

MISSION LANDSCAPE COMPANIES

ESPOP UPDATE (Dec/2013)

Employee Stock Ownership Plan

This year I signed many ESOP dividend checks. Our newest employee owners received dividend checks for as little as \$.59 and our longest tenured employees received checks for as much as \$1,000.00 and more, rewarding them for their years of valuable service.

Dividends can be paid when our company makes a profit and shares a portion of that profit with its employee shareholders. If we dongt make enough of a profit then a Dividend cannot be paid.

The three main items that impact the stock value are profit, debt and cash flow. After that it gets a bit more complicated. In the simplest terms, increasing our profits, and efficiently managing our debt and cash flow ensures we are operating Mission Landscape successfully.

When we damage property, trucks or equipment, have injuries or accidents, lose work or underperform on any project, we lower our stock value and reduce our chance of receiving a dividend. When we take care of our trucks and equipment, work safely without any injuries or accidents, and perform well, we add to the value of our stock and increase our ability to receive a dividend. Dividends and stock value are earned not guaranteed. This takes all of us doing our best at every level in the company to come together successfully. Remember each day we are either lowering the value or adding value with our efforts.

As a vested employee of our Employee Stock Ownership Plan, ESOP, you receive unique benefits which increase over time. As Mission Landscape grows, it is important to bring the right people into the company who value their ability to contribute to our mutual success. You have a vested interest in who works here.

Itøs great to work with the team here at Mission Landscape Companies.

Respectfully,

David DuBois, President / CEO

ESOP MONTH

Our ESOP month was a real success! The level of participation was spectacular! Here are some of the highlights:

▶ 575 activity coupons were received; ▶ 14 very creative ESOP pictures were taken; ▶ 30 employees won prizes; ▶ 2 Areas won a Pizza Party!





ESOP formed from tree trunks and clips!!! Thank you Genaro Aguilar (SOC) and Bo Taslimi (ACCT) for your creativity and sense of humor.

BEST PICTURE CONTEST

Everyone had the opportunity to vote for the best picture and win a Pizza Party. The only requirement was to be present at any of the ESOP Night celebrations. (Only remote areas were allowed to vote by mail.) Results: There was a tie between Inland Empire and Los Angeles with 17 votes each, see pictures below:



Inland Empire Management and Administration. Very creative, indeed!



Armando Aguilar's team of Los Angeles. Congratulations! You all look great!

We also would like to mention the "initiators" of this very creative idea. They sent the picture that ignited the creativity on other areas. Here is the first picture received from Sacramento's team: (15 votes)



SACRAMENTO: Very artistic! Super Job!!!

ESOP ACTIVITIES

Here are all the comments received from many of you that participated in the ESOP activities during the month of October-2013:

ACTIVITY 1: What would you do with the E\$OP money when you retire?

Buy a car and go sightseeing ● Buy a car to keep working the landscapes ● Buy a house ● Buy a land in Mexico and move there with my wife ● Buy a ranch to live the rest of my days far from civilization • Buy a ranch to rise chickens, turkeys, a horse, 2 cows, 2 cats, 1 turtle, 30 birds, 10 bee hives, plants, and flowers - Not turf ● Buy an RV and go camping! ● Buy lots of things ● Buy presents for Christmas and keep saving ● Enjoy it with my family and travel to Mexico • Enjoy some and save some for any family emergencies • Enjoy the money with my family and thank the company for made us part owners • Go on vacation with my family to Acapulco, Guerrero, Mexico ● Go to Brazil on vacation ● Have a little science lab for kids • Buy a motor home and would travel around the country • I would go back to my loving Mexico; open a business; and pay all my bills ● Invest in a family business to make it grow in the future ● Invest it to make it grow ● Invest it to open a business and take a vacation with my family • Invest it towards the wellbeing of my family which is the most important thing for me • Pay off my home; help my mother; but first, I'd pay for my daughter's education • Pay off my house in order to avoid the every month headache of making the mortgage payment • Take a real vacation for a couple of months with kids and wife ● Take a short vacation and invest in something ● Take my family on vacation \bullet Use it for first needs and then save it \bullet Buy a sport car, a plasma TV, and a stereo ● Pay my bills with some and help the poor with the rest ● Turn it over to my financial planner to make it continue to grow and pay out enough for a yearly trip to *Europe!* ● *If I live that long, God will guide me* ● *Invest in a business to make the money* grow ● Invest in a family business to make it grow ● Invest in a carwash and detailing ● Keep working at Mission. Thank you Mission for give me a place to work ● Invest it in a business for the future wellbeing of my family ● Invest the money and make it grow ● Keep praying ● Keep saving for retirement ● Keep saving for our elderly years ● Make the money last as much as possible so I can to enjoy it during my retirement without having to go to work ● Open a savings account for my son and helping my family back home ● Pay for my burial expenses ● Pay for my daughter's education ● Pay for my kid's education ● Pay my bills and maybe open a business • Pay my home off and enjoy it with my wife and kids. May be travel to Japan ● Remarried my wife and buy her a diamond ring ● Remodel my home and take a vacation with my wife • Save it for medical emergencies • Save it for my kid's education and purchase of a home • Save it for when I need it • Save it • Save the money for emergencies • Spend it where needed • Take a vacation and keep saving • *Take a vacation with my family and enjoy life in the country raising bees* ● *Take a vacation* with my family and invest the rest in a business • Take a vacation • Travel a little and share the rest with my daughters and their kids! • Travel with my wife to France first and then to Hawaii. I'd enjoy as much as I can. For now, keep working hard and safely to make the money grow.

(Did you find yours?)

ESOP NIGHT

To all the employees and families that have attended the ESOP Night gatherings in Santa Ana and Ontario THANK YOU VERY MUCH! for getting involved and learning more about this important benefit Mission offers. A special mention to the people that helped organize this event. You made things easier and enjoyable!





ESOP MONTH - RAFFLES



Here are the employees from Accounting and Human Resources that were sure the raffles were executed fairly and timely.

And, the winners were ...

<u>ACCOUNTING DEPARTMENT</u>: Marilyn Arinaga (Burner for Camping)

<u>INLAND EMPIRE</u>: Carlos Rocha (Movie Tickets); **Ismael Hernandez** (Lemonade Stand)

<u>MECHANICS</u>: Ignacio L Garcia (Jacket); Gustavo Ramirez (Booster Cables); Martin Gonzalez (180-min Calling Card)

<u>NOC</u>: Luis Ayala (Dart Set); Jose Gonzalez (Monopoly Game); Esteban Navarrete (Clamp Light); Francisco Calderon (DVD Player);

Isaac Ulloa (Rolling Bag); Jillian Meyer (Can Opener); Jose Orozco (3 DVDs); *Omar Mora (\$10 for In-N-Out AND Boom Box); Rafael Torres (Soccer Ball); *Raul Nava (Back Pack AND 3 DVDs)

SACRAMENTO: Adan Maldonado (180-min Calling Card); Rafael Buez (Head Phones)

<u>SOC</u>: Felix Gonzalez (Coffee Maker); Jesus Mendoza (\$10 for In-N-Out); Jose Valencia (180-min Calling Card); *Rene Velazquez (Monopoly Game <u>AND</u> \$10 for In-N-Out); Humberto Vergara (Lunch Bag); Eleazar Tapia (180-min Calling Card); Juan Ichich (Air Matress); Martin Baez (180-min Calling Card); Sabino Salgado (180-min Calling Card)

(*) The employees with an asterisk next to their name won more than one prize because their name was included in the raffle more than one time. Remember? ... the more you had participated, the more chances to win a prize you had! CONGRAGULATIONS to all of you!

ESOP DIVIDEND CHECKS

All the employee-owners that qualified, received a Dividend check at the end of the year 2013. Here is a chart where you can have an idea of the average check issued by job type and the check range issued.

Job Type	Dividend Check (AVERAGE Amount)	Check Range
Administration	\$281.44	\$22 - \$1,016
Regional Managers	\$675.16	\$26 - \$1,528
Crew Sup. / Foremen	\$230.42	\$10 - \$787
Directors	\$450.25	\$36 - \$1,645
Drivers	\$116.53	\$11 - \$962
Maint. Tech.	\$157.75	\$0.49 - \$954
Irrigation Technician	\$362.54	\$27- \$775
Jr. Supervisors	\$760.66	\$186 - \$1,348
Leadmen	\$64.77	\$26 - \$103
Account Managers	\$650.38	\$69 - \$1,756
Vice Presidents	\$1,080.39	\$69 - \$2,145

If the amount you've received falls closer to the lower range, please keep in mind ...

- 1) Stay in the Company long term (since the more years in the program, the more shares you will own.)
- 2) Take advantage of possible promotions within the Company (since the more income you get, the more shares you will own.)

On the other hand, if the amount you've received falls closer to the higher range ...

ENJOY EVERY PENNY OF IT! Your loyalty and dedication made it possible!

For a successful 2014 ...

- ♦ Work safely ♦ Communicate effectively ♦ Respect others and be polite
- ◆Be resourceful and creative ◆Take good care of our tools & equipment
- ◆Report abuses & theft ◆Cut waste and rework at all levels in the organization
- ◆ Suggest how to improve processes ◆ Protect client's and other people's property
- ♦ Abide by our company values: *Service-Teamwork-Integrity-Quality-Safety*
- ♦ Help recruit others that would make good partners in our future

All of the above will attract new clients and excellent employees!

ESOP COMMITTEE UPDATE

2013-ESOP Committee:

A sincere THANK YOU! to each of the members of this Committee. Your participation and valuable efforts informing others about the benefits of ESOP are greatly appreciated.

2014-ESOP Committee:

If any of you would like to be part of this year's Committee or know of any good candidate to represent your area, we encourage you to send this information to Human Resources as soon as possible. Thank you!

Have a safe and wonderful 2014!!!

We would like to share some employees input regarding the Dividendøs checks received:

	<u></u>	<u></u>	<u>, </u>
ESOP DIVIDEND CHECK	What was your reaction when you saw the check?	Do you have special plans on what to do with the money?	What do you need to do to make your company shares grow in value?
Israel Bernal, TREE CARE	"I was surprised and happy. Extra income is always welcome!"	"I will take my wife to dinner to a nice restaurant."	"Try not to damage property."
Rigoberto Garcia, TREE CARE	"I liked to receive an extra check."	"Spend it on my favorite things."	"Work safely and carefully."
Jose Ayala, TREE CARE	"I was surprised. I did not expect it at all."	"Use it to pay part of my kid's education."	"Work safely and take care of the equipment."
Ernesto Juarez NOC	"I never expected a dividend like this. It was a positive surprise"	"I plan to go out and buy presents for my family."	"Keep working hard. Have a positive attitude. Focus on safety even more. I worked for 20 years without having an injury."
Marcos Noyola NOC	"Happy. Who wouldn't be happy with extra money?'	"I plan to save it for unexpected expenses."	"Do a better job. Improve the quality of my work."

ESOP is very good for you because it will give you a better future.