming items:

I. Goods and materials found to have deviations from the specifications stipulated in the order placed or subcontract agreement.

II. Items released under positive recall condition, if subsequent tests or material test certificates manufactured indicate deviations from required specifications.

III. Items not meeting OSP Guidelines and Construction Typicals referenced in Work Orders and the Amendments to Work Orders.

IV. Non-conforming products identified during audits or surveillance.

V. Damaged material and products noted during inspection.

VI. Non-approved Field Construction changes or damage
MasTec North America, Inc. shall ensure that materials which do not conform to specifications are prevented from use or installation.

6.2.1 Receiving

Vendor-supplied nonconforming goods and materials will not be accepted and are to be returned immediately. Where it is not possible to return items immediately, they are segregated until collection by the vendor.

Non-conforming materials received are recorded on Material Receiving Report and marked and segregated. Replacement action is initiated.

6.2.2 In-Process or Completed

All nonconforming items shall be recorded on a Nonconformance Report. The exception is for field work which can be corrected immediately. A nonconformance report may be written by any MasTec North America, Inc. employee, the owner, or reported to a QA/QC staff.

Initiating a nonconformance report (NCR):

- The originator/reporter shall describe the Owner, Area/Location and the Standard/Specification applicable to the nonconforming condition on the NCR.

- The originator/reporter shall describe the nonconforming condition on the NCR.

- The originator/reporter shall describe a recommended disposition of the nonconforming condition on the NCR.

- The originator/reporter shall sign-off on the NCR to agree to condition described on the NCR.

QC Verification of a Nonconforming Condition:

- The Site QA/QC Manager shall log the NCR in the NCR log.

- The Site QA/QC Manager shall verify that the reported condition is nonconforming.

  - If the condition is found to be acceptable for the project, the NCR will be closed, with approval of the owner.
If the condition is found to be nonconforming for the project, the NCR shall be signed by the Site QA/QC Manager and the owner, indicating verification.

6.2.3 Corrective Action
Corrective Action shall be discussed between the Project Manager, QA/QC Manager and the Owner.

- Other individuals whom are more knowledgeable in the area of concern shall be consulted.
- Corrective Action to be considered shall be:
  - Use As-Is
  - Repair / Rework
  - Replace

The agreed corrective action shall be documented on the NCR.

If the documented Corrective Action is approved, the NCR shall be signed by the Project Manager, the Site QA/QC Manager and the owner, indicating approval.

6.2.4 Follow-Up
Once the nonconforming condition is corrected, the NCR shall be signed by the Site QA/QC Manager and the owner, or owner designee, indicating approval.

7. Inspection

7.1 Purpose
Sufficient records shall be maintained to furnish evidence of activities affecting quality. The records shall include at least the following: Operating logs and the results of reviews, inspections, tests, field audits, monitoring of work performance, and if appropriate, materials analysis. MasTec North America, Inc. QA personnel will conduct inspections to monitor and measure their conformance to project requirements. The results are recorded and nonconformance items are processed according to 2.4 Nonconformance Control.

Inspection and test records shall, as a minimum, identify the inspector or data recorder, the type of observation, the results, the acceptability, and the action taken by the affected
contractor, subcontractor, supplier, or service provider in connection with the deficiencies noted.

Records shall be identifiable and retrievable. Consistent with applicable regulatory requirements, MasTec North America, Inc. shall establish requirements concerning record retention, such as duration, location, and assigned responsibility.

MasTec North America, Inc. will conduct inspections of products, services, and processes to monitor and measure their conformance to project requirements. The inspection results are recorded and nonconformities are corrected. Nonconformities are addressed by the Quality Action Process.

7.2 Inspection

Inspections are typically performed using checklists. These checklists are initially developed and are created jointly by QA/QC Manager, appropriate operations personnel, and the customer. The checklist items are identified based on contract; when practical, the contract requirement is referenced with the item. Finally, any objective evidence that can be collected and recorded during the inspection (measurements, counts, records that substantiate conformance) is identified.

Checklists should identify the location, date, and time of the inspection along with the name of the inspector. The forms should be submitted to Quality Control through the supervisor to ensure that the results have been properly communicated. Whenever practical, the instructions for the inspection should be included in the checklist as well.

7.3 Responsibilities

A. The Inspector will furnish inspection data to the QA/QC Manager.

B. The Inspector will perform the following inspections:

   1. Over-the-Shoulder Inspection

      Over-the-Shoulder Inspection is an inspection of a task during the task performance. Over-the-Shoulder Inspections will evaluate the compliance with the established procedures.

   2. Work Area Inspection

      Work Area Inspection is a walk-through inspection to determine safety compliance, housekeeping, proper use of procedure and conditions of equipment.

   3. Observed Safety Violation
At any time an unsafe act is observed by an Inspector, a safety violation will be initiated with the crew on-site. The PMO Safety Manager will then be contacted to record violation in DynaQ. Any MasTec North America, Inc. employee has the responsibility and authority to stop work if an unsafe hazard exists.

7.4. Inspection Plan

The inspection plan will include, at a minimum, the following elements:

1. Preparation of a checklist
2. Document who, what, where, when and how
3. Vary locations or times of inspection
4. Document compliance or non-compliance

8. Quality Training

8.1 Purpose

This document defines the process for introducing employees to the quality and procedure systems of MasTec North America, Inc. for client projects.

8.2 Training Process

All employees are required to complete training which includes various policies such as Safety and Quality. To aid in the training, a Quality Demonstration site has been established at the MasTec North America, Inc. office. This demonstration site serves as the standard for which MasTec North America Inc. and subcontractors are expected to complete infrastructure installation and splicing operations.

All employees are required to sign their respective documentation each time a procedure or policy is issued or revised.

Additional training may be required by employees or a subcontractor due to nonconformance’s found during inspections or audits. This training will be documented and signed by the employee or subcontractor.

9. Customer Satisfaction

This process defines the methods for monitoring the customer’s perception of the quality of products and services delivered by MasTec North America, Inc.
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<th>Authority: Senior Vice President</th>
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Over the course of this project, levels of MasTec North America, Inc. management and supervision will interact with the Customer and contracted companies on both a formal and informal basis. MasTec North America, Inc. encourages feedback in both cases on performance and service quality and to document that feedback. When such information is provided, it will be reviewed and processed so that positive feedback can be recorded and actions taken to correct deficiencies.

This process is under development.
Appendix E: Health and Safety Manual

Please refer to the following pages for MasTec’s Health and Safety Management Plan document.
Health, Safety, Environmental (HSE) Policy Manual

Make Safety Your Priority
Your family, friends, and teammates are counting on you.

MasTec Network Solutions
MNS (MNS) Health, Safety and Environmental program is based on the value that Safety, Quality and Production are of paramount and equal importance. MNS management, employees and sub-contractors are committed to achieving and sustaining MNS Health, Safety and Environmental excellence in all phases of our projects through continuous improvement of our daily workplace processes and procedures.

The objective of the Health Safety and Environmental program is to promote communication between management and MNS employees and sub-contractors while developing accountability, awareness and integrity.

Employee skills will be improved through training and experience to eliminate injuries and illness from all operations with the overall goal of providing a safe work environment for all MNS employees and sub-contractors. The Health Safety and Environmental program will meet and exceed the applicable Health, Safety and Environmental legislation and industry standards.

To be successful, we will include Health Safety Environmental in every part of our daily operations and will not allow its value to be compromised.

MNS leadership recognize that the responsibilities for Health Safety and Environmental are shared:

- MNS management accepts the responsibility for leadership of the Health Safety and Environmental program; for its effectiveness and improvement along with furnishing to each employee and sub-contractor a place of employment which is free from recognized hazards that are causing or are likely to cause death or serious physical harm to MNS employees or sub-contractors.
- MNS Employees and our sub-contractors are responsible for adhering to and complying with all aspects of MNS Health Safety and Environmental program. Employees and our sub-contractors are also encouraged to practice Employee Based Safety while complying with all the rules and regulations of the Health Safety and Environmental program.

All parties will act with honesty, accountability and integrity in the pursit of our value that Safety, Quality and Production are of equal importance.

Working safely is a condition of employment at MNS.
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Appendix G: Sample Project Portfolio

Please refer to the following pages for a sample portfolio of Smart Projects in the region.
Project Portfolio

REGIONAL PROJECTS
REGIONAL CONNECTIVITY RING
LAYING THE GROUNDWORK

Priority Areas: Public Safety, Infrastructure, Open Data and Cybersecurity

Goal: Create a 103.11-mile regional dark fiber, open access ring, which will serve as the foundation for smart region development and digitally-empowered communities’ regional dark fiber, open access ring, which will serve as the foundation for smart region development and digitally-empowered communities

Benefits:

• Leverages the Transatlantic fiber capabilities to bring unprecedented broadband speeds to the region
• Serves as a foundation for Smart City and IoT development in each connected city
• Connects regional critical infrastructure, including higher education facilities, to a network that provides top-of-the-line cybersecurity
• Uses cutting edge analytics to constantly learn and iterate tangential projects, as well as holistically improving technologies through cross-project last mile analytics
• Gives easier access to high-speed broadband for underserved/unserved areas, spurring economic development at all levels

ROI Statement

• Brings high-speed transatlantic cable to the 5 cities
• Supports and spurs economic growth.
• Regional governments have their own fiber optic government networks and assets to draw on for building out a more robust regional infrastructure
• Catalyst for technological and cultural change with a goal of empowering citizens within their own communities
• Laying the groundwork for deploying future technologies and security enhancements
### Regional Ring

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<td><strong>Subtotal</strong></td>
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<td>$28,404,310</td>
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Priority Areas: Public Safety, Mobility, Environment and Infrastructure

Goal: Create a regional roadway network to support connected vehicle technology.

Benefits:

- Introduce electric cars, mobility apps, link to information grid
- Expand mobility options for people and freight
- Alleviate traffic congestion, lack of parking, long commutes
- Efficient use of existing infrastructure
- Deliver real-time information to drivers (road closures, work zone lane alerts, incident management, etc.)
- Interface with Virginia Department of Transportation (VDOT) Operations Hampton Roads/Eastern Region Transportation Operations Center (TOC) and city Traffic Management Centers (TMCs) – provide data to support traffic management throughout the region
- Assist state with goals and objectives outlined in VDOT Connected and Automated Vehicle Program Plan

ROI Statement

- Positions Hampton Roads as an attractive area for industry to deploy, test, operate and evolve connected and automated vehicle applications, products and services
- Improves mobility and reliability of regional transportation system
- Reduces crashes and related injuries and fatalities
- Reduces future infrastructure investments by more efficiently using the existing infrastructure
- Enhances real-time information for travelers, including work zone lane closure alerts and incident management
- Improves transit operations, moving more people through corridors
HAMPTON ROADS VIRGINIA REGIONAL CONNECTIVITY RING PROJECT PLAN

TRANSPORTATION CORRIDOR

TOTAL $3,742,992

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<td>Yearly FCC x 5 ($2000 Per Cell)</td>
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Subtotal                                               | $2,835,600 |
| PE 20%                                                | $567,120 |
| CEI 12%                                               | $340,272 |

Total                                                  | $3,742,992 |
STORMSENSE AND STORM RESILIENCE
STORM WATER SURVEILLANCE

Project: StormSense and Land-Based Flood Sensors

Priority Areas: Public Safety, Resilient and Connected Communities

Goal: Develop a monitoring network of Internet of Things (IoT) sensors to detect flooding on area roadways in real time

Benefits: The award-winning StormSense project has been touted as a promising avenue for addressing flooding. This regional collaboration between several municipalities, universities and researchers aims to:

- Mitigate the impact of flooding by predicting flood events due to storm surge, rain and tides
- Build more resilient communities
- Enhance emergency preparedness
- Strengthen disaster recovery efforts

Smart IoT sensors are strategically installed in specific locations to collect and aggregate water level data in the cloud. Through the application of hydrodynamic modeling and data science, the StormSense team can create historic, current, and future analysis; decision support platforms to enhance real-time predictions; and raise citizen awareness in enterprising new ways.

ROI Statement:

The ROI for the Roadway Flooding Sensors is to provide commuters, tourist, and businesses the locations of flooded roads in real time using mapping apps that are commonly used. The information will enable people to adapt to these circumstances by choosing alternate routes or allowing enough time to deal with the congestion caused by flooded roads. This effort will reach many people during storm events but also inform drivers of sunny day flooding caused by tides when many people wouldn't expect to encounter flooded roads. Assessable, real-time locations of flooded roads will have thousands of small impacts like the cost of missing or making a doctor's appointment or commercial delivery being on time or delayed. During major flooding events, these sensors would be particularly valuable to emergency manager and public works departments because the data would improve decisions about available evacuation routes and where to stage resources. The data would also improve estimates of the response time to provide emergency services across the region.
<table>
<thead>
<tr>
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<th>Cost</th>
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<tr>
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<td>$307,272</td>
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Project Portfolio

CITY PROJECTS
SMART ENTERTAINMENT CORRIDOR – VIRGINIA BEACH
HIGH-TECH DEVELOPMENT

Priority Areas: Public Safety, Mobility, Environment, Infrastructure

Goal: Amplify the burgeoning ViBe Creative District with smart innovation projects

Benefits:

- **Transportation:** Establish an Automated Vehicle Shuttle (19th Street Corridor East-West) to connect to existing North-South public transportation routes
- **Smart Parking:** Real time, dynamic parking
- **Public Safety:** Expansion of facial recognition cameras, remote/recessed security bollards
- **Public Service:** Street light utility for LED, 5G, surveillance
- **Public Information:** Holographic kiosks

ROI Statement:

Leverages recent public and pending private investment in the Entertainment District to support the Commonwealth of Virginia’s largest city and over 19 million visitors/year by:

- Expanding mobility choices and lowering congestion in dense mixed-use areas
- Reducing motorist frustration by simplifying parking choices
- Creating a safer resident/visitor experience in a discrete, camouflaged manner
HAMPTON ROADS VIRGINIA REGIONAL CONNECTIVITY RING PROJECT PLAN

VIRGINIA BEACH ENTERTAINMENT DISTRICT

TOTAL $1,369,061

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</table>
AUTONOMOUS SHUTTLE OPERATION

VIRGINIA BEACH SUB-PROJECT

Priority Areas: Public Safety, Mobility/Transportation, Environment, Infrastructure, Economic Development

Goal: Integrating a driverless, electric shuttle into the cities’ mobility options

Overview: EasyMile has developed the EZ10, a 100% electrical and driverless shuttle. The EZ10 can supplement existing transport services by providing a first/last mile option within a broader transportation system. These vehicles can contribute to improved safety and mobility while also reducing a City’s greenhouse gas emissions. Early deployments like these are key to the advancement and adoption of this technological evolution.

Cost: $2,400,000 Capital Impact +

10 Vehicles @ $500,000 per year
PUBLIC HOUSING CONNECTIVITY – PORTSMOUTH

DIGITAL INCLUSION

Priority Areas: Communities, Education, Public Safety, Infrastructure, Economic Development

Goal: Expand broadband access through public infrastructure to residents in low-income communities

Benefits:

• Provide Wi-Fi services to citizens unable to afford the recurring costs
• Enhance social mobility through better education and employment opportunities
• Close the digital divide and boost participation in the digital economy
• Create connected and digitally-empowered communities to increase quality of life and spur economic growth
• Support telehealth initiatives

ROI Statement

• Accessibility of connectivity for citizens within underserved or unserved areas
• Enables citizens an avenue of digital inclusion to compete within a digital economy
Portsmouth Unserved Development

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Subtotal $890,080

PE 20% $176,016

CEI 12% $106,809

Total $1,172,905
SMART TRAIL – NORFOLK
A PATH TO HEALTHIER COMMUNITIES

Priority Areas: Public Safety, Mobility/Transportation, Environment, Infrastructure, Economic Development

Goal: Build Virginia’s first Smart Bike and Pedestrian Trail

Benefits:

- Allow region to test smart technologies and scale best options as part of the Regional Connectivity Ring
- Offer alternate transportation option for residents including underserved communities
- Introduce innovative technologies such as IoT, solar-powered charging stations, smart lighting, smart trash cans, smart electronic signage, smart kiosks and bike share racks
- Increased citizen engagement during planning, execution and post-implementation phases
- Contribute to development of healthier citizens and communities
- Reduce congestion, air pollution and roadway costs
- Support local businesses through increased visibility

ROI Statement

- This project will become an economic development engine in Norfolk
- Improve neighborhood connectivity
- Norfolk’s iconic waterfront will be more accessible
- Workforce attraction and retention will be improved
- The development of a healthy living culture in Norfolk
NORFOLK SMART TRAIL

TOTAL $2,008,881

**Suffolk Centerpoint Megasite**

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Subtotal $1,131,160
PE 20% $226,232
CEI 12% $135,739
**Total** $1,493,131
SMART INDUSTRY AND MANUFACTURING – SUFFOLK
BIG DATA IN MANUFACTURING

Priority Areas: Economic Development, Infrastructure

Goal: Expand manufacturing opportunities and enhance performance with big data and analytics

Benefits:

- Attract national and global businesses seeking a location with advanced data infrastructure
- Support major manufacturing operations, realize additional investment and create jobs
- Introduce big data capabilities to improve efficiency, yield and business forecasting

ROI Statement

- Optimize operational and cost efficiency, as well as usher in new methods of innovation
- Processes can be intelligently reconfigured for transforming business outcomes
- Machine learning and continuous improvement in eliminating failure and increasing output on the same production line
- Overall Equipment Effectiveness (OEE) and the optimization of processes produces a growing margin when it comes to ROI
### Suffolk Centerpoint Megasite

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<td>Cyber Security</td>
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<td></td>
<td><strong>Subtotal</strong></td>
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<tr>
<td>PE 20%</td>
<td>$226,232</td>
</tr>
<tr>
<td>CEI 12%</td>
<td>$135,739</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
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</tbody>
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TOTAL $1,493,131
SMART UTILITIES NETWORK – CHESAPEAKE
A FOUNDATION FOR SMARter UTILITIES

Priority Areas: Infrastructure, Public Safety, Communities

Goal: Design and deploy a wireless overlay on top of the municipal fiber network to improve water and sewer operations

Benefits:

• Empower citizens with ability to track water consumption in real-time
• Decrease number of manual meter reads and associated management and administrative support
• Reduce equipment, related maintenance costs and support expenses while enhancing operational efficiency
• Deliver better customer service and transition from 60-day billing cycle to monthly billing
• Utilize open IoT communications technology and interface with SCADA
• Leverage latest long-range, low power (LoRa) equipment to communicate

ROI Statement

• Greatly improves the monitoring and repair processes and cut rates for all involved
• IoT enabled solutions so that everything is consolidated in one real-time management system
• Mitigates water loss, using energy more efficiently, and preventing property damage
• Extends the life of assets and reduces operating risks
## Chesapeake Smart Utilities

### Total:

![Bar chart showing various costs associated with Chesapeake Smart Utilities.]

- **Network Operation Center**: $100,000
- **Fiber Construction (last Mile) 10 Miles**: $1,036,728
- **GPON Cabinet - $12,000 per unit**: $12,000
- **Installation (GPON) - $6,000 per unit**: $6,000
- **Commercial Grade Wireless AP - $5,500 per unit**: $33,000
- **Small Cells - $35,000 per unit**: $0
- **Sensors - $3.500 per unit**: $0
- **Cyber Security**: $72,000
- **Data Analytics**: $20,000
- **Yearly FCC x 5 ($2000 Per Cell)**: $0

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<tr>
<td>Yearly FCC x 5 ($2000 Per Cell)</td>
<td>$0</td>
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</tbody>
</table>

#### Subtotal: $1,279,728
- **PE 20%**: $255,945
- **CEI 12%**: $153,567

#### Total: $1,689,240
ALL PROJECTS - OVERALL COSTS

OVERALL CONSTRUCTION COST

- Regional Connectivity Ring
- Connected Corridor
- StormSense and Resiliency
- Chesapeake Smart Utility Network
- Norfolk Smart Trail
- Portsmouth Public Housing Connectivity
- Suffolk Smart Industry and Manufacturing
- Virginia Beach Entertainment Corridor

TOTAL $45,711,601
Attachments A-G (Part H – Procurement Forms)

Please refer to the following pages for the following Attachments A-G:

Attachment A — Experience (pg. X)
Attachment B — Financial Responsibility (pg. X)
Attachment C — Non-Collusion Statement (pg. X)
Attachment D — Certification of Compliance with Immigration Laws and Regulations (pg. X)
Attachment E — State Corporation Commission Certification (pg. X)
Attachment F — SWaM/DBE Certification Form (pg. X)
Attachment G — Partner Responsibility Matrix (pg. X)
Attachment A

Experience

Provide information on similar projects carried out by your firm/consortium below. If the consortium has formed for the purpose of the present project, provide project and references for key members of the consortium.

If you believe additional information on projects is desirable, please attach further information.

This section contains project experience, in order, for the following Firms:

Global Technical Systems

Smart City Capital

MasTec

Broadband Telecom Services
SCC Consortium Experience and Capabilities – WWT (Nokia), AT&T, Whitehelm / SCIF & Others

- Nokia via. WWT
  Chattanooga, TN
  Neutral Host Carrier--
  First American City with 10 GB Connectivity – FTTH-- 105K Clients-
  $312 Million in Smart Meter Savings, $865 Million Net Economic Benefit, $24 Million Free Advertising
  Efficiencies in operations saved $10.5 million per year
  28000 New Jobs Created--- VW Production Factory and Related Businesses. TVA and EPB created a Start-
  up Business Think Tank for New Business Entrepreneurs

  Notes: EPB and the City Platform have been in service for 10 Years – Cash Flow Positive. The
  Communication division returns approx. 25 to 40M per year back to the Electric Board which is funded
  by the City. This monetization pays for free Internet to those unable to pay and subsidizes those that still
  fall under payment abilities. The Profit from the Communication Division has also been used to offset
  Electrical Rate Increases for the Residents and Business Community. (This is how the revenue share has
  been implemented.)

- Dalton Utilities, GA:
  IP-based technologies reduce staff and operational costs, enhancing collaborative work within various
  divisions of the utility
  $19 million in annual revenue generated by OptiLink (their Brand), -- FTTH and 4G/5G Backhaul Provider
  with their Fiber Assets.
  Revenue Streams maintain a seven-to ten-year ROI window in order to progressively retire older
  electronics, keeping the network cutting edge
  Smart Water System as Community produces 80% of the Carpet for the US market.

  Notes: This small Community has used Revenue from The Communication Division Optilink to offset
  increased Video Costs and grown Market share by “holding the line on price” for the consumers. (Note:
  While cash flow is positive. Growth was initially slowed as the Electric Utility had an interest in a new
  Nuclear plant that overran costs.) The High Speed network has added efficiencies to the Water
  Department which is the largest revenue driver for the City (Carpet Business Capital of the USA.) Smart
  Water solutions continue to be tested using the Fiber Network.

- Fort Collins, CO:
  Equity Investment of 150 Million which Includes Working Capital
  Mandate to connect 70,000 (62000 Homes and 8000 Businesses)
  City and Utility Services and University of Colorado are anchor tenants. Smart City Applications will be a
  Phase 2 Solution after Network Buildout.

  Notes: This project was 5+yrs. In the making, originally Smart Grid Led by the City’s Utility Department(
  Similar to our Miami Dade County Approach), and ultimately became a Bond Funded led FTTH 1st Smart
  Utility 2nd solution. State Laws, Bill 152, allowing for the City to build and run a Network had to follow a
  local vote, which when passed led to a change in the order of what was the lead solution on the
  Network. Because of the vote and time lag, the operation of the Network started in 2019, and is
  following the typical Phases, Infrastructure Build, Cash Flow and then Application Enablement. The Long
  term view is a Smart Community following the footsteps to be a Chattanooga West.. (GM is former EPB
  of Chattanooga Director)
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City and Utility Services and University of Colorado are anchor tenants. Smart City Applications will be a Phase 2 Solution after Network Buildout.

Notes: This project was 5+ yrs. In the making, originally Smart Grid Led by the City’s Utility Department (Similar to our Miami Dade County Approach), and ultimately became a Bond Funded led FTTH 1st Smart Utility 2nd solution. State Laws, Bill 152, allowing for the City to build and run a Network had to follow a local vote, which when passed led to a change in the order of what was the lead solution on the Network. Because of the vote and time lag, the operation of the Network started in 2019, and is following the typical Phases, Infrastructure Build, Cash Flow and then Application Enablement. The Long term view is a Smart Community following the footsteps to be a Chattnooga West. (GM is former EPB of Chattnooga Director)

City of Fullerton, CA:
Private entity funds ($250 Million) are being used to construct and manage an “open service” FTTH network infrastructure, with the intention of leasing access to residential and business customers to Service Providers. Additional use cases include public WIFI, parking sensors, traffic control signals, CCTV, street-light control, etc.

Notes: This is an “example” that Parallels the Fiber 1st/Smart City 2nd approach. While Nokia is the Solution provider, the process for this Consortium in Miami Dade follows the approach in Fullerton. In this Case (Miami Dade County), we are leading with Smart Electric and other Use Cases, where in the Fullerton Case FTTH was the lead. Please Note, if you look at this example, over time, Miami Dade County will probably have most of the same Use Cases and Revenue Streams as Fullerton.

### Additional Project References

<table>
<thead>
<tr>
<th>Consortium Partner</th>
<th>Reference Name</th>
<th>Project / Financing or Equity Value</th>
<th>Project Date</th>
<th>Project / Work Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart County Infrastructure Fund (WH)</td>
<td>Various USA Projects</td>
<td>$200M+ USD</td>
<td>Various Dates</td>
<td>Muni-broadband projects (Fullerton, Lancaster, and others)</td>
</tr>
<tr>
<td>Whitehelm Capital</td>
<td>Peninsula Link, Australia</td>
<td>$791.6M USD / $672M Senior Debt, $101M USD Equity</td>
<td>February 2010 – December 2014</td>
<td>$101M Equity contribution, initial $65.7M in 2010, then $35.6M in 2014</td>
</tr>
<tr>
<td>ING Capital, LLC</td>
<td>Capital Beltway Structure</td>
<td>$589M USD Project Structure</td>
<td>CY2008 – 2015</td>
<td>Participant in P3 Toll Road Facility</td>
</tr>
<tr>
<td>ING Capital, LLC</td>
<td>I-595 Project</td>
<td>$781M USD Project Structure</td>
<td>CY2009 – CY2016</td>
<td>Participant in P3 Toll Road Facility</td>
</tr>
</tbody>
</table>
3.5 Customer Satisfaction – Past or current customer satisfaction surveys or metrics that demonstrate all facets of the overall customer experience

As shown, SCC Consortium will provide a 99.99% uptime SLA on the fiber backbone. Our customers have all been very satisfied from project execution to operation. Below are customer references.

<table>
<thead>
<tr>
<th>Customer</th>
<th>Project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chelan County</td>
<td>Broadband Deployment</td>
<td>Nokia – deploy broadband.</td>
</tr>
<tr>
<td>County of Ft Collins</td>
<td>Full build, end to end</td>
<td>Nokia - end to end network build across County of Ft Collins, currently in deployment stage.</td>
</tr>
</tbody>
</table>

**Customer References**

<table>
<thead>
<tr>
<th>Project</th>
<th>POC</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>County of Fort Collins</td>
<td>Colman Keene</td>
<td><a href="mailto:fekeane@fcgov.com">fekeane@fcgov.com</a></td>
</tr>
<tr>
<td>Chattanooga EPB</td>
<td>Shane Sexton</td>
<td><a href="mailto:sextonws@epb.net">sextonws@epb.net</a></td>
</tr>
<tr>
<td>Public Utility District No. 1 of Chelan County</td>
<td>Ron Auger</td>
<td><a href="mailto:ron.auger@chelanpud.org">ron.auger@chelanpud.org</a></td>
</tr>
<tr>
<td>Lafayette Utilities System</td>
<td>Teles Fremin</td>
<td><a href="mailto:tfremin@lus.org">tfremin@lus.org</a></td>
</tr>
<tr>
<td>Bristol Tennessee Essential Services</td>
<td>Mike Parker</td>
<td><a href="mailto:mparker@btes.net">mparker@btes.net</a></td>
</tr>
<tr>
<td>Westfield Gas and electric</td>
<td>Michael Mastroianni</td>
<td><a href="mailto:mrm@wgeld.org">mrm@wgeld.org</a></td>
</tr>
<tr>
<td>Morristown Utilities</td>
<td>George Benjamin</td>
<td><a href="mailto:gbenjamin@musfiber.net">gbenjamin@musfiber.net</a></td>
</tr>
</tbody>
</table>

**Consortium Capabilities, Solutions & Experience:**
Whitehelm Capital (Equity, ESCO, Mezzanine and Senior)

One of the most experienced infrastructure managers with an outstanding track record spanning over 19 years, €5.8 billion in direct infrastructure debt and equity investments made since inception, and €3.4 billion of funds currently under management, they are one of the world’s largest and most experienced independent infrastructure managers.

They are a long-term investor, partnering with clients to invest in true infrastructure assets that protect real investment value, while providing predictable cash returns. This is achieved by investing in assets with clear and measurable cash flows and adding value through active asset management.

Globally, they have extensive experience on smart infrastructure, lighting, and similar type ESCO projects.

Whitehelm Project Highlights: (Refinancing of the Peninsula Link Road)

In March 2014, the $745 million senior debt facility was successfully completed, allowing the company to repay all the debt originally borrowed to fund the construction of the Peninsula Link freeway, in Victoria, Australia.

All the superannuation fund shareholders in their original bid for the project and has managed the asset through construction and completion. Tom Snow, Head of Investments Australia at Access Capital Advisers, led the efforts the majority of equity in this successful project was contributed by three Australian Superannuation Funds, reducing the risks in the project for the investors, lenders and the State of Victoria.

Southern Way is the Project Company that holds the concession for the Peninsula Link freeway in Melbourne, Victoria. Peninsula Link is a 27km freeway secured by a 25-year availability PPP contract with the Victorian state government. Peninsula Link also includes a 25km walking and cycling path, which along with the 27km freeway is a great asset appreciated by locals and tourists alike. The Project was awarded to the Southern Way consortium in 2010. Following a successful delivery period, the road opened to traffic on 18 January 2013, and has been operating successfully for these years.

The new debt package consists of a single five-year tranche that was secured from six banks: ANZ, BTMU, CBA, NAB, SMBC and Westpac. As part of the team that secured the capital, Whitehelm contributed $83,000,000, (USD 65.7 million) - 66.7% equity contributed, later an additional A$45,000,00 (USD 35.6 million) to acquire remaining equity interest in 2013, bringing total equity interest to 100%.

Whitehelm has existing smart County / P3 broadband projects in North America, including a $70M Fullerton California P3 Broadband Project and has established a $500M Smart County supporting in part, Smart City Capital Projects, across OECD countries.

ING Capital
ING is a global leader in infrastructure financing, structuring, and participation, supporting a wide range of public sector and P3 projects. The range of project include, but are limited to Port terminals, to major roads, campuses as well as innovative structures supporting all type of project sizes and complexity.

**ING Port of Miami P3 / Port Tunnel**

The Port Miami Tunnel project is a highly complex project which was built through a public-private partnership (PPP or P3) that includes the design, build, finance, operation, and maintenance of said project. It is a 35-year concession agreement between the Florida Department of Transportation (Owner) and MAT Concessionaire, LLC (Concessionaire), which includes 55 months for design and construction carried out by Bouygues Civil Works Florida (BCWF).

Nearly 16,000 vehicles travel to and from the Port Miami (POM) through down County streets each weekday, restricting the port’s ability to grow. The benefits of the Port Miami Tunnel include:

- Providing a direct connection from the Port Miami to highways via Watson Island to I-395
- Keeping the Port Miami, the County’s second largest economic generator, competitive
- Making down County streets safer by reducing congestion on down County streets

The Project includes:

- A 43-foot diameter bored tunnel under the “Government Cut” (shipping channel)
- Roadway work on Dodge and Watson Islands
- MacArthur Causeway Bridge widening

**Financial Solution**

The POMT is a public-private partnership (PPP) designed to transfer the responsibility to design-build-finance-operate-and-maintain (“DBFOM”) the project to the private sector. It is a technically challenging project that attracted three bidding consortia comprised of several of the most technically sophisticated and financially sound constructors and financiers in the world. Under the concession agreement, FDOT will make milestone payments to the concessionaire during the construction period, upon the achievement of contractual milestones.

ING was one of ten banks that provided the funding. After construction was completed, the department will then make availability payments to the concessionaire. These payments will be contingent upon actual lane availability and service quality. The tunnel will be returned to FDOT, in first-class condition, at the end of the contract in October 2044. The total cost of design and construction of the tunnel is set at $668.5 million. The project was open to traffic on August 3rd, 2014

**Bank of America** (Muni-SLED Structured Debt, Financing & Leasing)

BofA’s Public Finance Group is one of the largest, most successful, and creative investment banks based in the U.S, offering municipal debt-based structures and products. Higher education, government, housing and redevelopment, and healthcare clients rely on BofA for underwriting,
selling, and trading municipal bonds. Most of all, they trust us for all aspects of their borrowing and financial management.

A Public Finance Leader

Over the past five years, BofA’s Public Finance group has raised capital for and provided direct underwriting and investment banking services to more than 1,800 municipal bond issuances totaling more than $99 billion in municipal securities. That ranks them among the largest public finance groups in the Mid-Atlantic region and among the top 20 most active public financing firms in the nation. On behalf of our clients they underwrite, sell and trade municipal bonds.

- BofA ranks in the top ten in lead managed transactions across its 13-state footprint which includes DE, FL, IL, IN, KY, MD, MI, MO, NJ, OH, PA, VA, WI, as well as Washington, DC.
- The combined experience of SCC’s consortium consisting of top tier institutions, results in a consortium / team that possess overall P3, smart infrastructure experience, consortium financial strength and diversified range of financing / funding options, delivering a best of breed solution and unparalleled qualification for the County.

Additional Funding Consortium Partners include Wells Fargo, Citibank, Credit Suisse, UBS and Century Tokyo and others.

SCC collaborates closely with the State League of Cities, establishing a replicable educational platform supporting all cities in the respective state, so member cities can be aware of all possible solutions and business models. This collaboration allows cities to eliminate the two key adoption barriers which are “know-how” and variable risk funding.
STATEMENT OF QUALIFICATIONS

Broadband Telecom Services, LLC

370 N. Main St.
Kilmarnock, VA 22482
Phone: (754) 581-1574
Overview

Jeff Beekhoo | Broadband Subject Matter Expert | Broadband Telecom Services

Jeff has a broad and successful history in the telecommunications industry as a subject matter expert and service provider CEO. As a Broadband consultant, Jeff’s deep referenceable experience includes LTE, OSP fiber optic design, construction, and management. He is highly skilled at the technical aspects of a project as well as efficient project management and is always seeking to grow strategic partnerships to build teams that consistently deliver on objectives. Jeff holds a BS in Electrical Engineering from the University of Toronto.

Jeff’s experience includes developing a business model for the Hampton Roads Transatlantic Fibers, MAREA and BRUSA, to begin managing and consulting for The Hampton Roads Regional Connectivity Ring. This is a project that is being facilitated through the Hampton Roads Planning District Commission (“HRPDC”), to build a fiber optic broadband network that connects five Virginia cities located in Southern Virginia and provide a backbone for eight proposed projects of regional and local significance, designed to be replicable and scalable for adaptation towards additional community, regional, and national initiatives. A Master Plan and final 30% Pre-Engineering Design was developed by Jeff and his team.

Jeff will serve as the lead for this project, with his background in wireless technologies and standing up ISPs directly relating to the tasks in the RFP response. He currently acts as the Broadband Subject Matter Expert to both Mathews and Lancaster County, the latter being where he is coordinating a wireless network build. His current offices reside in Kilmarnock, and his home in Middlesex. The former is 26 minutes away from the MBA, while the latter is 8. He will be the BTS representative that will attend required status update meetings and supervise field work.

Relevant Projects + Qualifications

• Developed 30% Master Plan for Hampton Roads Regional Connectivity Ring (RCR)
• Lead Hampton Roads RCR Project Plan to victory in the 2018 Smart Infrastructure Challenge in Columbus, OH, with an award of $47 million dollars in funding and resources for the region
• Smart City Integration
• USDA ReConnect Grant writing and submission for Virginia Counties
• City of Hampton Broadband and Smart City Initiative Consulting Services
Experience and References

Multiple C.A.R.E.S. Awards for Solar Powered LTE Hotspots

2020

BTS helped advise the application of solar-powered smart poles for Mathews, Lancaster, and Virginia Beach in multiple locations to provide connectivity for unserved residences by way of mobile hotspots places in community areas. All these applications were accepted, and each pole has been stood up as of March 3, 2021.

Lancaster County C.A.R.E.S. Wireless Network Deployment

2020

BTS assisted Lancaster County in applying for state-level C.A.R.E.S. funding that would be used to purchase radio equipment in order to serve 300 residences off an existing tower. The application was accepted and BTS has worked to project manage and oversee the tower lease agreement and advise on the required equipment and installation. The radios are set to be installed mid-March 2021 and the first resident to be activated shortly after.

County of Gloucester - Broadband RF Analysis

2020

The County of Gloucester has hired Broadband Telecom Services to conduct a Radio Frequency (RF) Analysis using propagation studies/maps using clutter data to direct and guide broadband expansion to all unserved homes and businesses in Gloucester. This will be accomplished by identifying a backhaul that will provide a high-speed circuit connection to wireless towers, determining if existing towers can be used to mount RF access point equipment, or identify potential tower sites for new tower builds that can serve remaining unserved areas in the county, utilizing a combination of geographic information systems and radio frequency planning software to address the market potential for providing wireless broadband internet to the unserved population in Gloucester County. This analysis will provide an assessment of the whole county’s RF propagation plan.

Contact:
Carol Steele
Interim Deputy County Administrator
County of Gloucester Virginia
6489 Main Street
Gloucester, VA 23061
Phone: (804) 693-4042
Email: csteele@gloucesterva.info
County of Matthews, Broadband Strategic Plan and RF Analysis

2020

Broadband Telecom Services has been hired to create a strategic plan for Mathews County Broadband Advisory Board’s (MCAB). Broadband telecom will review all data previously acquired and compile into current snapshot of regional connectivity. From this condensed data, we constructed a plan for the county’s rapid and effective response to the broadband needs highlighted by the COVID-19 Crisis. This project will result in a strategy for attaining funding and a step-by-step process for expanding broadband infrastructure in Mathews County. This improved access to broadband will drive economic health and sustainability, as well as growth in other technology dependent sectors. For this project we will identify key technologies for broadband access, coordinate and identify possible tower locations for Mathews County, develop middle-mile strategy utilizing service providers for broadband connectivity, create a network model using fiber, wireless, and smart poles, and identify the best wireless solutions for deployment in Mathews county such as 4GLTE, 5G, licensed, unlicensed, spectrum.

After the initial term, Mathews has extended the contract in order for us to conduct a detailed RF analysis of existing and potential tower sites, and a deployment plan that includes a detailed BoM.

Contact:
Judith Rowe
Chair
Mathews County Broadband Advisory Board
10622 Buckley Hall Rd,
Mathews, VA 23109
Phone: 804-725-5127
Email: judyrowemath@gmail.com

Regional VATI Grant on behalf of the Counties of Middlesex, Caroline, Matthews, and Lancaster

2020

The Broadband Telecom team, led by Tyler Beekhoo on this project, coordinated a four-county regional effort to improve Broadband access on the middle peninsula of Virginia. Working closely with Atlantic Broadband, the incumbent ISP, we assembled the grant application on behalf of the counties, which included compiling and summarizing data regarding the availability of broadband access, financial information, and planned expansion coverage. The application was submitted on August 17th, 2020 and the awards are expected to be announced in early 2021.

Contact:
Cassie Thompson,
Chair of Lancaster Broadband Authority
8311 Mary Ball Rd.
Lancaster, VA 22503
Phone: 703-244-6292
Email: ctthompson@lancova.com

Lancaster County USDA ReConnect 100% Grant Application 2020
Our team was responsible for assessing the County’s existing network and developing a telecommunication plan to apply for the USDA ReConnect FY2020 grant to provide enhanced services to county facilities and residents. After assessing the existing infrastructure and services, our team designed a central office and fiber network to provide gigabit capabilities, as well as connectivity to 2,800 homes in the County. To accomplish the requirements of the County and USDA, the network was comprised of Active Ethernet for county services and GPON for the residents. In addition to designing the data center and fiber optic distribution for the County, we were also responsible for putting together a cost model for the project and business plan showing a return-on-investment.
Our final project deliverables were a network designs, fiber schematics, a bill-of-materials, total project cost, and a Business plan with an ROI.

Contact:
Cassie Thompson,
Chair of Lancaster Broadband Authority
8311 Mary Ball Rd.
Lancaster, VA 22503
Phone: 703-244-6292
Email: ctthompson@lancova.com

City of Hampton Broadband Consulting Services
Subject Matter Expert and Consulting 2019 - Present
Develop a master plan for the city of Hampton to utilize the Regional Ring and Trans-Atlantic fibers as a catalyst for Digital city Transformation. The master plan will consist of identifying existing infrastructure within the city to develop a Next Generation middle-mile distribution that will be the foundation for digital city services.
We have developed a strategic plan to design their Next- Generation fiber network and provide smart technology solutions, which incorporates five master plans they have created for strategic growth areas in their City. This project will connect their 72 city facilities across the span of Hampton and allow for lower broadband costs and smart initiatives. The City is in the process of implementing phase one of the fiber network design. As part of this network design, Smart Poles containing public wi-fi and solar powered lights have been added at YH Thomas Community Park. In addition to Wi-Fi, the City is also looking to
leverage this infrastructure for integrated VOIP solutions, sea-level rise sensors, public safety applications, disaster recovery, other IoT applications.

**Contact:**
Dr. Wayne Davis  
Chief Information Officer  
City of Hampton  
22 Lincoln Street, 6th Floor  
Hampton, VA 23669  
Phone: 757-727-6413  
Email: wayne.davis@hampton.gov

**Powhatan County USDA ReConnect 100% Grant Application 2019**
Broadband Telecom teamed with Clark Nexsen to prepare a preliminary design to accommodate 1,154 homes and business in Powhatan VA. The design consisted of a fiber optic middle-mile distribution, providing wireless service to one non-existing main tower and 9 small cells within the coverage area. The wireless distribution was designed to accommodate licensed CBRS spectrum that is available to the counties and municipalities which is much more reliable than unlicensed spectrum. The design was also the basis for a 5-year business model that will used for a USDA ReConnect grant and RFP procurement of a service provider to manage and run the network.

**Contact:**
Ted Vorhees  
County Administrator  
County of Powhatan  
3834 Old Buckingham Rd. Suite A  
Powhatan, VA 23139  
Phone: 804-598-5612 x2000  
Email: tvoorhees@powhatanva.gov

**Culpeper County USDA ReConnect 100% Grant Application 2019**
Broadband Telecom teamed with Clark Nexsen to prepare a design to accommodate 873 unserved homes in Culpeper County. The design called for 33 miles of a fiber optic middle-mile distribution to an existing tower that needed to be retrofitted to accommodate the wireless equipment. The fiber distribution also provided services to 8 small cells within the unserved coverage area. As with all our projects, the design
was developed for a cost model to build a 5-year business plan. This information was used for a USDA
Reconnect Grant and will be used in procuring a service provider for the unserved area.

**Contact:**
Laura Loveday, AICP
Special Projects and Grants Administrator
County of Culpeper
803 S. Main St.
Culpeper, VA 22701
Phone: 540-727-3410 ex. 5
Email: lloveday@culpepercounty.gov

**Hampton Roads Regional Connectivity Ring Master Plan and 30% Design**

**Hampton Roads Planning District Commission - Regional Broadband Director**

**2017-2018**

Developed business model for the Hampton Roads Transatlantic Fibers, MAREA and BRUSA, to begin
managing and consulting for the Regional Connectivity Ring.

The Hampton Roads Regional Connectivity Ring. This is a project that is being facilitated through the
Hampton Roads Planning District Commission (“HRPDC”), to build a fiber optic broadband network that
will connect five (5) Virginia cities located in southern Virginia, and provide a backbone for eight (8)
proposed projects of regional and local significance, designed to be replicable and scalable for adaptation
towards additional community, regional, and national initiatives. A Master Plan and final 30% Pre-
Engineering Design was developed by Jeff and his team, currently the governance model is under
deliberation by the 5 Southside city officials. Additional subject matter consulting has continued on this
project and Jeff remains Virginia Beach’s liaison to the project.

**Contact:**
Robert A. Crum Jr.
Executive Director
Hampton Roads Planning District Commission
Hampton Roads Transportation Planning Organization
723 Woodlake Drive
Chesapeake, Virginia 23320
Phone: 757-420-8300 | Fax 757-523-4881
Email: rcrum@hrpdcva.gov | rcrum@hrtpo.org
Web: www.hrpdcva.gov | www.hrtpo.org
City of Virginia Beach-Broadband Consulting Services

2018 - Present
Assisting with network analysis, customer premise requirements, value engineering, budget analysis. Hybrid fiber, wireless design services utilizing GIS database, county towers and fiber rings to expand broadband services to underserved and unserved areas. As the broadband subject matter expert for Virginia Beach, Jeff Beekhoo is the primary advisor for the Chief Information Officer and provides insight on all matters related to the connectivity of Virginia Beach and its Smart City initiatives.

Contact:
Peter Wallace
Chief Information Officer
City of Virginia Beach
4801 Columbus Street  | Suite 200 |
Virginia Beach, VA  23462
Phone: 757-385-8003
Email: pwallace@vbgov.com

Mohawk Networks – Saint Regis Mohawk Tribe

2013-2015
Mr. Beekhoo was contracted to manage and operate a 10-million-dollar USDA grant that was awarded to the Saint Regis Mohawk Tribe to build a FTTH project serving the Akwesasne Territory. Successfully closed the grant in September 2015, with full reimbursements from the federal government with no audit findings. Developed business plan to move program from a non-profit government organization to a for-profit LLC. Presented business plan and received 3.7 million dollars to start up Mohawk Networks LLC, Akwesasne TV and North Country Broadband. As the Project Manager, Jeff was responsible for overseeing the design of the Network Operations Center, as well as the fiber-to-the-premise design and build. The final project connected all businesses and homes with an independent fiber network that was able to provide high speed internet, VOIP services, centralized fire walls, cloud storage, and public safety.

Accomplishments:
• Reduced Tribal Telecom Expenses from $720K annually, to 120K
• Networked main-administration building and 25 off-site anchor institutions on one network, allowing use of centralized firewall, network security, intrusion detection, content filtering, E-Requisition, and accounting services from one centralized Broadband Office
• Implemented 4 digit dialing and SIP trunks to all facilities
• Increased Broadband connection to all Anchor Institutions
• Administered Tele-Medicine on the territory
• Administered Tele-Education on the territory
Chief Executive Officer
Mohawk Networks, LLC

2015-2017

Mr. Beekhoo developed the business plan and founded Mohawk Networks, LLC to expand Broadband Services to unserved and underserved areas throughout the North Country. Utilizing the assets from a 10-million-dollar grant received under the Saint Regis Mohawk Tribe, Jeff Beekhoo was able to leverage the USDA grant to create and operate Mohawk Networks, which currently has over 1,400 Broadband customers. Mr. Beekhoo developed and trained the current management team that is presently managing the company. Prior to exiting from Mohawk Networks, Mr. Beekhoo was instrumental in acquiring a 7.9-Million-dollar grant from the New York State Broadband Development Office.

Contact:

Chief Ron LaFrance
Former Chief of Mohawk Tribe
71 Margaret Terrance Memorial Hwy
Akwasasne NY, 13655
Phone: 518-358-2272
Email: Ron.lafrance@srmt-nsn.gov
Attachment B

Financial Responsibility

I. Financial Responsibility

For the partner in the consortium that will carry out construction activities, provide a letter from your surety company listing your organization’s current single Project and total Projects bonding capacity, including such information for the local or regional office that will be used in delivering the services to be provided on the Project; attach this letter to this Application. If you propose to bid out construction separately, this section may be omitted.

Name of Bonding Company: Travelers Casualty and Surety Company of America ("Travelers")

Address: One Tower Square

Hartford, CT 06183

Information on Attorney-in-Fact: Camille Cruz

Telephone: 954 240 3489  Fax: _______________________

Email: camille.cruz@marsh.com

Is the Bonding Company on the United States Department of the Treasury list of acceptable surety corporations?

☒ Yes
☐ No

Is the Bonding Company licensed to transact surety business in the Commonwealth of Virginia?

☒ Yes
☐ No

Describe the capacity of your organization to meet the project schedule and demands. Include an analysis of your current workload.

II. Judgments

This section should be completed by each principal entity within the consortium. In the last ten years, has your organization, or any officer, director, partner or owner, had judgments entered against it or them for the breach of contracts for construction?
☐ Yes
☒ No

If yes, on a separate attachment, state the person or entity against whom the judgment was entered, give the location and date of the judgment, describe the project involved, and explain the circumstances relating to the judgment, including the names, addresses and phone numbers of persons who might be contacted for additional information.

III. Convictions and Debarment

This section should be completed by each principal entity within the consortium. If you answer yes to any of the following, on a separate attachment, state the person or entity against whom the conviction or debarment was entered, give the location and date of the conviction or debarment, describe the project involved, and explain the circumstances relating to the conviction or debarment, including the names, addresses and phone numbers of persons who might be contacted for additional information.

1. In the last ten years, has your organization or any officer, director, partner, owner, project manager, procurement manager or chief financial officer of your organization:
   
   a. ever been fined or adjudicated of having failed to abate a citation for building code violations by a court or local building code appeals board?
   
   ☒ Yes
   ☐ No

   b. ever been found guilty on charges relating to conflicts of interest?
   
   ☐ Yes
   ☒ No

   c. ever been convicted on criminal charges relating to contracting, construction, bidding, bid rigging or bribery?
   
   ☐ Yes
   ☒ No

   d. ever been convicted: (i) under Va. Code Section 2.2-4367 et seq. (Ethics in Public Contracting); (ii) under Va. Code Section 18.2-498.1 et seq. (Va. Governmental Frauds Act); (iii) under Va. Code Section 59.1-68.6 et seq. (Conspiracy to Rig Bids); (iv) of a criminal violation of Va. Code Section 40.1-49.4 (enforcement of occupational safety and health standards); or (v) of violating any substantially similar federal law or law of another state?
   
   ☐ Yes
   ☒ No
e. ever been convicted on charges relating to employment of illegal aliens on construction projects?

☐ Yes
☒ No

2. Is your organization or any officer, director, partner or owner currently debarred or enjoined from doing federal, state or local government work for any reason?

☐ Yes
☒ No

3. Has your organization or any officer, director, partner or owner ever been debarred or enjoined from doing federal, state or local government work for any reason?

☐ Yes
☒ No

IV. Compliance

If you answer yes to any of the following, on a separate attachment give the date of the termination order, or payment, describe the project involved, and explain the circumstances relating to same, including the names, addresses and phone numbers of persons who might be contacted for additional information.

1. Has your organization:

   a. Ever been terminated on a contract for cause?

      ☐ Yes
      ☒ No

   b. within the last five years, made payment of actual and/or liquidated damages for failure to complete a project by the contracted date?

      ☐ Yes
      ☒ No

2. Has your organization, in the last three years, received a final order for willful and/or repeated violation(s) for failure to abate issued by the United States Occupational Safety and Health Administration or by the Virginia Department of Labor and Industry or any other government agency of similar jurisdiction?

      ☐ Yes
      ☒ No

3. Have any Performance or Payment Bond claims ever been paid by any surety on behalf of your organization?
4. Has your organization been more than thirty (30) days late, without good cause, in achieving the contracted substantial completion date where there was no liquidated damages provision on more than two (2) projects in the last three (3) years?

☐ Yes
☒ No

5. Has your organization finally completed a project more than ninety (90) days after achieving substantial completion on two (2) or more projects in the last three (3) years, for reasons within the contractor’s control? Documented delay of delivery of material necessary to perform remaining work or seasonal conditions that bear on performing the work or operating specific equipment or building systems shall be considered in mitigation.

☐ Yes
☒ No

6. Has your organization received more than two (2) cure notices on a single project in the past two (2) years and/or more than one (1) cure notice on five (5) separate projects in the past five (5) years?

☐ Yes
☒ No

7. For any partner within your consortium that anticipates carrying out construction work, has your organization had repeated instances on a project of installation and workmanship deviations which exceed the tolerances of the standards referenced in the contract documents? Documentation of such instances shall be the written reports and records of the Owner’s representatives on the project.

☐ Yes
☒ No
Non-Collusion Statement

My signature certifies that the accompanying proposal is not the result of, or affected by, any unlawful act of collusion with another person or company engaged in the same line of business or commerce, or any act of fraud punishable under the Virginia Governmental Frauds Act sections 18.2-498.1 et seq. of the "Code of Virginia, 1950," as amended. Furthermore, I understand that fraud and unlawful collusion are crimes under the Virginia Governmental Frauds Act, laws against bid rigging (sections 59.1-68.6 et seq.), the Virginia Antitrust Act (sections 59.1-9.1 et seq.), and Federal laws regarding the same, and can result in fines, prison sentences, and civil damage awards.

I hereby certify that I am authorized to sign, personally or as a Representative for the Firm:

Name of Firm or Individual: Management Services Group, DBA Global Technical System __________________

Address: 421 S. Birdneck Rd., Virginia Beach, VA 23451 __________________

Signature: __________________
Signed by Kathy Spica
Date: 2021.08.18 13:28:59 -04'00'
Attachment C

Non-Collusion Statement

My signature certifies that the accompanying proposal is not the result of, or affected by, any unlawful act of collusion with another person or company engaged in the same line of business or commerce, or any act of fraud punishable under the Virginia Governmental Frauds Act, sections 18.2-498.1 et seq. of the Code of Virginia, 1950, as amended. Furthermore, I understand that fraud and unlawful collusion are crimes under the Virginia Governmental Frauds Act, laws against bid rigging (sections 59.1-68.6 et seq.), the Virginia Antitrust Act (sections 59.1-9.1 et seq.), and Federal laws regarding the same, and can result in fines, prison sentences, and civil damage awards.

I hereby certify that I am authorized to sign, personally or as a Representative for the Firm:

Name of Firm or Individual: ____ Smart City Capital ________________________________________

Address: ______ 2598 E Sunrise Blvd., #210-A ____________________________________________

__________________________________________ Fort Lauderdale, Fl. 33304 __________________

Signature: ____________________________________________________

Oscar Bode

Name (type/print): ______ Oscar Bode ________________________________________________

Title: __CEO ________________________________________________________________

Telephone: ___ 954-647-4223 _______ Fax: __________________________________________

FEI/FIN No. _81-3659376 _______________ Date: __ 8-18-2021 _______________
Attachment D

Certification of Compliance with Immigration Laws and Regulations

Any person or entity doing business with the Authority, must include a sworn certification of compliance with all federal immigration laws and regulations. These laws include the Federal Immigration Reform and Control Act, which makes it unlawful for a person or other entity to hire, recruit or refer for a fee for employment in the United States, an alien knowing the alien is unauthorized, and § 40.1-11.1 of the Code of Virginia, which makes it unlawful for any employer to knowingly employ an alien who cannot provide documents indicating that he or she is legally eligible for employment in the United States. The state law, in particular, places an affirmative duty on employers to ensure that aliens have proof of eligibility for employment.

Accordingly, this certification shall be completed and attached to all contracts and agreements for goods and services made by the Authority. Failure to attach a completed certification renders the contract or agreement void.

Type or print legibly when completing this form.

Legal Name of Proposer: Management Services Group, Inc.

(Note: This is your name as reported to the IRS. This should match your Social Security card or Federal ID number.)

Type of Business Entity:

☐ Sole Proprietorship (Provide full name and address of owner):

☐ Limited Partnership (Provide full name and address of all partners):

☐ General Partnership (Provide full name and address of all partners):

☐ Limited Liability Company (Provide full name and address of all managing members):

☐ Corporation (Provide full name and address of all officers): (on separate sheet, attached)

Doing Business As (if applicable): Global Technical Systems

(Note: This is the name that appears on your invoices but is not used as your reporting name.)

Name and Position of Person Completing this Certificate:

Name: Kathy Spica

Position: Vice President Contracts and Procurement
Physical Business Address:
421 S Birdneck Rd
Virginia Beach, VA 23451

Primary Correspondence Address (if different from physical address):


Number of Employees: 107

Are all Employees Who Work in the United States Eligible for Employment in the United States?

☐ Yes
☐ No

Under penalties of perjury, I declare on behalf of the proposer listed above that to the best of my knowledge and based upon reasonable inquiry, each and every one of the proposer’s employees who work in the United States are eligible for employment in the United States as required by the Federal Immigration Reform and Control Act of 1986 and § 40.1-11.1 of the Code of Virginia. I further declare on behalf of the proposer that I and my firm will use due care and diligence to ensure that all employees hired in the future who will work in the United States will be eligible for employment in the United States. I affirm that the information provided herein is true, correct, and complete.

Sworn this 18th day of August, 2021, by Jennifer Susanne Nicely on behalf of Management Service Group as evidenced by the following signature and seal:

Name of Contractor/Vendor: Management Service Group
Printed Name of Signatory: Jennifer Susanne Nicely
Signature: Jennifer Susanne Nicely
Date: August 18, 2021

STATE/COMMONWEALTH OF Virginia
CITY/COUNTY OF Virginia Beach to wit:

The foregoing instrument was acknowledged before me this 18th day of August, 2021, by Jennifer Susanne Nicely.

Notary Public: Jennifer Susanne Nicely
Registration No. 7892248
My commission expires: 06/30/2024

SNA-RFP-2021-02
Attachment D

Certification of Compliance with Immigration Laws and Regulations

Any person or entity doing business with the Authority, must include a sworn certification of compliance with all federal immigration laws and regulations. These laws include the Federal Immigration Reform and Control Act, which makes it unlawful for a person or other entity to hire, recruit or refer for a fee for employment in the United States, an alien knowing the alien is unauthorized, and § 40.1-11.1 of the Code of Virginia, which makes it unlawful for any employer to knowingly employ an alien who cannot provide documents indicating that he or she is legally eligible for employment in the United States. The state law, in particular, places an affirmative duty on employers to ensure that aliens have proof of eligibility for employment.

Accordingly, this certification shall be completed and attached to all contracts and agreements for goods and services made by the Authority. Failure to attach a completed certification renders the contract or agreement void.

Type or print legibly when completing this form.

Legal Name of Proposer: (As sub-Contractor) Smart City Capital, LLC

(Note: This is your name as reported to the IRS. This should match your Social Security card or Federal ID number.)

Type of Business Entity:

☐ Sole Proprietorship (Provide full name and address of owner):

☐ Limited Partnership (Provide full name and address of all partners):

☐ General Partnership (Provide full name and address of all partners):

☑ Limited Liability Company (Provide full name and address of all managing members):

Smart City Capital, LLC
2598 E Sunrise Blvd., Ste. 210-A, Fort Lauderdale, Fl. 33304

☐ Corporation (Provide full name and address of all officers): (on separate sheet, attached)

Doing Business As (if applicable): N/A

(Note: This is the name that appears on your invoices but is not used as your reporting name.)

Name and Position of Person Completing this Certificate:

Name: Oscar Bode

Position: CEO
Physical Business Address:

2598 E Sunrise Blvd. Ste. 210-A
Fort Lauderdale, Fl. 33304

Primary Correspondence Address (if different from physical address):

N/A

Number of Employees: 4

Are all Employees Who Work in the United States Eligible for Employment in the United States?

☐ Yes
☐ No

Under penalties of perjury, I declare on behalf of the proposer listed above that to the best of my knowledge and based upon reasonable inquiry, each and every one of the proposer’s employees who work in the United States are eligible for employment in the United States as required by the Federal Immigration Reform and Control Act of 1986 and § 40.1-11.1 of the Code of Virginia. I further declare on behalf of the proposer that I and my firm will use due care and diligence to ensure that all employees hired in the future who will work in the United States will be eligible for employment in the United States. I affirm that the information provided herein is true, correct, and complete.

Sworn this 19th day of August, 2021, by Oscar Bode, on behalf of Smart City Capital as evidenced by the following signature and seal:

Name of Contractor/Vendor: Smart City Capital
Printed Name of Signatory: Oscar Bode
Signature: Oscar Bode [seal]
Date: 8-19-2021

STATE/COMMONWEALTH OF Florida:
CITY/COUNTY OF Miami Dade to wit:

The foregoing instrument was acknowledged before me this 19th day of August, 2021, by Oscar Bode.

Produced ID: DRIVER LICENSE
Notary Public:
Registration No. HH61204
My commission expires: 11/08/2024

Notarized online using audio-video communication
SNA-RFP-2021-02
Attachment E

State Corporation Commission Certification

Pursuant to Code of Virginia § 2.2-4311.2(b), a proposer organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its proposal the identification number issued to it by the State Corporation Commission (SCC). Any proposer that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its proposal a statement describing why the proposer is not required to be so authorized.

SCC Identification Number: 04806048 (GTS) (REQUIRED)
Attachment F

SWaM/DBE Certification Form

Each principal member of a proposing consortium should fill out this form separately.

Proposer Name: Management Services Group, DBA Global Technical Systems

Proposer Address: 421 S. Birdneck Rd., Virginia Beach, VA 23451

Contact Person (Name/Title): Kathy Spica

Contact’s Direct Telephone Number: 757-865-8751 ext 5109

Contact’s Email Address: kathy.spica@gts.us.com

Certifications

☐ DBE Certification
  Certification No.: __________________________
  NAICS Code: __________
  Certifying Agency: __________________________
  Description: ________________________________

☐ SWaM Certification
  Certification No.: __________________________
  SWaM Type: __________

☐ Service-Disabled Vet
  Certification No.: __________________________
  Date: ________________
  Certifying Agency: __________________________
  Exp. Date: ________________
  Years in Business: ______

Minority Indicator

☐ African-American  ☐ Asian-Indian  ☐ Asian-Pacific
☐ Hispanic American  ☐ Native American  ☐ Non-minority woman
Attachment F

SWaM/DBE Certification Form

Each principal member of a proposing consortium should fill out this form separately.

Proposer Name: (As Sub-Contractor) Smart City Capital, LLC
Proposer Address: 2598 E Sunrise Blvd. Ste, 210-A

Fort Lauderdale, Fl. 33304

Contact Person (Name/Title): Oscar Bode / CEO
Contact’s Direct Telephone Number: 954-647-4223
Contact’s Email Address: obode@smartcitycapital.net

Certifications

☐ DBE Certification
Certification No.: __________________________
NAICS Code: __________ Certifying Agency: __________________________
Description: __________________________

☐ SWaM Certification
Certification No.: __________________________
SWaM Type: __________

☐ Service-Disabled Vet
Certification No.: __________________________
Date: __________ Certifying Agency: __________________________
Exp. Date: __________ Years in Business: _______

Minority Indicator

☐ African-American ☐ Asian-Indian ☐ Asian-Pacific
☐ Hispanic American ☐ Native American ☐ Non-minority woman

Note: Not Certified in Va., however, we are a Hispanic Owned entity and will complete certification process For the City and State, if we are the winning proponent.
Attachment F

SWaM/DBE Certification Form

Each principal member of a proposing consortium should fill out this form separately.

Proposer Name:  MasTec Network Solutions, Inc.
Proposer Address:  806 S Douglas Rd 11th Floor
                     Coral Gables, FL 33134

Contact Person (Name/Title):  Adam Woodard - Operations Director
Contact’s Direct Telephone Number:  615-653-9865
Contact’s Email Address:  adam.woodard@mastec.com

MBE
☐ DBE Certification

NAICS Code:  237110;237120;
             237130;334220

Certification No.:  No. 002
Certifying Agency:  NMSDC
Description: Minority-controlled Company as defined by the National Minority Supplier Development Council

☐ SWaM Certification
SWaM Type:  

☐ Service-Disabled Vet
Date:  
Certifying Agency:  
Exp. Date:  
Years in Business:  

Minority Indicator

☐ African-American  ☐ Asian-Indian  ☐ Asian-Pacific
☐ Hispanic American  ☐ Native American  ☐ Non-minority woman
Attachment F

SWaM/DBE Certification Form

Each principal member of a proposing consortium should fill out this form separately.

Proposer Name: Broadband-Telecom Services LLC

Proposer Address: 370 N Main Street

Kilmarnock VA 22482

Contact Person (Name/Title): Jeff Beekhoo

Contact’s Direct Telephone Number: 804-800-7220

Contact’s Email Address: jeffb@broadband-telecom.com

Certifications

- [ ] DBE Certification
  - Certification No.: ____________________
  - NAICS Code: 91895
  - Certifying Agency: ____________________
  - Description: _________________________

- [x] SWaM Certification
  - Certification No.: 810046
  - SWaM Type: Minority,Micro

- [ ] Service-Disabled Vet
  - Certification No.: ____________________
  - Date: ____________
  - Certifying Agency: ____________________
  - Exp. Date: ____________
  - Years in Business: _______

Minority Indicator

- [ ] African-American
- [ ] Asian-Indian
- [x] Asian-Pacific
- [ ] Hispanic American
- [ ] Native American
- [x] Native American
- [ ] Non-minority woman
## Operational & Funding Responsibility Matrix

**Respondent:** GTS Consortium

### Instructions
1. For each task, please indicate with an "X" which party will have the primary responsibility. Some tasks may not be applicable for your proposed partnership and business model. Please indicate as such with a "X/" in the comments fields.
2. Add any definitions in the "Comments/Exceptions" section. Please keep responses to fewer than 50 words.
3. See definitions in sheet "Definitions".

### Operational Responsibilities

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>Tasks/Responsibilities</th>
<th>SNA Responsibility</th>
<th>Respondent Responsibility</th>
<th>Comments / Exceptions</th>
<th>SNA Responsibility</th>
<th>Respondent Responsibility</th>
<th>Comments / Exceptions</th>
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<td>Debt Service Payments</td>
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<td>Insurance</td>
<td>Outside Plant (OSP)</td>
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<td>Due to ownership, once transferred, Authority may have insurance obligations</td>
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<td>Partner has insurance in construction and maintenance phases of project. Respondent intends to service SNA insurance obligations through the PPP arrangement</td>
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<td>Sales &amp; Marketing</td>
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<td>Respondent is responsible for meeting service performance objectives. SNA will have responsibility in establishment of acceptable metrics for service level agreement(s) via the PPP.</td>
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<td>Set pricing (based on contract conditions)</td>
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<td>Respondent is responsible for establishment of customer pricing model, to include undererved and low income service considerations. SNA will have input in establishment of acceptable pricing model via the PPP.</td>
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<td>Maintenance and repair records and as-built documentation</td>
<td>X</td>
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<td>Provide monthly sales and leads reports</td>
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During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

(1) **Compliance with Regulations:** The contractor shall comply with the Regulation relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

(2) **Nondiscrimination:** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

(3) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

(4) **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the (Recipient) or the (Name of Appropriate Administration) to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the (Recipient), or the (Name of Appropriate Administration) as appropriate, and shall set forth what efforts it has made to obtain the information.

(5) **Sanctions for Noncompliance:** In the event of the contractor’s noncompliance with the nondiscrimination provisions of this contract, the (Recipient) shall impose such contract sanctions as it or the (Name of Appropriate Administration) may determine to be appropriate, including, but not limited to:
   (a.) withholding of payments to the contractor under the contract until the contractor complies, and/or
   (b.) cancellation, termination or suspension of the contract, in whole or in part.

(6) **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The contractor shall take such action with respect to any subcontract or procurement as the (Recipient) or the (Name of Appropriate Administration) may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the (Recipient) to enter into such litigation to protect the interests of the (Recipient), and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
ATTACHMENT 1B
NONDISCRIMINATION
Contractor / Consultant / Supplier Agreement: USDOT 1050.2A – Appendix E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Nondiscrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects;
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (79 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).