

ARTICLES OF AGREEMENT

Between

CITIZENS COMMUNICATIONS COMPANY OF NEW YORK
and
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL 363

Effective

October 21, 2001

AGREEMENT

This Agreement is made by and between Citizens **Communications** Company of New York, its successors or assigns, by consolidation, merger, sale or transfer, hereinafter called the Company and Local Union 363 **Southern Unit 363.4, Northern Unit 363.12, Delaware Telephone 363.13, and Central Unit 363.43** of the International Brotherhood of Electrical Workers, affiliated with the American Federation of Labor - Congress of Industrial Organizations, hereinafter called the Union. The parties recognize that the Company is of vital importance to the communities that it serves. To promote harmonious relationships, the parties hereto desire to establish a standard of conditions and procedures under which the employees shall work for the Company during the term of this Agreement, to establish rational, systematic methods for the settling of disputes by peaceful means, and to provide for rates of pay, hours of work, and other conditions of employment for such employees.

This Agreement shall be subject to amendment at any time by mutual consent of the parties hereto. Such amendment shall be reduced to writing, state the effective date, and be executed and approved by the International Office of the Union in the same manner as is this Agreement.

ARTICLE 1

UNION RECOGNITION

The Union, having been certified by the National Labor Relations Board, is recognized by the Company as the sole and exclusive bargaining representative with respect to rates of pay, hours, and other conditions of employment for all bargaining unit employees of the Company excluding all supervisory personnel, professional employees, including engineers; departmental secretaries and clerks performing confidential duties for the Employer, guards, and temporary employees.

NONDISCRIMINATION

It is the continuing policy of the Company and the Union that the provisions of this Agreement shall be applied to all covered employees without regard to race, color, creed, religion, age, national origin, or sex, membership or non-membership in the Union, non-disqualifying physical or mental disability, status as a disabled and/or Vietnam Era veteran, or marital status.

ARTICLE 2

DEDUCTION OF UNION DUES

- 2.01 The Company agrees to make biweekly deductions of Union dues (not including initiation fees or fines) for any employee submitting a signed payroll deduction authorization form to the Company and to pay over to the local Union biweekly the total amount thus deducted for all such employees by means of electronic banking and send the employee registers biweekly to the Union.
- 2.02 Collection of Union dues by payroll deduction for any employee will proceed only on the basis of specific written authorization signed by the individual employee and delivered to the Company. Such written authorization shall be on a form fully acceptable to the Company and standardized for the duration of this Agreement to the extent that such form complies with any requirement under law. Authorizations will continue in effect only during such periods as this Agreement is in effect and the authorization remains unrevoked by the employee.
- 2.03 The Union, by written notice given to the Company, may terminate with respect to any employee the obligation and right of the Company to make such deductions. The Company shall give notice of such termination to the employee.

ARTICLE 3 DEFINITIONS

- 3.01 **ACCREDITED SERVICE** shall mean the aggregate of the years and months of active employment in the service of the Company, its predecessors, its associated companies or companies affiliated with Citizens Telecom that is recognized for service purposes. Accredited service shall include all active employment for which a wage or salary was paid, such as paid vacation, holidays, jury duty, lost time due to military service or through service in the Armed Forces, time lost in a layoff status not to exceed twenty-four (24) months, and any additional excused absent time or leave of absence that has been or will be specifically approved for service credit purposes in accordance with the policy, procedures or published statements established by the Company.
- 3.01.1 Time lost through absences from work by reason of accident disability or illness disability shall be considered as active employment during the periods that disability benefits are paid under the Company's Benefits Plan.
- 3.01.2 Accredited service for part-time employees shall be computed on a proportionate basis according to weekly scheduled hours worked as related to the normal full time workweek.
- 3.01.3 Time lost through absences for Union business as approved in accord with Article 17, Section 3 of this Agreement shall be considered as active employment for the purpose of computing accredited service.
- 3.02 **BARGAINING UNIT** - Anytime the words "Bargaining unit" are used, it shall be interpreted to mean the separate bargaining units (**Southern** 363.4, Delaware Telephone 363.13, **Northern** 363.12, and **Central 363.43** as they exist on February 15, 1984

- 3.03 **BARGAINING UNIT SENIORITY** - Length of service in any reciprocal bargaining unit as shown in Company and Union records. Part-time employees seniority will be calculated on a pro-rated basis. Transfer to any other bargaining unit party to this Agreement, does not constitute a break in continuous service in the original bargaining unit.
- 3.04 **BRIDGING OF SERVICE** - With respect to reengaged employees with accredited service of 1,000 hours or more since reengagement, their accredited service shall be increased to include all previous periods of six (6) months or more of full-time employment with the Company.
- 3.05 **DAY** means the twenty-four (24) hour period between 12:01 A.M. and the succeeding midnight.
- 3.06 **DIFFERENTIAL PAY** means an additional payment made on an hourly basis for those hours actually worked between 8:00 P.M. and 7:00 A.M. and payment made to those employees for performing temporary supervisory duties.
- 3.07 **DISCHARGED** refers to an employee who has been released by the Company for proper cause and is not reinstated by the grievance procedure.
- 3.08 **DOWNGRADED** means an employee transferred to a job classification lower than that previously held.
- 3.09 **EMPLOYEE** as used in this Agreement refers to the employees, male or female, directly concerned.
- 3.10 **HOLIDAY** means the twenty-four (24) hour period between 12:01 A.M. on the holiday, or the day otherwise recognized as the holiday and the succeeding midnight
- 3.11 **LAI D OFF** means release of an employee from active employment because of available work insufficient to continue the employee's services.
- 3.12 **LEAVE OF ABSENCE** is an excused absence from work in accordance with the terms of this Agreement.
- 3.13 **LUNCH PERIOD** shall mean not less than one-half (1/2) hour or more than one (1) hour close to the midpoint of each regular eight (8) -hour schedule, except as otherwise provided herein. Any employee who desires a 1/2 hour lunch period may be granted such a 1/2 hour lunch period with supervisory approval.
- 3.14 **PART-TIME EMPLOYEES** are employees engaged to perform work wherein there is no regular schedule of work. Employees so classified have indicated without limitation, their availability to work any hours during the week. Part-time employees who have completed their probationary period and have been accepted by the Company at the end of the probationary period are eligible for prorated holidays, vacations, excused day, bereavement, statutory benefits and pension. Also included are differential pay, premium pay, applicable meals, overtime after eight (8) hours, applicable medical insurance, dental insurance and life insurance. In addition, they will be covered under the Voluntary Separation Plans (VSP). Seniority rights for part-time employees shall only be exercised among part-time employees except for the purpose of job bidding and vacation selection, where part-time employees may exercise seniority among all employees.
- 3.15 **PAYROLL WEEK** - The payroll week is a period of seven (7) consecutive days commencing at 12:01 A.M. on Sunday and ending at midnight on the following Saturday.
- 3.16 **PERMANENT TRANSFER** refers to an employee who has been assigned permanently to a new position or reporting center.
- 3.17 **PROBATIONARY EMPLOYEE** is a person who has been employed by the Company with the intent of continued employment and shall be classed as a probationary employee for a **one hundred eighty (180)** day period or its work time equivalent. The probationary period for employees who fail to meet minimum job requirements or employment standards at the

end of **one hundred eighty (180)** days may be extended an additional ninety (90) days in the same classification or in a different job classification.

3.17.1 The wage schedule, penalty payments, holiday premium and relief periods **shall apply for** probationary employees. **Commencing on the 31st day of employment, all terms of the Agreement shall apply except as indicated in 317.2**

3.17.2 During the probationary period; the right to transfer, terminate, or dismiss a probationary employee shall be vested in the Company and shall not be subject to the grievance or arbitration procedure.

3.18 **PREMIUM PAY** means an additional payment made on a daily basis for work actually performed on Sundays and Holidays.

3.19 **REGULAR EMPLOYEE** is a person who has complied with all of the Company's standards for employment, has completed the probationary period and has been accepted by the Company at the end of the probationary period.

3.20 **REPORTING CENTER** refers to the location where, at the start of the day's work, an employee reports for work and/or further instructions.

3.21 **RESIGNED** refers to an employee who discontinues employment with the Company by his own choice.

3.22 **SCHEDULED TIME** - For the purposes of arranging and posting work schedules for normal hours and for the purpose of determining overtime hours worked, no employee shall be scheduled on a formal basis to work more than eight (8) hours in any day, nor more than forty (40) hours in one (1) work week nor more than the equivalent of five (5) eight (8) hour tours in any five (5) days within a work week. Such scheduling shall constitute the normal work schedule and shall be known as the employee's scheduled work time.

3.23 **SERVICE DATE** is the employment anniversary date recognized in computing accredited service.

3.24 **STRAIGHT-TIME RATE** means the employee's basic hourly rate including applicable premium or differential pay, if any.

3.25 **SUPERVISOR** means any employee of the Company performing supervisory functions as defined and set forth in the Labor Management Relations Act of 1947.

3.26 **SURPLUS** - Shall be defined as an excess of employees in a job classification. The Union shall be notified in writing that such a condition exists.

3.27 TEMPORARY EMPLOYEE

3.27.1 Temporary employee is a person who is employed for a continuous work period not to exceed six (6) months in a twelve (12) month period except by mutual consent of the Union and the Company.

3.27.2 With the exception of wage schedule, penalty payments and relief periods, temporary employees shall have no other rights or privileges under the terms of this Agreement.

3.27.3 Should a temporary employee be reclassified to a regular or part-time employee, all time worked in the temporary status will be recognized for service purposes as defined in Section 26 of this Article. The probationary period for such employee may be waived at the discretion of the Company.

3.27.4 Temporary employees will not be afforded hours in excess of eight (8) without first asking regular employees who are on duty at the time if they desire the overtime hours.

3.27.5 Temporary employees are entitled to legally required benefits. After three (3) months, they are also entitled to holiday benefits. After six (6) months they are

- entitled to one (1) week vacation without pay and after one (1) full year, one (1) week vacation with pay. Temporary positions are limited to one (1) year duration.
- 3.28 **TEMPORARY TRANSFER** refers to an employee who is transferred temporarily to another position or reporting center
- 3.29 **UPGRADED** means an employee promoted to a job classification higher than that previously held.
- 3.30 **USE OF MALE GENDER** - Through this Agreement, the use of masculine pronouns shall be construed as including both sexes and not as sex limitations
- 3.31 **WAGE DATE** is the effective date on which an employee received a wage increase, excluding collective bargaining wage adjustments, on the applicable wage progression schedule.

ARTICLE 4

TRANSFERS AND PROMOTIONS

- 4.01 The Company may, at its discretion, transfer employees within the bargaining unit between jobs, tours, departments, and exchanges in conformity with the requirements of telephone service to the public and the operating efficiency of the Company. In making such changes, the Company shall be guided by the desires of the employees in accord with seniority, all other factors remaining substantially equal.
- 4.02 To avoid disruption of established work force procedures within a position to which an employee has been permanently transferred, the employee may not exercise seniority rights for tour selection until the next tour selection following the date he is qualified. If the employee is qualified when transferred, he will wait until the next tour selection to pick.
- 4.03 Job Vacancies - Notices of job vacancies shall be the responsibility of the Company. Such notices will indicate the job classification, location, hours of work, job duties and minimum qualifications pertaining to the job. The Company may use tests to assist in the determination of the employees qualifications. The form, content, and administration of such tests shall be at the discretion of the Company and shall not be subject to the grievance or arbitration provisions of this Agreement. In the event that the Company changes current tests or initiates tests for classifications for which it does not currently test, it shall provide the Union with information regarding such tests and provide reasonable opportunity for discussion regarding the changes or new tests prior to implementation. For those employees currently qualified in a job function within their classification, their testing will be waived when re-bidding a previously held job function.
- 4.03.1 Bids shall be accepted by the Company during a period of eight (8) days from the date of posting. Employees who do not make application within the period of the notice will have no right to consideration of the job with the exception that employees who are not at work during such period, may be considered to have filed an application for the job. A copy of such notice will be furnished to the Union.
- 4.03.2 Employees who have bid on a job vacancy shall be notified of the Company's decision within twenty-one (21) calendar days of the initial posting. An employee awarded a job should be placed in that job within forty-five (45) days after the job has been awarded.

- 4.03.3 In the filling of any job vacancy (except NOC Technicians) and before hiring a new employee, the Company shall give first consideration to regular and part-time employees for promotions or transfers to the job openings to the extent that qualified personnel may be available. Where circumstances of availability, skill, training, and experience are found sufficient by the Company, vacancies may be filled by transfer or promotion. The Company shall post and fill all vacancies in the following sequence.
- A. Employees in the same bargaining unit who are either in a layoff status from that job classification or who have been displaced from that job classification.
 - B. Employees in other units party to this agreement where a surplus exists in that job classification, or who are in a layoff status in that classification, or who have been displaced from that classification.
 - C. Employees in the same bargaining unit, provided that the work functions are not essentially the same.* (*See example in intent section.) This does not preclude employees from changing reporting centers.
 - D. Employees in any unit party to this agreement.
 - E. Employees in any unit.
 - F. Persons hired from outside the Company.
- 4.03.4 Any employee who bids laterally (except an employee who has done so as the alternative to lay-off or forced displacement) will be restricted from bidding laterally again for a period of one (1) year from the date that he is awarded the position. For transfers, recall-from-layoff status, employees in the same classification who have been deemed surplus, and displaced employees who have previously held the classification, seniority shall prevail. For promotions, when sufficient qualifications exist, seniority shall prevail.
- In the bidding of any classification for which the Company and the Union have agreed upon the qualifications for the position prior to the classification being posted, the most qualified bidding employee shall be offered the position. When the qualifications of bidding employees are substantially equal seniority shall prevail.
- 4.03.5 In the filling of a vacancy for the position of NOC Technician and before hiring a new employee, the Company shall first give consideration to regular and part-time employees for promotion from any bargaining unit covered by this labor agreement to the extent that qualified personnel may be available. Where circumstance of availability, skill, training, and experience are found sufficient by the Company, vacancies may be filled by promotion. When sufficient qualifications exist, seniority shall govern in such promotions.
- 4.03.6 It is the understanding of the parties that Article 4.03 which states that notices of vacancies will indicate, amongst other things, the "hours of work" is understood and intended to refer to the possible tours and/or the earliest starting time and latest ending time that the position being noticed could be scheduled to work. While the specific tour for which the instant vacancy is being noticed may be indicated, it is not intended that existing employees in the same classification and primary function may bid on such vacancy for the purpose of changing tour - either before, during, or after the vacancy is noticed.
- 4.04 The right to select employees for positions of supervisory, professional or confidential nature, which are excluded from this Agreement, is reserved by the Company at its sole discretion. However, nothing in this Agreement shall be construed to prevent the Company from promoting to supervisory, professional or confidential capacities, these employees of particular merit or those deserving of the promotion.

- 4.05 When it is determined by the Company that the employee is suitably qualified for a position, the employee will be notified in writing by his immediate supervisor. This qualifying period will not exceed six (6) months, unless mutually agreed to by the Union and the Company.
- 4.05.1 An employee who does not qualify, as outlined in Section 5 above, will be returned to his former position and all other affected employees will be returned to their former positions.
- 4.05.2 If a vacancy does not already exist in his previous position, the employee will remain in his present position until another employee is awarded the job from the original bid to replace this position.
- 4.06 When an employee is involuntarily assigned in accordance with his seniority to a different primary function within a job classification and he cannot display the ability to perform in the new function, he will be considered a surplus employee. Before this employee is laid off, he will be offered a Voluntary Separation Plan as outlined in the Memorandums of Agreements concerning Termination Pay Plan (TPP) and Employee Adjustment Income Plan (EAIP) located in the back of this booklet. If the affected employee does not choose to use the Voluntary Separation Plan (VSP), he will be laid off in accordance with the appropriate sections of Article 12. A layoff of an employee under these circumstances will not bar the Company from the use of contractors as outlined under Article 16. Furthermore, this employee will not be entitled to the temporary differential as outlined in Article 16.03.2.
- 4.07 When an employee is permanently reclassified to a lower work classification for any reason, such employee's rate of pay will be reduced to the next lowest rate in the wage applying to the new classification.
- 4.08 When an employee, at the request of the Company is asked to transfer to another Company location, the expenses incurred in moving his household goods (not to exceed \$5,000) will be paid for by the Company after a requisition has been processed.

EXPENSE FOR MOVING HOUSEHOLD FURNISHINGS AND PERSONAL POSSESSIONS

- A. The employee must make all arrangements for packing, unpacking, cartage, and storage of household furnishings. The employee must assume the expense of moving pets, plants, lumber, bricks, automobiles, boats, trailer and other articles not considered household goods or personal effects.
- B. The employee will be reimbursed for moving a mobile home to the new location if it has been his regular place of residence at the old location.
- C. Domestic and other third party services are the responsibility of the employee.
- D. Items transported by the movers may be stored up to one (1) month at Company expense.
- E. Insurance for the shipment of household goods is to be furnished by the carrier and included in regular billing. If excess coverage is required because of unusual value of certain items, this must be arranged for between the transferee and the carrier prior to movement. Any claim for loss or damage is to be made directly to the carrier by the employee. Charges for excess coverage are the responsibility of the employee. The employee who chooses to move his own household goods or any part of them, does so at his own risk and cost.
- F. Disconnection and re-installation of major appliances moved is limited to washing machines, clothes dryers, kitchen stoves and ovens, refrigerators (including ice makers), and freezers. The maximum amount paid for disconnecting or reconnecting any one of the covered items

- is \$50.00. Water softeners, air conditioning or cooling systems, sound or stereo systems, television sets and antennas, and workshop and hobby items are not included.
- G. In addition an employee will be reimbursed up to one (1) -week's board and lodging while awaiting occupancy of new residence. Lodging with relatives and friends is not reimbursable.

ARTICLE 5

WORK SCHEDULES AND TOURS

5.01 **WORK WEEK**

5.01.1 **CALENDAR WORKWEEK** - The calendar workweek is a period of seven (7) consecutive days commencing at 12:01 a.m. on Sunday and ending at midnight on the following Saturday.

5.01.2 **FORMALLY SCHEDULED WORK WEEK** - The formally scheduled work week may and usually does consist of five (5) formal tours of duty on any of the seven (7) calendar days.

5.02 **FORMAL WORK SCHEDULES**

5.02.1 A formal work schedule shall be set up for each regular employee and shall show the following:

- A. The days of the calendar work week on which the employee is scheduled to work;
- B. A scheduled tour of each of these days; and
- C. The employee's tour indicating the starting and quitting times and the normal lunch period.

5.02.2 **SCHEDULE POSTING** - To the extent practical, formal schedules shall be posted at least ten (10) calendar days in advance. Changes may be posted later if necessary, but, in every case, changes shall be posted not later than 4:00 p.m. Friday of the preceding week.

- A. When employees, who are scheduled for work in accord with Section 5.02.1 above, are not informed concerning new or revised schedules before 4:00 p.m. Friday of the immediately preceding calendar work week, the schedule for the current week shall be considered as the schedule for the succeeding week.
- B. It is the responsibility of the employee to verify his work assignment for the coming week. Employees who are on vacation may call collect to find out their work assignments and tours for the coming week.

5.02.3 **TOUR ASSIGNMENT** - In the assignment of formally scheduled tours, the desires of all regular employees in accordance with their seniority, shall control with due regard to the demands of telephone service to the public.

5.02.4 All part-time employees may be formally scheduled on any day for the actual number of hours for which work performance is required, not, however, to exceed eight (8) hours.

5.02.5 A formally scheduled tour of duty shall be considered as falling on that calendar day in which the majority of the hours of the scheduled tour occur. If the scheduled hours are equally distributed between the two (2) calendar days, the first of such days shall be considered as the day for which the tour is scheduled.

5.02.6 Formally scheduled work hours may be changed if requested by any employee if, in the opinion of the Company, the work load and other work requirements permit, provided, however, that there is no increased cost to the Company because of overtime pay that might be required as a result of the change. The changed scheduled hours then shall supersede and replace the originally scheduled hours which shall cease to exist.

5.03 **TOURS OF DUTY -**

5.03.1 For the classifications of Communications Technician (Installer-Repair Person, Cable Splicer and Combination Person function) the normal workday shall end by 9:00 P.M. Employees in these classifications scheduled for Saturday and/or Sunday will work a tour ending no later than 5:00 P.M.

5.03.2 For the classifications of Utility Custodian, Building Mechanic, Storekeeper, and Building Technician the normal workday shall end by 11:30 P.M.

5.03.3 For the classifications of Communication Technician (Equipment Repairer function), Equipment Installer, Testboard person, Service Office Representative (Service Representative, Dispatch, Repair and LD/Special Circuit Repair functions), and NOC Technician the normal workday shall end by midnight. In areas where twenty-four (24) hour coverage is required, an eight hour consecutive tour ending at 8:00 A.M. may be established. Such tour will include the applicable differential and include a lunch period of one-half (1/2) hour.

5.03.4 For the classification of Service Office Representative (Facilities Assignor/Cutter functions) the normal workday shall end by 9:00 P.M.

5.03.5 For all other classifications, the normal workweek shall be Monday through Friday and the normal workday shall end by 9:00 P.M.

5.03.6 A tour of duty shall consist of not more than eight (8) hours, exclusive of a meal period. Each session shall contain one (1), fifteen (15) minute break as near the middle of each session as practical. **In the event of the need to have more than the standard one-half (1/2) hour or one (1) hour lunch period between sessions, there may be no more than six (6) hours between the end of the first session and the beginning of the second session. (Employees hired into a position covered by this Agreement prior to January 1, 2002 shall only be scheduled to work a tour with more than the standard lunch period between sessions on a voluntary basis.) There shall be no less than eight (8) hours between the end of one scheduled tour and the commencement of the next except by mutual agreement of the employee and the Company.**

5.03.7 Employees who are covered in Section 5.03 of this Article and are scheduled to work tours ending two (2) or more hours after those designated or are scheduled to work on a day not designated will be scheduled to work an eight (8) hour tour with a paid lunch period of one-half (1/2) hour (inclusive).

5.03.8 **It is the intent of the Company to continue the local practices for tours and tour selection, including rotation, requirements for paid periods of one-half (1/2) hour, and not scheduling an employee for the Saturday preceding his vacation week in those locations where such practices currently exist.**

5.03.09 All Districts

This does not preclude the Company from exercising its rights under Article 16, should service requirements necessitate such action.

5.03.10 In those instances where the parties agree, or have agreed, to a four day, ten hour per day schedule for any classification, the following shall apply for employees

working such a schedule: paid days off will be treated as ten hour days, however, such employees will be entitled to four floating holidays and the schedule during the week of a designated fixed holiday in Article 9.01 shall revert to a five day, eight hour per day schedule; overtime premium shall be paid for hours worked beyond ten in a day; single days of vacation will be treated as ten hours per day and deducted from the employees total vacation entitlement based on hours (two weeks of vacation per Article 10 shall be 80 hours of vacation; three weeks shall be 120 hours; etc.).

5.04 Standby:

- 5.04.1 In the event the Company determines to place an employee on stand-by, a list by job classification and primary function of volunteers will be maintained and assignments will be rotated on a weekly basis among qualified volunteers. In the absence of sufficient number of qualified volunteers, the Company will designate qualified individuals to be on standby in inverse order of seniority on a rotational basis from amongst all employees in the appropriate job classification and primary function. Except in extraordinary circumstances or in anticipation of emergencies, standby assignments designations will be made not less that seventy two (72) hours in advance.**
- 5.04.2 Stand-by assignments may be in increments of no more than a full week nor less than eight (8) hours. Except when extraordinary circumstances exist or when an employees circumstances warrant, weekday or weekend assignments will not be split between/amongst several employees.**
- 5.04.3 Employees will be paid \$352 per week (\$22.00 per eight-hour increment) for such assignment. This pay is in addition to normal call-our pay for any call-outs that occur while on stand-by, per Article 7.04.**
- 5.04.4 If a stand-by assignment conflicts with an employee's personal calendar, he or she may arrange for another qualified employee as substitute in eight-hour increments with prior approval by the Company.**
- 5.04.5 Employees on stand-by will be provided an appropriate means for being contacted by the Company (e.g. cell phone, pager, etc.) and a Company vehicle. An employee on stand-by is responsible for reasonably timely response to all calls.**

ARTICLE 6

MISCELLANEOUS TIME OFF

- 6.01 DEATH IN FAMILY** - Regular and part-time employees shall be granted excused time off with pay, based on the circumstances in each case, by reason of making arrangements or, attending a funeral of, or because of compelling legal matters directly related to the death of a member of the immediate family or any other relative actually living in the home of the employee, in accordance with Sections 6.01.1, 6.01.2, 6.01.3, and 6.01.4 below. Such excused time shall be compensated at the basic hourly rate for the formally scheduled work hours actually lost. This excused time shall normally only be applicable through a period starting with the day of death and including the day following the

burial. The employee shall select the day or days he desires to be absent within this funeral period. Employees may be granted time off for the funeral of persons not indicated below when circumstances warrant. The determination regarding such requests shall not be subject to the provisions of Article 23 except with respect to alleged violation of the provision of Article 1 regarding nondiscrimination.

6.01.1 There shall be a maximum four (4) days excused absence for the death of an employee's spouse, child (including stepchild and adopted child), grandchild or parents.

6.01.2 There shall be a maximum of three (3) days excused absence for the death of an employee's parents-in-law, brother, sister, step-brother, step-sister, step-parents, legal guardian, grandparents or any other relative actually living in the home of the employee.

6.01.3 There shall be one (1) day excused absence for the death of an employee's son-in-law, daughter-in-law, grand-parents-in-law, brother-in-law, sister-in-law, aunt or uncle, subject to the same conditions as stated in Section 6.01 above.

6.01.4 If a funeral period occurs during an employee's vacation or holiday time, such employee shall have the right to cancel that portion of their vacation or holiday time that coincides with the funeral period as outlined in Section 6.01 above. All canceled vacation or holiday time can be taken at a later time mutually agreeable to the employee and the Company, but may not be carried over to the following calendar year.

6.02 **JURY DUTY** - Any regular employee shall be paid at the basic wage rate for excused time off from work because of jury duty. Employees engaged in jury duty shall, while temporarily excused from attendance in court, report for scheduled duties during regular tours.

6.02.1 The Company will reschedule employees serving on Jury Duty to an 8:00 a.m. to 5:00 p.m., Monday-through-Friday work tour if service requirements permit. No overtime will be paid those employees as a result of any schedule changes.

6.03 **APPEARANCE BEFORE CONSTITUTED AUTHORITIES** - Any employee shall be paid at the regular wage rate, plus applicable premiums and differentials, for excused time off from work because of appearances before constituted authorities on behalf of the Company.

6.03.1 Other appearances before constituted authorities by regular employees may be permitted without loss of basic pay if the reasons are satisfactory to the Company, such as required appearances to act as witnesses for third parties, or to act as witnesses for the Company, but will not include appearances necessary to act in their own behalf, such as paying for traffic violations or other civil or criminal actions against them.

6.04 **MILITARY TRAINING** - All regular employees who are subject to reinstatement and who are actually reinstated under the Selective Training and Service Act of 1940, the Selective Service Act of 1948, as amended, or the Universal Military Training and Service Act of 1951, as amended, shall be granted immediately all Accredited Service as of the date of entry into military service plus credit for all lawfully recognized time in military service as defined in the aforementioned acts.

6.04.1 Regular employees with accredited service of one (1) year who are drafted or enlist in the armed forces of the United States, will be paid the difference between their total military pay including allotments and special pay and their basic Company pay for a period of three (3) months.

6.04.2 Regular employees who are members of a component of the armed forces, either federal reserve or state national guard units, and who are required to perform annual field training, will receive the difference between their total military pay including allotments and special pay and their basic Company pay. Such difference

in pay will be made up only for absence from formally scheduled hours and with a maximum of eighty (80) hours in any calendar year. A statement must be provided by the employee's commanding officer certifying the total amount of time and total compensation including allotments and special pay received for the period of absence.

A. An example of the computation follows. An employee earns \$200 per week (Company basic pay); he earns \$320 (total Military Pay including all special pay and allotments) for fifteen (15) days of military duty. He is absent from work for 10 days. Computation = total military pay \$320 : 15 days = \$21.33 per day. Total military pay for Company calculation - \$21.33 x 10 days = \$213.30 or \$106.65 per week. Basic Company Pay \$200 - \$106.65 adjusted military pay = \$93.35 per week owed to employee.

6.04.3 Hazardous duty pay will be the only exception to 6.04.2 above.

6.05 **EXCUSED DAYS** - Employees on the payroll as of July 1, 1992 will be provided one (1) excused day off with pay, (to be taken as a full day), during each calendar year with sufficient prior notification and approval by the Company. Such excused time is not cumulative and may not be carried over by an employee from one calendar year to another.

ARTICLE 7

PAYMENT FOR OVERTIME

7.01 It is recognized that employees may be required to work overtime unless prevented on occasion from doing so by compelling personal reasons.

7.02 The Company will make every reasonable effort to equalize, as nearly as possible, the opportunities for call-out overtime and scheduled overtime for employees by primary function in each job classification and reporting center or work group. The Company will post lists of each type of overtime monthly for each work group reflecting the number of overtime opportunities and hours worked during the previous month.

7.02.1 Forced overtime will be maintained by **reverse seniority on a rotational basis**.

7.02.2 Overtime Equalization: If an employee is working on a job and overtime is required, the employee will complete the job unless there is mitigating circumstances to release him.

7.03 Overtime is defined as follows:

7.03.1 All time worked by regular employees in excess of the required hours of work in a scheduled tour whether the scheduled tour is eight (8) hours or less.

7.03.2 All time worked in excess of eight (8) hours in any one (1) day. Excluded under this provision is time worked that is considered make-up time.

7.03.3 All time worked in excess of forty (40) hours in a calendar work week for which overtime has not been paid on a daily basis.

7.03.4 When a regular employee is required to come to work on his non-scheduled day, all hours worked on that non-scheduled day will be paid for at the time-and-one-half rate. Excluded under this provision is time worked that is make-up time.

7.03.5 When telephone service requirements necessitate the changing of the hours to be worked on any scheduled day from the original formally scheduled tour of duty, the treatment shall be as follows.

- A. When less than eighteen (18) hours notice before the start of work on a changed daily tour is given to an employee, the employee will work and be compensated for the hours of the changed tour as follows.
 - B. Straight-time compensation for all hours in the changed tour that coincide with the regularly scheduled tour.
 - C. Overtime compensation for all other hours. When notice of eighteen (18) hours or more before the start of work on the changed tour is given, the changed tour shall be the employee's scheduled tour for all purposes.
- 7.04 A call-out is defined as a call of a regular employee to perform work during non-scheduled hours.
- 7.04.1 If the time worked immediately follows and connects with regularly scheduled time, it shall not be considered a call-out.
 - 7.04.2 Call-out pay shall be at the applicable rate for the time worked, with a minimum of three (3) hours at the straight-time rate if the call out begins before midnight and a minimum of four (4) hours at the straight-time rate if the call out begins after midnight. The minimum is determined by the time the call is received. Call-outs begin from the time the employee is called and end when the employee returns home.
 - 7.04.3 Call Out: If an employee is called more than once during his nonscheduled time, he will receive the appropriate minimum call out each time he is called.
 - 7.04.4 If an employee is called at home and works the problem out over the phone, he will receive the appropriate minimum call out if such call is made by the supervisor or with supervisory approval.
- 7.05 All paid time not worked except sick time will be counted as time worked in the computation of weekly overtime.
- 7.06 Total compensation for overtime worked shall be at the rate of one and one-half (1-1/2) times the straight-time rate of pay during the specific overtime hours worked. There shall be no pyramiding of overtime rates or other premium rates calling for payment of at least one and one-half (1-1/2) time.
- 7.07 Overtime normally will be worked on one (1) day but it may extend from one (1) day to another when the time worked is continuous. Overtime may be worked either prior to, after, or both prior to and after the scheduled tour. Work time shall be considered continuous if it immediately precedes or follows hours worked in a scheduled tour of duty or if the employee is requested to return to work before leaving the premises. The granting of a meal period not in excess of one (1) hour shall not interrupt continuity for the purpose of this paragraph.
- 7.08 No employee shall be required to take time off within his regular scheduled working hours to compensate for overtime worked.
- 7.09 Scheduled overtime and call out overtime will normally be assigned to the proper primary job function within the proper classification.

ARTICLE 8

DIFFERENTIAL AND PREMIUM PAYMENTS

- 8.01 Employees working a regular eight (8) hour tour will be paid a differential one dollar and twenty-five cents (\$1.25) for those hours actually worked between 8:00 P.M. and 7:00 A.M. **Employees working a regular eight (8) hour tour where the second session begins**

more than one (1) hour after the end of the first session will be paid a differential of 10% of their base straight-time hourly rate for all regular hours worked.

- 8.02 If an employee works Christmas Eve or New Year's Eve between the hours of 5:00 P.M. and 12:00 A.M., he will be paid one and one-half (1-1/2) times his basic hourly rate for all hours worked between these hours.
- 8.03 A bargaining unit employee who accepts an assignment to perform supervisory functions, shall receive the basic rate of pay plus a differential of ninety (\$0.90) cents per hour for each hour so worked. All such assignments shall be voluntary and shall not be for more than six consecutive months.
- 8.04 All time worked on a Sunday will be paid at the rate of one and one-half (1-1/2) times the straight-time rate of pay for each hour worked.
 - 8.04.1 When the time actually worked on Sunday is two (2) hours or more, time worked shall be included as part of the forty (40) hour work week for overtime purposes.

ARTICLE 9

HOLIDAYS

- 9.01 All eligible employees will be granted time off at the basic rate of pay on the following listed holidays or days publicly observed as the holiday.

New Years Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	Five (5) Floating Days*

* Should an employee have a need to use floating holidays in less than full day increments, such requests will be granted subject to operating needs.

- 9.01.1 Part-time employees will be paid holiday allowance at the basic hourly rate on the basis of averaged actual hours worked in the previous six (6) week calendar period. The average shall be divided by thirty (30) days to reach the total hours such employees will be paid, up to a maximum of eight (8) hours holiday allowance.
- 9.01.2 New employees, in their first year of employment, may take floating holidays in accordance with the following schedule:

- Five floating holidays if hired from Jan. 1 through Feb. 29
- Four floating holidays if hired from March 1 through April 30
- Three floating holidays if hired from May 1 through June 30
- Two floating holidays if hired from July 1 through Aug. 31
- One floating holiday if hired from Sept. 1 through Oct. 31
- No floating holidays if hired after Oct. 31

- 9.02 Holiday allowance will not be paid when an employee is absent from work without proper excuse or permission on a regularly scheduled working day before or the day after a holiday or the holiday itself, if on any of these days he was regularly scheduled to work.

- 9.03 **For Monday through Friday Work Weeks:** If a holiday occurs on a Sunday, the following Monday shall be observed as a holiday. If a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday.
- 9.03.1 **For Other than Monday through Friday Work Weeks:** If a holiday falls on a nonscheduled day, the preceding or following **workday** shall be **observed as** the holiday.
- 9.03.2 For those employees who are scheduled to work the actual holiday, that day will be their holiday. If coverage for that day is required by the Company, the scheduled employee will work.
- 9.04 When it is desirable because of operating requirements that a regular employee is required to work on a holiday, the employee may receive holiday allowance (eight (8) hours at the basic hourly rate) and holiday premium (eight (8) hours at two (2) times the basic hourly rate including applicable premiums and differentials) or holiday premium and select a substitute holiday on a day mutually agreeable with the Company and the employee. If the work in question, or any part thereof, is outside the employee's normal working hours, he shall receive two and one-half (2-1/2) times his regular rate of pay. The selection of the substitute holiday automatically makes the holiday substituted for an ordinary day and no holiday allowance will be paid for work performed on that day under any circumstances.
- 9.04.1 When a part-time employee is required to work on a holiday, the employee shall be paid holiday allowance in accordance with Section 9.01.1 above and shall be paid holiday premium (time and one-half including applicable premiums and differentials) for those hours actually worked.
- 9.05 When a holiday falls within the employee's vacation period, such day shall not be charged as a vacation day. In such case, employees will have the option of selecting, with mutual agreement, the immediate preceding Friday, the following Monday, or another day as vacation. The Company shall make every reasonable effort to approve such request.
- 9.06 Holidays shall not be carried over into the subsequent year and should be scheduled by September 1.

ARTICLE 10

VACATIONS

- 10.01 Vacations with pay will be granted to eligible employees in accordance with the following schedule:
- A. Employees who complete six (6) months of service by September 15 of the calendar year shall receive one (1) week vacation with pay.
 - B. Employees who complete two (2) years or more, but less than eight (8) years of service within the calendar year shall receive two (2) weeks vacation with pay.
 - C. Employees who complete eight (8) or more years, but less than fifteen (15) years of service within the calendar year shall receive three (3) weeks vacation with pay.
 - D. Employees who complete fifteen (15) or more years but less than twenty-five (25) years of service within the calendar year shall receive four (4) weeks vacation with pay.
 - E. Employees who complete twenty-five (25) or more years of service within the calendar year shall receive five (5) weeks vacation with pay.

- 10.01.1 In the initial vacation selection, a maximum of two (2) weeks may be chosen between May 1 and September 30. After all employees have been given an opportunity to exercise their selection, employees eligible for more than two (2) weeks vacation may choose from the remaining weeks between May 1 and September 30. This section does not apply to the Southern District.
- 10.01.2 If the last day of the year falls on Wednesday or later, then that vacation week will be considered as the current year vacation.
- 10.02 The allowance paid to each employee shall be determined by the following formula.
 - 10.02.1 Vacation pay allowance for part-time employees will be prorated and computed in accordance with the hours worked, exclusive of overtime, during the previous year.
 - 10.02.2 For regular employees, the vacation pay allowance will be forty (40) hours times the current basic hourly rate for each week of vacation time off.
- 10.03 Employees shall not be permitted to remain on duty for the purpose of accumulating vacation time to be carried over to a succeeding year nor for the purpose of receiving the vacation pay allowance without taking the vacation time off. Vacation days should be scheduled by September 1.
 - 10.03.1 The Company will allow up to three (3) weeks split vacation.
 - 10.03.2 Seniority will prevail for advance selection of vacation days at the time the vacation schedule is initially posted insofar as telephone service and work requirements permit. All subsequent requests will be handled on a first-come, first-serve basis.
- 10.04 The selection of vacation periods shall be governed by the desires of the employees in accordance with their seniority insofar as telephone service and work requirements permit. Selections shall be made according to predominate job functions within work groups.
 - 10.04.1 If the seniority dates of two (2) or more employees are identical, the employee with the earliest dated application form will select first. If the application dates are identical, the employee with the lowest social security number will be considered the senior employee.
 - 10.04.2 Should the Company close weeks to vacation selection, the Company should, based on operational requirements, give at least one additional employee off in an equal number of weeks at other times.
- 10.05 Should unforeseen circumstances arise, the Company may require needed employees to change from previously assigned vacation periods; no loss of vacation benefits shall result from such change. Employees whose vacations are changed at the request of the Company shall have first consideration in the selection of alternative periods. The Company agrees that such changes shall be kept to a minimum and that affected employees will be notified of the need to change as far in advance as circumstances permit.
 - 10.05.1 It is agreed that, if a transferred-in employee is in the new section at the time the vacation schedule is to be selected, such employee will be allowed to utilize the full seniority that the employee has at the time the vacation schedule is posted. If a transferred-in employee arrives in a new section after the vacation schedule has been selected, such employee will not be able to exercise his seniority until the following year's vacation schedule is presented for selection. When service requirements permit, an employee who has transferred into a new section will be allowed to maintain his previous vacation schedule.
- 10.06 For convenience in scheduling vacations, the Company will, where there is no abuse of the privilege, permit an employee to take his vacation time off before completion of the Accredited Service required in 10.01. above for eligibility to a second, third, fourth, or fifth week of vacation time off within the calendar year.

- 10.06.1 An employee who terminates, whose last day worked is before the completion of the accredited service required in Section 10.01 above, for eligibility to a 2nd, 3rd, 4th, or 5th week of vacation, and has received the advance vacation as outlined in Section 10.06 above will be required to reimburse the Company for this vacation advance before leaving the employ of the Company.
- 10.07 If immediately prior to the start of his scheduled vacation, an employee is temporarily off duty because of illness, injury, or jury duty, such employee shall have the right to have his vacation rescheduled and the Company shall assign to such employee a new vacation period that is mutually agreeable.
- 10.08 If conditions arise either because of the needs of the business or personal consideration of employees requiring changes in the vacation schedule, such changes may be made by arrangement between the Company and the employees affected.
- 10.09 In the event the Company changes an employee's vacation schedule or recalls an employee from vacation and the employee suffers an actual expense thereby, the Company shall reimburse the employee's actual out-of-pocket expenses and allot another vacation period.
- 10.10 An employee who has worked during the year and is on a leave of absence for disability or illness shall receive his vacation upon return to work or pay in lieu of it if he is unable to return to work.
- 10.11 The Company will not normally assign a tour to any employee the two (2) days directly prior to the employee's scheduled vacation week. Employees normally non-scheduled on Tuesday and Wednesday would be rescheduled to a Sunday through Thursday work tour the week prior to vacation.
- 10.12 Employees eligible for two or more weeks of vacation may carry forward part of their vacation (up to one (1) week for employees with two to four weeks; up to two weeks for employees with five weeks). Requests shall be considered in light of the employee's need for such carry forward and the operating needs of the Company. Any time approved for carry forward shall be scheduled in accordance with the procedures of this Article in the following year.

ARTICLE 11

SENIORITY

- 11.01 Seniority is the total days, months, and years of employment while in any reciprocal unit (**Southern District 363.4, Northern District 353.12, Delaware Telephone 363.13, and Central District 363.43**). Employment is defined as that calendar time for which an employee receives wages (**including paid time off**), **lost time due to service in the Armed Forces, time lost in a layoff status not to exceed twenty-four (24) months, Company paid short term and long term disability not to exceed twelve (12) consecutive months in any one occurrence, leave of absence of less than thirty (30) days, Family and Medical Leave of Absence and probationary time.**
- 11.02 **If the seniority dates of two (2) or more employees are identical, the employee with the earliest dated application form will be senior. If the application dates are identical, the employee with the lowest social security number will be considered the senior employee.**

- 11.03 An employee who transfers between bargaining units party to this Agreement, or who transfers from a bargaining unit not party to this Agreement that has reciprocity language in its contract, shall have their seniority bridged as follows:
- A. For the purpose of tour and vacation selections, six (6) months of continuous service in the new unit.
 - B. For the purpose of layoffs, recalls, transfers and promotions, thirty-six (36) months of continuous service in the unit.
- 11.03.1 An employee who transferred between bargaining units party to this Agreement will continue to accumulate seniority during their thirty-six (36) month bridging period in their originating bargaining unit as long as they remain in a position covered by this Agreement and can exercise their seniority in their previous unit during this bridging period.
- 11.03.2 An employee will accumulate seniority in a transferred-into bargaining unit as long as he/she remains in a position covered by this Agreement.
- 11.04 Any time spent as a temporary employee shall not count towards seniority.
- 11.05 All seniority will be lost and never bridged when an employee is discharged for cause.
- 11.06 An employee who is terminated due to the expiration of his/her twenty-four (24) month recall period or who accepts termination allowance and who is subsequently re-engaged, shall be given credit for all previous seniority as credited to him/her on his/her layoff date when he/she becomes a regular employee including time spent on recall list not in excess of twenty-four (24) months.
- 11.07 The Company agrees to furnish the Union with a list of employees in the bargaining units in January and July of each year. Information contained in the list will be name, address, classification, accredited service date and birth date as shown on the Company records.
- 11.08 Bargaining Unit Chairpersons and Vice Chairpersons and Northern District 363.12 elected officers shall, for their terms of office, have top seniority for the purpose of layoffs only.
- 11.09 An employee covered under the terms of this Agreement who leaves the bargaining unit and returns within one year from the date of leaving the bargaining unit or who terminates employment with the Company and chooses to return to the bargaining unit within six (6) years from the termination date will have his/her seniority bridged as follows:
- A. After six (6) months will bridge for tours and vacations;
 - B. After thirty-six (36) months will bridge for layoff, recalls, transfers, and promotions.

ARTICLE 12

LAYOFFS AND RECALLS

- 12.01 Whenever lack of available work makes it necessary for the Company to lay off employees, the Company shall decide which job classification is surplus and notify the employees affected and the Union sixty (60) calendar days in advance of effective date of layoff.

- 12.02 Before the layoff procedure begins, the Company will offer a Voluntary Separation Plan to those employees in the affected classification in the affected area (as defined below), by seniority, as outlined in the Memorandums of Agreement concerning Termination Pay Plan (TPP) and Employee Adjustment Income Plan (EAIP).
- * Adams/Pulaski
 - * Boonville/Lowville/Old Forge
 - * Chestertown/Corinth/North Creek/**Indian Lake**
 - * Johnstown/Fort Plain/Northville
 - * Deruyter/Morris/Norwich/Sherburne/Waterville
 - * ~~Candor~~/Chenango Bridge/Greene/Newark Valley/Sidney
 - * Walton
 - * **Middletown/Port Jervis/Barryville/Narrowsburg**
- 12.03 If the required number of employees to be reduced is not obtained through the Voluntary Separation Plan, employees to be laid off shall be selected on the basis of seniority in the job classification affected, the least senior employee to be the first laid off, and the most senior the last. Temporary employees shall be laid off before part-timing or laying off of regular employees is effected.
- 12.04 Employees selected for layoff shall have the right to replace any other less-senior employee in the bargaining unit provided the employee and/or the Union makes such a request within five (5) work days following the conclusion of the twenty-one (21) day election period for the Voluntary Separation Plans.
- 12.04.1 The Company will provide the affected employee(s) with a list of all employees who are in a lower or equal classification and less senior than the employee to be laid off.
- 12.05 However, an employee, who is notified that he is to be laid off, and who makes a request to replace any other less-senior employee in the bargaining unit must be able to qualify in no longer than **90** days. An employee may elect to take a layoff without prejudicing his right of being recalled when his job is again available. An employee not able to qualify will be considered a laid off employee.
- 12.07 The Company shall keep an up-to-date list of employees laid off and eligible for reemployment within the bargaining unit.
- 12.08 The Company shall supply the Union with five (5) copies of the layoff list. The Company shall inform the Union by letter of the Company's reason for the removal of any employee from the recall list. If the Union feels that the removal was in violation of this Agreement, the Union may file a grievance provided it does so within fifteen (15) calendar days after receipt of the Company's letter.
- 12.09 Employees on the recall list shall be recalled to their former job classification by seniority in the inverse order of layoff before a new employee is hired in that classification.
- 12.10 When any of the following occur during the recall period the employee will be terminated.
- 12.10.1 Failure to reply within five (5) working days to a notice of recall provided such notice is sent by registered mail by the Company to the last **known** address of employee.
 - 12.10.2 Refusal to accept the Company's offer of a job in the same or like position in the same bargaining unit and less than 30 miles from the employee's normal reporting center at a rate of pay equal to or better than that held by the employee at time of layoff except that an employee who, because of illness or accident is unable to report for work, shall be granted a leave of absence.
 - 12.10.3 Failure of an employee without just and lawful cause to report for work within ten (10) calendar days after his acceptance of the job offered by Company.
 - 12.10.4 Acceptance of termination allowance as provided for in Section 17 of this Article.

- 12.10.5 The Company shall notify the Union in writing of job openings and the names of employees it intends to assign to such openings. The Union reserves the right to file a written grievance within fifteen (15) calendar days of such notice.
- 12.11 The Company will notify the Union and the employee before hiring new employees, when there are employees on the recall list, of job openings and grant the Union/Employee eight (8) calendar days to submit names of employees eligible and willing to accept jobs open.
- 12.12 Employees may reject Company offer of employment without jeopardizing their seniority when such offer is for a temporary period or in a lower job classification than that previously held by the employee.
- 12.12.1 Any temporary time worked by a laid off employee shall be added to his recall period.
- 12.13 If a recalled employee is assigned to essentially the same type of work as at the time of layoff, he shall be paid at the rate then in effect for that assignment and in accord with his seniority. If he is recalled to a different job, his rate of pay shall be negotiated by the Company and the Union.
- 12.14 It is agreed that, although the workweek shall consist of forty (40) hours to be performed five (5) days, eight (8) or fewer hours each day, the workweek may be reduced to as low as thirty-two (32) hours by mutual agreement before the Company will layoff any employees for lack of work.
- 12.15 Regular employees, having one (1) year or more of Accredited Service, who suffer loss of employment because of technological change such as dial conversion or force adjustment, shall be paid a termination allowance based on the employee's Accredited Service and basic wage rate at the time of separation.
- 12.16 **TERMINATION ALLOWANCE:**
- 12.16.1 The termination allowance is determined as follows:
- A. one (1) week's pay for each of the first ten (10) years of accredited service
 - B. two (2) week's pay for each of the next five (5) years of accredited service
 - C. three (3) week's pay for each year of accredited service beyond fifteen (15) years of accredited service
 - D. The maximum termination allowance to be paid shall not exceed 52 weeks, except for the following.
Any employee who has thirty (30) years or more of service and is not pension eligible as of February 28, 1984, will continue to accrue termination allowance until age 55. At age 55, the employee's termination allowance shall be frozen.
- 12.16.2 Termination allowance will be paid on a weekly basis or in a lump sum if requested by the eligible employee.
- 12.16.3 The employee will have the option of taking the termination allowance or remaining on the recall list in accordance with the following provisions.
- A. Termination allowance may be taken up to twelve (12) months following the effective date of his layoff.
 - B. If termination allowance is not taken within the twelve (12) month period, the employee will remain on the recall list for twelve (12) additional months, at which time his employment will be terminated without any termination allowance.

ARTICLE 13

SAFETY AND HEALTH

- 13.01 The Company and the Union mutually agree to continue a joint Safety Committee in each New York district of the Company. Each New York committee will consist of five (5) representatives from labor and three (3) representatives from management. The Safety/Security Coordinator or his authorized representative will serve as a member of such committee in an advisory capacity only. Each committee shall hold quarterly meetings for the purpose of reviewing accidents, discussing unsafe practices and recommending such remedial measures as may be necessary.
- 13.02 No employee shall be required to climb or otherwise endanger himself unless and until he has been properly instructed and trained, or is under proper instruction in the work required.
- 13.02.1 In cases involving the refusal by an employee to perform a work assignment that he considers unsafe or for which he has not had proper training, discipline will not be administered until the issue has been discussed with the next higher level of supervision and the Safety/Security Coordinator.
- 13.03 The Company shall furnish all tools, raincoats, boots, hats, safety devices, and other equipment necessary to do the work and to maintain the standard of service required by the Company. The employees receiving such tools and equipment shall be held responsible for their return in good condition, ordinary wear and tear and reasonable loss expected. The company shall provide suitable and safe space for storing tools and equipment furnished employees, convenient to place of employment. Whenever the wearing of work gloves is mandatory by Company rule or instruction, such gloves as needed shall be furnished by the Company. The Company may, on occasion, require an employee to carry tools in his personal vehicle to a temporary reporting center. The details of the type of tools will be worked out by the Company and the employee/Union.
- 13.04 No employee shall be required to perform any hazardous task until he has been properly instructed and protected.
- 13.05 Adequate facilities shall be provided by the Company for hanging employees' clothing, and also adequate washstands, rest rooms, and toilets. Precautions to secure the health and safety of employees shall, as far as practical, be at all times taken by the Company. Employees shall observe all rules of the Company relative to the above.
- 13.06 All outside employees shall be paid for scheduled time when they actually report for work and when weather conditions prevent continuance of regular assigned duties, unless such work is necessary to protect life, property or continuity of essential service. The Company, however, reserves the right of determining the type and location of all duties to be performed by outside employees during inclement weather. Such duties will include inside work as available of which the employee is capable of performing, or when practicable, the time may be devoted to safety, first aid, or other instructions.
- 13.06.1 Inclement weather shall include continuous rain, wet snow, and such excessive cold weather as will interfere with the safe performance of work by outside employees.
- 13.06.2 If weather becomes inclement, employees must contact their supervisor and/or the Service Center for further job assignments and/or instructions.
- 13.07 When an employee works sixteen (16) or more hours in any twenty-four (24) hour period without having a rest period of at least eight (8) hours during that period, he shall be entitled to a rest period of eight (8) consecutive hours before returning to work. If this rest period extends into his regular scheduled working hours, he shall be paid straight-time rate for all time falling within his regular scheduled working hours that is necessary to give him eight (8)

hours of rest. In the interest of the employee's personal safety or health, at the employee's request he shall be excused from reporting for work for the balance of his next regular scheduled work hours, without pay and without the employee, Company, or Union being in violation of any of the terms of this Agreement.

13.08 Those employees who are called out and work between the hours of 12:00 A.M. and 4:00 A.M. and are scheduled to report between 7:00 A.M. and 8:00 A.M. that day, shall receive a paid rest period of time off equal to time worked between 12:00 A.M. and 4:00 A.M., not to exceed four (4) hours. Such pay shall be computed at the employee's basic hourly rate. At the employee's option, sleep time may be taken at the beginning of his tour or be used for completion of that tour. For those employees scheduled to report to work for tours other than those beginning between 7:00 a.m. and 8:00 a.m., sleep time will be provided for those hours worked in the four (4) hour period commencing eight (8) hours after the end of their scheduled tour.

13.09 **Transportation for Employees:**

13.09.1 John Street employees who conclude work between the hours of 10:30 P.M. and 6:00 A.M. will be provided with transportation from the office to the employee's home. John Street employees required to begin work between the hours of 11:00 P.M. and 6:00 A.M. will be provided transportation from their home to the office. The Company's responsibility for transportation shall be limited to one mile beyond the city limits.

13.09.2 When the Company determines a condition exists that might be particularly hazardous to the employee, transportation will be provided to and from home. It is understood that if the Company provides transportation to work they will take the employee home at the employee's request.

ARTICLE 14

LEAVES OF ABSENCE

14.01 Leaves of Absence without pay as outlined in 14.01.1 and 14.01.2 below may be granted by the Company to regular employees when requested in writing, needs of the service permitting.

14.01.1 **30 Day Leave of Absence** - Is an authorized absence without pay not to exceed thirty (30) days, and need not require the formality of a leave-of-absence status. Such leave of absence will not affect the status of the benefits as outlined in Section 14.02 of this Article, with the exception of the Stock Plan as required by the Plan Prospectus. An employee on an authorized absence without pay of thirty (30) days or less will have his position held for his return.

14.01.2 **Six-Month Leave of Absence** - Is an authorized absence without pay in excess of thirty (30) days but not to exceed six (6) months. Time spent on such leaves will not be accumulated for seniority and accredited service purposes and will affect the benefits as outlined in Section 14.02 of this Article.

14.02 **Status of Benefits**

(If an employee becomes disabled during his leave of absence, he will not be entitled to the benefits as provided in the Company's Sickness and Accident Plan.)

14.02.1 **Vacations & Floating Days** - May be taken before or after any leave; however, such vacation and personal time may not be carried over to a succeeding year. It is

the responsibility of the employee if he does not return to work by December 31, to notify the Company that he desires to receive this outstanding compensation.

- 14.02.2 **Group Insurance** - May be continued by an employee; however, the employee will be responsible for the total amount of the premium and will pay the Company on a timely basis.
- 14.02.3 **Concession Service** - Will terminate when an employee is placed on the leave of absence.
- 14.02.4 **Employee Stock Plan** - May be continued by the employee in accordance with the provisions and options as set forth by the prospectus of the plan in effect.
- 14.02.5 **Re-employment:**
- A. The employee will be notified in writing prior to the beginning of the leave by his supervisor whether or not his job is being held for him.
 - B. An employee who is on a leave of absence must notify the Human Resources Department of his intent to return to work at least ten (10) working days prior to the date the leave expires.
 - C. Upon expiration of a leave of absence, the employee will be entitled to resume employment in the last job in which he was engaged prior to the leave provided the job is available, unless termination is otherwise required by reduction in work force or for just cause.
 - D. If the employee has notified his supervisor of his readiness to return to work and his former job is not available, he will be placed on a preferential hiring list for six (6) months.
- 14.02.6 **Termination of the Leave of Absence** - A leave of absence shall terminate immediately when any of the following occur:
- A. The employee returns to active employment.
 - B. The employee accepts employment with another company.
 - C. The employee files for unemployment insurance without first advising the Company that he is ready to return to work.
 - D. The time period for which the leave of absence was granted has expired.
 - E. Failure of an employee without just and lawful cause to return to work at the end of a leave of absence.
- 14.02.7 An employee who is on a leave of absence due to accident or illness shall be limited to the six (6) month time period as outlined above; however, if additional time is needed, the case will be reviewed by the Human Resources Department and additional time will be granted if warranted.
- 14.03 An employee's election or appointment to accept full-time positions with the Local or International Union shall be considered good and sufficient reason for obtaining a leave of absence without pay upon the written request from the Business Manager of the Local Union to the Director-Human Resources for a period not to exceed three (3) years, renewable for successive three (3) year periods; it being understood that not more than two (2) employees at one time will be granted leaves of absence without pay to accept such full-time positions with the Union.
- 14.04 **Family/Medical Leaves of Absence:** In the event of a request for leave due to the birth of, adoption of or receiving for foster care a child or for the serious illness of a spouse, parent, child, relative who is a dependent of the employee, or the employee, subject to the terms of this Article, the employee will be entitled to leave for up to 16 weeks in a twelve month period. This time shall run concurrently with any other leave granted in conjunction with this Article and shall also run concurrently with any vacation or sick leave to which the employee

may be entitled, the employee being obligated to use all available vacation or sick leave before commencing unpaid FMLA leave. Notwithstanding the provisions of 14.01.2 time spent on leave in accordance with this Section 14.04 will be accumulated for seniority and accredited service purposes.

14.04.1 All provisions of this Article shall apply to an employee who takes unpaid leave in accordance with this Section for no more than 30 days. Upon return from such leave of no more than 30 days, the employee shall be returned to the same or an equivalent position within a 30 mile radius of their prior work location.

14.04.2 Any leave granted in accordance with this provision shall also be subject to the then current provisions of the Family & Medical Leave Act of 1993 and any applicable laws of the State of New York.

ARTICLE 15

WAGES, PROGRESSION TABLES, PAYMENT OF WAGES

15.01 Wage rates for established job classifications and progression tables are set forth in the attached wage schedules and made a part thereof.

15.02 Wage Schedules provide a basis for automatic and progressive step increases in basic hourly wage rates. The employee's hourly wage rate will be advanced on the proper date based on the employee's accredited service date.

15.03 The Company shall notify the Union within thirty (30) calendar days whenever job classifications are established for jobs included within the collective bargaining unit but not provided for within the foregoing identified wage schedules. This notification will be made in writing.

15.03.1 If the Union protests the proposed wage schedule, within fifteen (15) calendar days, negotiation shall be entered into for the purpose of establishing an appropriate wage schedule. In the interim period, employees affected shall be paid according to the proposed schedule. Upon adoption of a proper schedule by mutual agreement, affected employees' rates of pay will be revised upwards or downwards as required at the time and in a manner mutually agreed upon.

15.04 Payment of wages should be made bi-weekly by Friday, by check, for all tours of duty, and shall include all wages due for the workweek ending the Saturday preceding payment.

15.05 The Company retains the right to increase the rate of pay of any employees during the life of this Agreement, at its sole discretion; such increases will not exceed the maximum rate for the employee's classification.

15.05.1 The Company will notify the Union when exercising such wage adjustments.

15.06 Part-time employees working a regular number of hours and/or days each pay period will receive a progression increase upon completing 1040 hours in that work assignment which is equivalent to a full-time employee's six (6) months.

15.07 When an employee is promoted to a higher-paying work classification, such employee's rate of pay shall be advanced to the next highest rate, that is at least twenty-five (25) cents

over his present rate on the wage schedule applying to his new classification, effective with the actual date of change in duties.

- 15.08 An employee transferred on a specific temporary basis to another job which falls under a higher wage schedule will receive the higher rate of pay, that is at least twenty-five (25) cents over his present rate on the wage schedule applying to his new classification, for all hours worked provided such employee has worked two (2) consecutive hours in the higher job classification.

ARTICLE 16

MANAGEMENT RESPONSIBILITY

- 16.01 The management of the business and the direction of the working force shall remain with the Company, including the right to hire, promote, discharge for proper cause; use improved methods or equipment; determine work assignments and tours in accordance with past practice; decide the number of employees needed at any particular time or place; be the sole judge of the communications service rendered the public; establish, determine and maintain standards of telephone service to the public. This section will not however, be used for the purpose of discriminating against members of the Union nor shall it alter the meaning of any provisions of this Agreement.
- 16.02 Nothing contained in this Agreement shall be deemed to limit the Company in any way in the exercise of the regular and generally recognized customary functions and responsibilities of management. Moreover, such functions of management as may be included herein shall not be deemed to exclude other functions of management not specifically included herein.
- 16.02.1 The Company agrees to inform the Union of significant technological change; however, this shall not be construed to limit the Company's right to make technological change that it deems necessary. If and when such technological change may adversely affect Bargaining Unit employees, the Union will be notified prior to the Company's formal presentations to those employees.
- 16.03 Nothing in this Agreement shall be construed to limit the Company in the employment of such contract labor as, at the discretion of the Company may become necessary for the proper construction, installation, removal and maintenance of communication facilities owned, serviced, and/or operated by the Company for the renditions of proper and adequate communication service to the public. However, the Company shall not enter into any contractual arrangement for the construction, installation, removal, and/or current maintenance of plant facilities that may result in the layoff or part-timing of its employees customarily performing work of the same nature as that to be provided under the contractual arrangement, with the exception that the sale of plant in place may include removal by purchaser. Such contractors may, however, be used without regard to this limitation for work performed in the classifications of Storekeeper, Warehouse Clerk, Cashier, Utility Custodian, Building Technicians and Building Mechanic.
- 16.03.1 All employees on layoff, where there has been a reduction in a classification, who reject a Company offer of temporary employment within thirty (30) miles of an individual employee's normal reporting center, will no longer represent a bar to the use of contractors. Rejection of any offer of temporary employment more than thirty

- (30) miles from an individual employee's reporting center will not eliminate the bar on the use of contractors within thirty (30) miles of an employees reporting center.
- 16.03.2 All employees who have been displaced, when there has been a reduction in a classification, will receive a temporary differential (equal to the amount they would have earned had they not been displaced) for the period a contractor is performing work in that classification in that area. Displaced employees shall be eligible to receive this differential during the twenty-four (24) -month period following the date they were displaced.
- 16.03.3 The Company will provide the Union with a list indicating those entities performing work as contractors. Such list shall indicate the contractor and the type of work each is performing and shall be provided no less often than once every six months.
- 16.04 Nonperformance of Craft Work by Supervisors - Supervisory and management support employees shall not perform work regularly performed by employees in the Bargaining Unit, except in the case of emergencies or the instruction and training of employees.

ARTICLE 17

UNION RESPONSIBILITY

- 17.01 The Union agrees that its members who are employees of the Company will individually and collectively perform loyal and efficient service, that they will use their influence and best efforts to protect the property of the Company, and that they will cooperate with the Company at all times.
- 17.02 The Union agrees that all Union activities except meetings as provided for in this Agreement and those provided by law shall be conducted off the Company premises except as may be otherwise specifically authorized in each instance by the Company or as otherwise permitted under the terms of any applicable law.
- 17.03 Union officers or representatives required to be absent from scheduled work for the purpose of attending joint conferences with the Company or for the processing of grievances as provided for in this Agreement, may do so by agreement of his immediate supervisor. Permission for such absence for Union business, above area level, including furloughs, leaves of absence, absence to attend conferences, grievance meetings above Step Two, arbitration, collective bargaining or other such purposes must be approved in advance by the Director-Human Resources or his duly authorized representative.
- 17.03.1 An employee desiring to absent himself from work for Union business as described in this section shall give as much advance notice as possible to the Company. If it is determined by the Company that such absence would seriously interfere with work requirements or telephone service to the public, permission may be withheld or other arrangements made as appropriate.
- 17.03.2 After each such absence, the Union representative shall report to his immediate supervisor when returning to work.
- 17.03.3 If such absences become unreasonably frequent or unreasonably long, whether paid or unpaid, the Union agrees that it will use its best efforts to reduce the number and duration thereof.
- 17.03.4 The Company agrees to pay the basic hourly rate for absences from formally scheduled tours of work for union representatives engaging in joint conferences as

- provided in this Agreement. The Company will allow ample time for these joint conferences during the employee's normal working hours and therefore will not pay overtime provisions if the meeting goes beyond the employee's normal quitting time.
- 17.03.5 Time spent at joint conferences held for arbitrations will not be paid by the Company.
 - 17.03.6 The Company agrees to pay for **ten (10)** Union representatives for **2003** contract negotiations.
 - 17.04 The Company understands that the choice of and removal from office of Stewards and Union Officers is a function of the Union. The Union will notify the Company within forty-eight (48) hours of any such changes.
 - 17.05 It is understood that an employee will not be required to cross a lawful picket line at a customer's premise against a primary employer where a strike is in effect unless by this Agreement to cross such picket line. If employees are not available to perform such work, the work may be performed by management personnel in accordance with Article 16.04 of this Agreement.
 - 17.06 Union Activity on Company Property - The authorized representative of the Union shall have access, during normal working hours, to all places of work of employees covered under this Agreement, for the purpose of inspecting working conditions, or investigating such activities shall not interfere with the normal operations of the Company. The exercise of the privileges of an authorized representative of the Union as set forth in this section shall be with the permission of the Company. Such permission will not be unreasonably withheld.

ARTICLE 18

MEALS AND LODGING

- 18.01 All employees covered by this Agreement shall be assigned a definite reporting center within their appropriate bargaining unit; however, the Company may in its discretion establish temporary reporting centers. When an employee is assigned a temporary reporting center he will report at his usual starting and quitting time and will be reimbursed and assigned as follows:
 - 18.01.1 Within 30 miles of the employee's reporting center, he will be reimbursed the IRS standard mileage allowance for the use of his personal vehicle for the difference between what he drives between his normal and temporary reporting center.
 - 18.01.2 Within 30-50 miles of the employee's reporting center and with mutual consent, he will have the following options.
 - A. Lodging and per diem.
 - B. Travel in his personal vehicle and the total meal allowance plus tolls for each day so assigned.
 - C. Travel in a Company vehicle and lunch allowance, plus tolls.
 - 18.01.3 Beyond 50 miles of the employee's reporting center and with mutual consent, he will have the following options:
 - A. Lodging and per diem.
 - B. Travel in his personal vehicle and reimbursement for the IRS standard mileage allowance and tolls.
 - C. Travel in a Company vehicle and the total meal allowance plus tolls.
 - 18.01.4 Such assignments as outlined in 18.01.2 and 18.01.3 above will be offered on a voluntary basis and/or rotated among qualified employees in that classification.

- A. Any employee who volunteers for an out-of-town assignment, will be allowed to skip one turn in out-of-town rotation.
- 18.01.5 The Company may at its discretion elect to have an employee travel on Company paid time in lieu of using the allowances outlined above.
- 18.01.6 Travel time at the beginning and end of each workweek will be treated as working time for those employees on Lodging and per diem.
- 18.01.7 When the Company establishes a temporary reporting center beyond 30 miles, the employee will normally receive one (1) -week advance notice of such assignment.
- 18.01.8 The Company will not normally assign an employee more than two consecutive weeks to a temporary reporting center that is beyond 50 miles of his normal reporting center.
- 18.01.9 It is not normally the intent to send an employee on an out-of-town assignment and backfill such employee with a contractor.
- 18.02 It is the intent of this Agreement that employees will be reimbursed for reasonable meal and lodging expense only when it is incurred by reason of duties assigned to them by management. Under no circumstances will the Company be expected or called upon to pay an employee any amount greater than the meal allowance as provided in Section 18.08. All lodging expenses actually incurred must be supported by receipted vouchers from bona fide business concerns.
 - 18.02.1 Special circumstances may require an employee to board other than those specifically outlined in the Meals and Lodging provisions.
- 18.03 When an employee is required to work overtime two (2) -hours prior to or two (2) -hours beyond the end of his formally scheduled tour, the Company will reimburse the employee for the appropriate meal expense. Overtime meals will be paid beginning with the appropriate meal and will continue by rotation.
 - 18.03.1 When an employee is not returning to work after eating such a meal, the meal period will be on the employee's own time and not paid for as time worked.
 - 18.03.2 When an employee is required to return to work after eating such a meal, the meal period will be paid for as time worked providing it is reasonable.
 - 18.03.3 When an employee does return to work after eating his first overtime meal, additional meals will be provided for by the Company at intervals of four (4) hours thereafter. Reasonable meal periods will be paid for as time worked.
 - 18.03.4 Reasonable meal period will normally be one-half (1/2) -hour or less.
- 18.04 During emergencies or in isolated locations, lunches purchased and brought to the job location shall be considered reasonable meals.
- 18.05 An employee who is called to work after his tour for that day has been completed will be entitled to a meal after each four (4) hours of work, in the same manner as provided for in Section 18.03.3 above.
 - 18.05.1 An employee who is called to work on his non-scheduled day shall be entitled to a meal provided.
 - A. Such employee received less than one (1) hour notice from the time called and the time he is to report, and
 - B. Such employee actually misses a meal because of being called to work. If the employee continues to work, he will receive his second meal four (4) hours after he has eaten his first meal and a third meal six (6) hours thereafter.
- 18.06 The type of meal to be furnished or the type meal expense to be reimbursed will be determined by.
 - 18.06.1 The meal that is customarily eaten at that particular time of day in question.

- 18.06.2 The circumstances involved in the actual call-out or continuation of work.
- 18.07 All employees are required to provide their own lunches unless they are receiving board and lodging as set forth in Section 18.08 below.
- 18.08 Employees may be assigned to work away from their home reporting center. When the Company requires employees to be away from their home reporting center overnight, reasonable meals and lodging will be furnished and paid for by the Company. Those employees in charge of work will make all necessary arrangements in this connection. Except in those circumstances where the employee pre-elects the option to be reimbursed for reasonable meal expenses, allowances will be paid as follows:

<u>Breakfast</u>	<u>Lunch</u>	<u>Dinner</u>
<u>\$4.50</u>	<u>\$6.50</u>	<u>\$13.00</u>

- 18.09 During meal periods, an employee shall not use a Company vehicle for personal convenience such as returning to his reporting center, to his home, or to a more desirable place to eat, such as a park, unless he is within five (5) miles of such locations.

ARTICLE 19

BULLETIN BOARDS

- 19.01 The Company agrees to provide not more than two (2) bulletin boards in each exchange area in mutually agreeable locations to be used exclusively for Union notices but shall assume no responsibility for any notice to be posted on these bulletin boards by the Union.
- 19.02 Both the Union and the Company agree that under no circumstances shall notices or announcements posted by either contain anything of a derogatory nature or tend to reflect in any manner upon the Company or the Union, the employees or the communications business.

ARTICLE 20

DISCHARGE AND DISCIPLINARY ACTION

- 20.01 In cases that warrant discharge, demotion, or suspension, the Company shall notify the employee and **Chairperson or Vice-Chairperson** prior to any action taking effect. If the Company determines that an immediate suspension is necessary, as a result of a serious infraction of the rules, the Union will then be notified.
- 20.02 Grievances relating to the discharge, discipline or demotion of an employee shall be initiated within fifteen (15) working days not including Saturday, Sunday, or Holidays following the effective date of the action.
- 20.03 If it is agreed that the action taken under the circumstances was not proper, the terms of restitution shall be settled by agreement between the parties.
- 20.04 If such a grievance should be arbitrated, the terms of restitution shall be determined by the arbitrator.
- 20.05 Disciplinary warnings shall be made in writing, and a copy of the warning shall be forwarded to the Union.

ARTICLE 21

MISCELLANEOUS

- 21.01 The Company will not increase the hours of work for the purpose of reducing the working force, unless required to do so by governmental order.
- 21.02 To provide for the maintenance of its service, the Company may require employees to install telephones in their homes. When an employee is so required, the Company will notify him to that effect in writing and will bear all costs incidental to its service.
- 21.03 Any employee who is injured and who is sent home or to a medical examiner by the Company, shall be paid in full for the balance of the day at regular hourly rate. If such employee is required by the doctor to report for further treatment, the employee shall be given such further treatment during the working day and shall suffer no loss in pay.
- 21.04 The costs for all employees required to drive Company vehicles that require special operating licenses or physical, or compliance testing will be borne by the Company.

ARTICLE 22

GRIEVANCE PROCEDURE

- 22.01 A grievance is hereby defined as any alleged violation of the terms or the application of the terms of this Agreement applicable to the employee or employees involved, or any alleged action by the Company or its representatives under which an employee is discharged, demoted, or disciplined or caused to lose any benefits arising out of his job. The parties agree that the processes and procedures herein provided shall be the employee's sole and exclusive remedy for grievances.
- 22.02 When a grievance as referred to in Section 22.01 arises, it shall be processed as follows.

STEP ONE:

The grievance shall be reduced to a written statement referencing specific articles or rights and privileges allegedly infringed or violated and submitted to the Company. The first-level supervisor will meet with the Union Representative within five (5) working days; the grievant, at the Unions request, may attend this meeting. The first-level supervisor will prepare a response to the Union Representative who processed the grievance with five (5) working days after the first- step meeting.

STEP TWO:

If the grievance is not settled as a result of the first-step response, the Union will request a second-step meeting and explain why the first-step response is unsatisfactory within five (5) working days after the receipt of the first-step response. The second-level supervisor and/or his authorized representative will meet with The Union Representative(s) within five (5) working days; the grievant at the Unions request may also attend this meeting. The second-level supervisor will prepare a written response and return it to the Union Representative who initiated the second-step meeting within five (5) working days after the second-step meeting.

STEP THREE:

If the grievance is not settled as a result of the second-step meeting and written response, the Union may appeal to the Director-Human Resources within five (5) working days. The Director-Human Resources and/or his authorized representatives will meet with Union Representative(s) within five (5) working days; (the grievant may, at the Unions request, may also attend this meeting). The Director-Human Resources will respond in writing to the appropriate Union Representative within five (5) working days following the third-step meeting.

- 22.03 Grievances must be presented to the Company within fifteen (15) working days of the occurrence that gave rise to the grievance, not including Saturday, Sunday, or Holidays.
- 22.04 Failure of the Company to process a grievance and render a response within the specified time limits entitles the Union to appeal a grievance to the next step of the grievance procedure. However, time limitations of the grievance procedure may be extended by mutual consent.
- 22.05 Once a Union Representative has notified a Company Representative of a grievance, the Company will not discuss the matter with the individual employee(s) involved without first affording the Union Representative(s) an opportunity to be present at a time and place that is mutually agreeable.
- 22.06 The specification of additional contract provisions alleged to have been violated may be made in subsequent appeals to the Company up to and including the third step of grievance procedure.
- 22.07 Stewards and Union officers shall be allowed necessary time off with pay to discuss grievances with representatives of the Company. Any steward or Union officer having to leave his work location on Union business shall request the permission of his immediate supervisor. Permission shall not unreasonably be withheld. The Union pledges that there will be no abuse of this privilege.
- 22.08 **MEDIATION PROCEDURE**
 - 22.08.1 No grievance may be taken to mediation, except by mutual consent of the parties.
 - 22.08.2 The grievant shall have the right to be present at the mediation conference.
 - 22.08.3 Each party shall have one principal spokesman at the mediation conference.
 - 22.08.4 Any written material that is presented to the mediator shall be returned to the party presenting that material at the termination of the mediation conference. The mediator may, however, retain one copy of the written grievance, to be used solely for the purposes of statistical analysis.
 - 22.08.5 Proceedings before the mediator shall be informal in nature. The presentation of evidence is not limited to that presented at Step Two or Three of the grievance proceedings, the rules of evidence will not apply, and no record of the mediation conference shall be made.
 - 22.08.6 The mediator will have the authority to meet separately with any person or persons, but will not have the authority to compel the resolution of a grievance.
 - 22.08.7 If no settlement is reached during the mediation conference, the mediator shall provide the parties with an immediate oral advisory decision, unless both parties agree that no decision shall be provided.
 - 22.08.8 The mediator shall state the grounds of his advisory decision.
 - 22.08.9 The advisory decision of the mediator, if accepted by the parties, shall not constitute a precedent, unless the parties otherwise agree in writing.
 - 22.08.10 If no settlement is reached at mediation, the parties are free to arbitrate.
 - 22.08.11 A request for arbitration must be made within thirty (30) working days of the mediation conference.

- 22.08.12 In the event that a grievance that has been mediated subsequently goes to arbitration, no person serving as mediator between these parties may serve as arbitrator. Nothing said or done by the mediator may be referred to at arbitration. Nothing said or done by either party for the first time in the mediation conference may be used against it at arbitration.
- 22.08.13 The mediator shall conduct no more than three mediation conferences per day.
- 22.08.14 The mediator's fee and expenses will be divided equally between the parties.

ARTICLE 23

ARBITRATION

- 23.01 If the grievance cannot be settled via the grievance/mediation procedure, either party may submit the matter to arbitration. This notice must be served on the other party within thirty (30) working days after failure to reach a satisfactory settlement.
- 23.02 Any request for submission to arbitration by either party shall be in writing and signed by an authorized representative of the party requesting arbitration. The written statement shall restate the grievance as originally submitted in Step Three along with any further reference to this Agreement, and shall certify that the parties failed to reach a satisfactory settlement through the grievance/mediation procedure as set forth herein. 23.03 A written stipulation defining the dispute shall serve as the basis for proceedings in the arbitration and shall be signed by both parties if the parties agree that the subject matter is properly referable to arbitration. If either party claims that the subject is not properly referable to arbitration under the terms of this Agreement, such disagreement shall constitute a dispute subject to determination by arbitration as set forth herein. If the decision of the arbitrator is that the matter is arbitratable, the arbitrator shall then proceed to determine the matter on its merits.
- 23.04 A request to the American Arbitration Association to name a panel of seven (7) arbitrators shall be initiated within ten (10) calendar days after notice has been served on the other party of the intent to arbitrate.
- 23.04.1 The Company and the Union shall alternately strike six (6) of the seven (7) names. The remaining name shall be the Arbitrator.
- 23.04.2 In the event, however, that the arbitrator is unable to make himself available within twenty (20) calendar days after selection, the Company and the Union will mutually decide to either extend the time limit for the agreed-upon arbitrator for twenty (20) more calendar days or to request a new panel from the American Arbitration Association. Hearing shall be started as soon as possible after the selection of the arbitrator.
- 23.04.3 Each party shall defray its own expenses and share equally in the fee and expense of the arbitrator.
- 23.05 The arbitrator shall have jurisdiction and authority only to interpret, apply, or determine compliance with the provisions of this Agreement or any agreement made supplementary hereto, and to render decision of award, thereof, but shall not have jurisdiction to add to, subtract from, or modify or alter in any way any of these terms. Further, the arbitrator shall be limited in his authority to a review and determination of the specific grievance submitted for arbitration in each individual instance.

- 23.06 Lawfully rendered decision(s) of the arbitrator not inconsistent with the provisions of this Agreement shall be final and binding upon both parties.

ARTICLE 24

NO STRIKE -- NO LOCKOUT

- 24.01 The Union agrees that it will not call, encourage, authorize, ratify, or engage in any strike, slowdown, or other interruption of work, for any reason, during the term of this Agreement.
- 24.02 Each employee agrees that he will not engage in a strike, slowdown, or interruption of work, for any reason, during the term of this Agreement.
- 24.03 The Company agrees that it will not lockout its employees for the term of this Agreement.

ARTICLE 25

COMPANY-SPONSORED SCHOOLS

- 25.01 Employees will be required to attend Company-sponsored schools. Should there be compelling personal reasons, however, the employee may request a postponement of his attendance. Availability of training opportunities will be communicated to employees by appropriate classification as soon as possible before assignments are made. Employees who indicate interest in such opportunities will be advised regarding the selections made.
- 25.02 Lodging - Employees attending Company-sponsored school will be provided, when feasible, with single-room accommodations. The supervisor will make lodging arrangements and provide the employee with adequate funds to cover the cost of such lodging.
- 25.03 Meals - Employees will be provided \$30.00 per diem, or employees may pre-elect the option of being reimbursed for reasonable meal expenses.
- 25.04 Miscellaneous Expenses - Employees will also be reimbursed (in addition to the per diem) for reasonable receipted laundry and taxi expenses. No receipt is required when coin laundry facilities are used.
- 25.04.1 Employees will be entitled to one (1) long-distance telephone call per day of reasonable duration, at Company expense.
- 25.04.2 The cost of Travelers Checks will be reimbursed.
- 25.05 Transportation - The employee's immediate supervisor shall make arrangements to provide the employee with transportation. The choice of travel arrangements shall in all cases be made with consideration for travel costs and travel hours to be paid. The most economical mode will be utilized.

- 25.05.1 Personal Vehicle - Compensation for the use of personal vehicles will be at the IRS standard mileage allowance per mile. The employee will not be reimbursed for any other vehicle expense except for tolls. Mileage to be compensated will be for travel via the most direct route on a standard road map for the round trip to the school and return, and between the lodging location and the school. Incidental mileage in between will not be reimbursed.
- 25.05.2 Company Vehicle - When using a Company vehicle, the employee will be reimbursed for actual expenses such as gas, oil, repairs, and tolls. Receipts must be obtained for all such expenses.
- 25.05.3 The use of Company vehicles while attending training shall be limited to.
- A. The round trip to and from the training location via the most direct route,
 - B. Travel to and from school, and
 - C. Reasonable travel for meals or other personal matters (generally within 10 miles).
- 25.05.4 Travel by Air - Airline reservations will be made by and billed to the Company. The employee will be reimbursed for actual economy-class airfare and for actual round-trip transportation expense between his home reporting center and the airport.
- 25.06 When Company schools are more than three (3) weeks in length, the Company will furnish transportation for the employee to go home and return to school on the weekend at least every three (3) weeks.
- 25.06.1 Employees who choose to return home will not be reimbursed for travel time, meals, or lodging expense during that weekend.
- 25.07 Travel Time - Employees will be compensated one and one half (1-1/2) times their basic hourly rate for all hours traveled to and from school outside the forty (40) -hour work week. In the event of layover, the Company will reimburse reasonable receipted meals and lodging and up to eight (8) hours at the straight time rate of pay for non-scheduled days.
- 25.08 Working Fund - The Company will provide the employee with a working-fund advance to cover the anticipated reimbursable expenses as outlined in this Article.

ARTICLE 26

FEDERAL AND STATE LAWS

- 26.01 In the event that any Federal or State Law directly affects one (1) or more practices or provisions of this Agreement, the practices or provisions so affected shall be made to conform with the requirements of such law. In all other respects, this Agreement shall continue in full force and effect.

ARTICLE 27

BENEFITS

- 27.01 The Citizens Utilities Medical Plan (including HMO options), Retiree Medical Plan, Dental Plan, Vision Plan, Long Term Disability Plan, Employee Assistance program, Flexible Spending Accounts Plan, Life Insurance Plan, Pension Plan and Savings plan(s) in effect on October 1, 1995, shall be provided for all eligible employees in accordance with the terms of said plans. The Company, however, reserves the right to unilaterally make any changes, additions or deletions to these plans, and the Company may drop or add plans, as the Company, in its sole discretion deems appropriate, provided that any changes, additions, deletions, subtractions or additions apply to a majority of Citizens Utilities employees covered under such plans.
- 27.01.1 The Company may not make a change in the health, LTD or pension plans that effectively leaves employees without coverage. The Company will provide the Union with no less than 60 days notice of any intended changes to be made pursuant to this Article.
- 27.01.2 Should the Company, in the exercise of its rights under this Article:
- (1) increase any deductible or co-pay contribution by more than 25% in a calendar year; or
 - (2) effect changes that result in a substantial diminishment in the overall level of coverages, then the Union may require that this Article be opened for the purpose of negotiations with respect to such change(s). Any dispute as to whether or not item (2) has occurred as a result of the changes made by the Company will be submitted to an expedited arbitration for a determination as to whether or not either event has occurred. In the event negotiations referred to in this Section 27.01.2 should result in a good faith impasse, the Union may take economic actions in accordance with applicable provisions of the National Labor Relations Act.
- 27.01.03 The provisions of this Article shall not apply to the Pension Plan, the Retiree Medical Plan, nor Retiree Life Insurance for those employees hired prior to October 18, 1995. For such employees who have attained or who attain 55 points (combined total of age and pension service) with at least 15 years of service by December 31, 1999, the pension plan and benefits levels in effect as of October 17, 1998 (Citizens Pension Plan, Appendix III), shall remain in effect until the last day of the sixth full month after such employee attains 76 points or 30 years of service (whichever comes later). If the employee elects not to retire by the last day of the sixth full month, all service after that day shall be credited in accordance with the Citizens Pension Plan, Appendix 1-B. It is understood that when the individual then retires, his/her pension benefit will be either the frozen accrued benefit under Appendix III plus the benefit accrued under Appendix 1-B or the benefit calculated as though all

accredited service were under the Citizen's Pension Plan, Appendix 1-B, at the employee's option.

For employees who have not attained and who cannot attain 55 points (combined total of age and pension service) with at least 15 years of service by December 31, 1999, all service after October 31, 1998, shall be credited in accordance with the terms and conditions of the Citizens Pension Plan, Appendix 1-B's, including 1-B's lump sum options.

For employees who qualify with 55 points with at least 15 years of service by December 31, 1999, in accordance with the terms of this Article, such employees who elect to retire upon attaining 76 points or 30 years of service, shall have available to them the Retiree Medical Plan as in effect on October 17, 1998. Such employees who do not elect to retire shall, at the time they make this retirement election, have the option of retaining the Retiree Medical Plan as in effect on October 17, 1998, as such time as they do elect to retire or, in lieu thereof, receive a lump sum payment of \$4,000. This lump sum payment may be received directly (less all applicable deductions) or may be taken as a direct payment into the employee's 401(k) account in accordance with the terms of the 401(k) plan.

Employees hired prior to October 18, 1995 who have not attained and who cannot attain 55 points with at least 15 years of service by December 31, 1999, shall have available to them whatever retiree medical plan, if any, that is in effect at the time they retire. These employees shall be eligible to receive a lump sum payment of \$4,000. This lump sum payment may be received directly (less all applicable deductions) or may be taken as a direct payment into the employee's 401(k) account in accordance with the terms of the 401(k) plan. This payment shall be paid out in accordance with the election of the employee no later than April 30, 1999.

Employees who meet the 55 points, 15 years of service eligibility of this Section who have or attain 30 years of service with at least 76 points on or before December 31, 1999, shall have until June 30, 2000, to make the election to retire. Such employees shall continue to earn credit in accordance with the provisions of Appendix III until they retire or until June 30, 2000, whichever date occurs first.

- 27.01.4 The Union does not hereby waive its right, nor is the Company relieved of its obligation, to bargain with respect to all plans covered under the terms of this Article when the parties bargain for renewal of or a successor to this Agreement.
- 27.01.5 The employee share of premiums for the medical plan that the employee elects shall be 15% of the full premium. The Company shall continue to pay the full premium for the dental and vision benefits. For the Company's indemnity plan, the employee contribution shall be 15% of the COBRA rate (not including any administrative charge in said rate).

- 27.01.6 The Company and the Union shall meet as necessary but not less than once each year, no later than October, to share and discuss information and concerns about the health and welfare plans, including discussions of any changes to such plans. Should premiums be projected to increase by more than 25% in any year, the parties shall include discussion of such projections and examine alternatives, changes, or other approaches to addressing the projected increase.
- 27.01.7 Should another company or jurisdiction acquire Citizens Communications of New York, or another company acquire Citizens Utilities Corporation, the employer's (including the acquiring entity's) obligation shall be to maintain that coverage and those plans in effect for employees covered by this Agreement in accordance with all terms as in effect at the time such acquisition was consummated.
- 27.01.8 Other provisions of this Agreement notwithstanding, while receiving the benefits of the Long Term Disability Plan an individual shall continue to be covered by the Health, Dental, Vision and Life plans for the first 29 months of LTD coverage. Such an individual shall continue to accrue accredited service for the first 12 months of coverage under Article 27.02 and LTD shall also accrue accredited service under the Pension plan for the full term of LTD coverage.
- 27.02 SICKNESS AND ACCIDENT - Regular employees shall receive sick leave with pay for up to the number of days they are sick or disabled and, as a consequence, are unable to work. For each occurrence, such leave shall be for the waiting period for coverage under the LTD plan (no less than 90 days). Disability pay is based on the employee's regular hourly rate at the time of disability, less applicable taxes. Part-Time employees maximum allowable benefits will be determined by averaging the actual hours worked in the previous six (6) week calendar period. The average shall be divided by thirty (30) days to reach the total hours such employees will be paid, up to a maximum of eight (8) hours disability. **Each calendar year, after an employee has three incidents of sick leave, each additional incident shall be without pay for the first day of absence. If an employee has had no incidents of sick leave for four (4) months following the last incident, the waiting day will be waived. Employees hired after March 15 shall, in the year of hire, not be paid for the first day of any absence of sick leave.**
- 27.02.1 An illness or disability the consequence of pregnancy shall have all the same rights, benefits, and obligations of any other covered illness or disability.
- 27.02.2 The Company may require a doctor's certificate after three (3) days of sickness disability. Abuse of this Article, such as chronic, excessive, or pattern absenteeism, will result in disciplinary action.
- 27.02.3 Statutory Benefits (Worker's Compensation and New York State Disability) will be integrated with the schedule to provide no more than full or half pay respectively.
- 27.02.4 Medical expenses incurred because of sickness are the responsibility of the employee.
- 27.02.5 Upon request, an employee will have his physician, psychologist, or psychiatrist complete and forward to the Company a certificate outlining the nature of the sickness. Payment for such benefit may be contingent upon receipt of a satisfactorily completed certificate. An employee shall not be entitled to benefits if he declines to permit the Company physician or other qualified specialist

selected by the Company to make an examination to determine the employee's physical, mental, or emotional condition.

Physicians and qualified specialist as used in this paragraph shall mean medical doctors, doctors of osteopathy, psychologist, psychiatrist, podiatrist, chiropractors, and doctors of dental surgery.

Employees under the care of a chiropractor will not be entitled to receive sickness disability benefits beyond the five (5) day absence unless the disability is confirmed by a medical doctor, doctor of osteopathy, or podiatrist.

27.02.6 In compliance with the Workers' Compensation Law, expenses necessary for the proper care and treatment of the employee will be paid by the Company's Workers' Compensation carrier. All bills in connection with an on-the-job accident should be directed, by the attending physician, pharmacy, etc., to the address below.

RSKCo
P.O. Box 4736
Syracuse, New York 13221

27.02.7 If an employee (first party) becomes disabled by injury caused by the negligence of a third party, e.g., as an automobile accident, and receives benefits from the Company (second party), the Company shall have the right to place a lien on the proceeds of any recovery from such third party. Notice of legal action by the employee against the third party shall be given within ninety (90) days thereafter to the Company.

27.02.8 Employees who become ill or are injured as a result of gainful outside employment shall be eligible under the Company's Sickness and Accident Disability Benefits Plan only in excess of the initial benefits eligible to the employee, pursuant to Worker's Compensation, under his outside gainful employment.

27.02.9 Disabled employees wishing to leave the area shall obtain from the Company approval of absence for a specified time and furnish satisfactory proof of disability while absent.

27.02.10 Employees who will be absent from duty because of sickness must notify their immediate supervisor, or other person as designated by their supervisor, prior to the start of the work day. Employees who are injured while on the job must notify their supervisor immediately. The supervisor shall be responsible for the administration of the provisions of the Plan with respect to all employees reporting to him. The supervisor may make the necessary visitations to the employee's home, conduct investigations, and prepare reports as required.

27.02.11 Pay for the purpose of this Article 27.02 shall be based on the basic rate of pay at the time the disability began. There shall be deducted an amount equivalent to the total of all taxes that the Company would have been required by Federal or State Law to withhold if the payment were being made as compensation for services performed for the Company.

27.02.12 The Company agrees to continue the practice in the Central District of paying for absences for an employee to see a doctor for a recurring illness. Employees who have a need for the check-ups or treatments for a chronic condition for which this practice is intended shall make reasonable efforts to schedule such

- appointments during other than working hours. When this is not possible, they should be scheduled at times that will cause as little inconvenience to the employee's work tour as possible.
- 27.02.13 Other provision of this Agreement notwithstanding, an employee on Sickness and Disability leave and LTD in accordance with this Article 27 shall retain rights to their job provided he/she is fully able to return to such position within twelve consecutive months of commencement of such leave.
- 27.03 **TUITION ASSISTANCE POLICY** - The Company will reimburse regular full time employees who have successfully completed courses under this program as follows:
- A. 100% tuition, registration, enrollment, lab fees, library fees, and textbooks for grade of C or better or a grade of "Pass" if the class is graded as "Pass/Fail".
- B. Examples of items not reimbursed are late charges, interest or finance charges, Physical examinations, test equipment, computer software, supplies and any course-required item that is usable after the course is completed.
- 27.03.1 Application for Tuition Assistance must be approved in advance of the beginning of the course (s).
- 27.03.2 Approval of Tuition reimbursement is contingent upon compliance with the current Citizens Tuition Assistance Policy and the procedures for how to apply can be obtained from the Human Resources Department.
- 27.04 **CONCESSION SERVICE** - All regular employees who reside within a Citizens Telecom Service Area will be provided an employee credit on their monthly bill equivalent to **400% 75% for Citizens Select or Select-Plus service, inclusive of all available features in each bundle for one residence access line.** This concession will not include initial installation orders, rearrangements, subsequent outside move orders, or any other special charges for special services **not included in the bundle.**
- 27.04.1 Concessions will be provided only at the employee's primary residential location.
- 27.04.2 Only one concession may be applied per household.
- 27.04.3 An employee's concession can be temporarily suspended or terminated if the employee's account becomes delinquent.
- 27.04.4 Concession service will terminate when an employee is terminated for any reason other than retirement under the Telephone System Pension Plan.
- 27.04.5 **A current (October 21, 2001) employee whose primary residence is in a Citizens Frontier exchange that does not have Select or Select-Plus (or bundle offering) will retain the September 2001 50% phone concession until a bundle offering exists. A current employee whose primary residence is outside Citizens' service area will receive no phone concession and will receive a single \$200 payment in the first pay period in January 2002.**

ARTICLE 28

UNION SECURITY - CHECK OFF

- 28.01 The Company may employ additional employees when necessary for the job classifications as specified, but will require as a condition of employment that such employees shall become and remain a member in the Union **or be obligated to tender to the Union amounts equal to periodic dues** beginning with the thirty-fifth (35th) day following the date of employment or the effective date of this Agreement, whichever is later.
- 28.02 The Company will notify the local Union within thirty (30) working days as to the date of employment and the classification of each new employee placed in a bargaining unit position.

ARTICLE 29

CONSOLIDATION

- 29.01 Consolidation is when, because of economic reasons and/or efficiency of operation, the Company combines job classifications from two or more bargaining units into the same reporting center. When the Company determines there is a need for consolidation and a force adjustment is necessary, these force adjustments will first be implemented in the affected bargaining units before consolidation.
- 29.02 At the time of consolidation, during the bridging period, the following will occur.
- 29.02.1 Bargaining unit seniority will be combined within the consolidated classification only.
 - 29.02.2 Employees will continue to accumulate seniority in their original bargaining unit.
 - 29.02.3 If a need arises for force adjustment within that consolidated classification, adjustments will be accomplished in the reverse order of seniority.
 - 29.02.4 Employees in a consolidated classification can bump or be bumped only by employees in their original bargaining unit in accordance with Article 12 of this Agreement.
 - 29.02.5 Force-reduced employees prior to consolidation will be considered to have combined seniority within that consolidated classification for purpose of recall.
 - 29.02.6 The consolidated classification will have no boundaries within the affected bargaining units.
 - 29.02.7 Whenever practical, the Company will maintain vacation and tour schedules by original unit for affected employees.
- 29.03 Any employee who is in a job classification that is consolidated to a different bargaining unit, is offered a job in the same or like classification and elects to decline the job offer shall receive all rights under Article 12.
- 29.04 Any employee who is in a job classification that is consolidated to a new location within the same bargaining unit will be treated as follows.
- 29.04.1 If such employee is offered a job in the same or like classification within thirty (30) miles of his normal reporting center and elects to decline the job offer and terminate, he shall not receive any separation allowance.
 - 29.04.2 If such employee is offered a job in the same or like classification beyond thirty (30) miles of his normal reporting center and elects to decline the job offer and terminate, he may receive Voluntary Separation Plan follows: Upon release from service, the employee may elect to:
 - A. Receive his Voluntary Separation Plan VSP and terminate from the Company,

- B. Remain on a "Recall List" for up to twelve (12) months and receive his VSP during this period, or
 - C. Forfeit his VSP at the end of the initial twelve (12) months and remain on the "Recall List" for an additional twelve (12) months.
- Under options A and B above, VSP will be paid in accordance with the Memorandums of Agreement for Termination Pay Plan (TPP) or Employee Adjustment Income Plan (EAIP).

ARTICLE 30

WAGE INCENTIVE AND BONUSES

30.01 All employees within the bargaining unit, in addition to progression-step wage increases, and annual wage adjustments, shall receive upon qualification all merit, bonus, and incentive payments or prizes when, as a group or as individuals, they are permitted or directed by management to participate in Company sponsored programs and projects.

ARTICLE 31

DURATION OF AGREEMENT

This memorandum of Agreement is to take effect as of October 21, 2001 and shall remain in full force and effect until October 18, 2003 and shall automatically continue in full force from year to year thereafter until terminated by written notice from either party to the other at least sixty (60) days prior to October 18, 2003.

For the Company:

For Local 363:

Joyce Lynn Robbins

Joseph Maraia

Thomas Schaaff

Mark Lawrence

James Corcoran

Shelia D'Onofrio

Merilee George

Garry Cahill

Cynthia Niederer

Jim Griffin

Gil Heim

Janet Sadler

Jim Passero

David Sowa

Suzanne Aldridge

Michael J. Wieloszynski

George Brown

Shane Ferguson

Deb Sylstra

Lori Towner

John J. Zupetz, Jr.

Todd Rulison

**APPENDIX A
NEW YORK WAGE SCHEDULES**

SCHEDULE A

UTILITY CUSTODIAN

<u>WAGE CREDIT</u>	Effective 10/08/00	EFFECTIVE 10/21/01	EFFECTIVE 10/20/02
Start	\$8.49	\$8.83	\$9.18
6 mos.	9.14	9.51	9.89
12 mos.	9.57	9.95	10.35
18 mos.	10.03	10.43	10.85
24 mos.	10.74	11.17	11.62
30 mos.	11.23	11.68	12.15
36 mos.	11.73	12.20	12.69
42 mos.	12.32	12.81	13.32
48 mos.	14.01	14.57	15.15

SCHEDULE B

SERVICE CLERK

<u>WAGE CREDIT</u>	EFFECTIVE 10/08/00	EFFECTIVE 10/21/01	EFFECTIVE 10/20/02
Start	\$8.47	\$8.81	\$9.16
6 mos.	9.14	9.51	9.89
12 mos.	9.60	9.98	10.38
18 mos.	10.14	10.55	10.97
24 mos.	10.81	11.24	11.69
30 mos.	11.44	11.90	12.38
36 mos.	11.94	12.42	12.92
42 mos.	12.62	13.12	13.64
48 mos.	14.27	14.84	15.43

**APPENDIX A
NEW YORK WAGE SCHEDULES**

SCHEDULE C

**WAREHOUSE CLERK
SHOP REPAIR/SHIPPING CLERK
CASHIER I
CLERK TYPIST**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/20/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$8.59	\$8.93	\$9.29
6 mos.	9.29	9.66	10.05
12 mos.	9.71	10.10	10.50
18 mos.	10.22	10.63	11.06
24 mos.	10.94	11.38	11.84
30 mos.	11.52	11.98	12.46
36 mos.	12.26	12.75	13.26
42 mos.	12.68	13.19	13.72
48 mos.	14.82	15.41	16.03

SCHEDULE D

**ENGINEERING RECORDS CLERK
NETWORK ACCESS REPRESENTATIVE
CASHIER II**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$9.39	\$9.77	\$10.16
6 mos.	10.11	10.51	10.93
12 mos.	10.64	11.07	11.51
18 mos.	11.13	11.58	12.04
24 mos.	12.00	12.48	12.98
30 mos.	12.60	13.10	13.62
36 mos.	13.19	13.72	14.27
42 mos.	13.89	14.45	15.03
48 mos.	15.58	16.20	16.85

**APPENDIX A
NEW YORK WAGE SCHEDULES**

SCHEDULE E

**BUILDING MECHANIC
STOREKEEPER
COIN FACILITATOR
SERVICE OFFICE REPRESENTATIVE
(RESIDENTIAL SALES & SERVICE CONSULTANT)
(DISPATCH CLERK)
(FACILITIES ASSIGNOR/CUTTER)
(REPAIR CLERK)
(NUISANCE CALL BUREAU)
(SPECIAL CIRCUITS/LD REPAIR)
(911)
(DIRECTORY)
(COLLECTIONS CONSULTANT)
BUSINESS SALES & SERVICE CONSULTANT
CAPITAL CONSTRUCTION REPRESENTATIVE**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$9.62	\$10.00	\$10.40
6 mos.	10.44	10.86	11.29
12 mos.	10.96	11.40	11.86
18 mos.	11.54	12.00	12.48
24 mos.	12.38	12.88	13.40
30 mos.	13.04	13.56	14.10
36 mos.	13.72	14.27	14.84
42 mos.	14.46	15.04	15.64
48 mos.	16.13	16.78	17.45

**APPENDIX A
NEW YORK WAGE SCHEDULES**

SCHEDULE F

**DRAFTER
FRAMEPERSON**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/20/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$10.48	\$10.90	\$11.34
6 mos.	11.36	11.81	12.28
12 mos.	12.02	12.50	13.00
18 mos.	12.62	13.12	13.64
24 mos.	13.54	14.08	14.64
30 mos.	14.36	14.93	15.53
36 mos.	15.11	15.71	16.34
42 mos.	15.95	16.59	17.25
48 mos.	17.96	18.68	19.43

SCHEDULE G

COIN COLLECTOR

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$11.35	\$11.80	\$12.27
6 mos.	12.41	12.91	13.43
12 mos.	13.22	13.75	14.30
18 mos.	13.94	14.50	15.08
24 mos.	15.12	15.72	16.35
30 mos.	16.08	16.72	17.39
36 mos.	17.05	17.73	18.44
42 mos.	18.03	18.75	19.50
48 mos.	21.09	21.93	22.81

**APPENDIX A
NEW YORK WAGE SCHEDULES**

SCHEDULE H

LINEPERSON

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$11.35	\$12.49	\$13.68
6 mos.	12.41	13.59	14.82
12 mos.	13.22	14.44	15.70
18 mos.	13.94	15.18	16.47
24 mos.	15.12	16.41	17.75
30 mos.	16.08	17.41	18.79
36 mos.	17.05	18.42	19.84
42 mos.	18.03	19.44	20.90
48 mos.	21.09	23.62	24.21

SCHEDULE I

**TESTBOARD PERSON
BUILDING TECHNICIAN**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$12.71	\$13.22	\$13.75
6 mos.	13.87	14.42	15.00
12 mos.	14.74	15.33	15.94
18 mos.	15.59	16.21	16.86
24 mos.	16.89	17.57	18.27
30 mos.	17.96	18.68	19.43
36 mos.	19.00	19.76	20.55
42 mos.	20.19	21.00	21.84
48 mos.	22.79	23.70	24.65

**APPENDIX A
NEW YORK WAGE SCHEDULES**

SCHEDULE J

**COMMUNICATIONS TECHNICIAN
(EQUIPMENT REPAIRER)
(COMBINATION PERSON)
(INSTALLER REPAIR PERSON)
(CABLE SPLICER)
EQUIPMENT INSTALLER**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$12.71	\$13.90	\$15.14
6 mos.	13.87	15.11	16.40
12 mos.	14.74	16.02	17.35
18 mos.	15.59	16.90	18.26
24 mos.	16.89	18.25	19.67
30 mos.	17.96	19.36	20.82
36 mos.	19.00	20.47	21.98
42 mos.	20.19	21.68	23.23
48 mos.	22.79	24.39	26.05

SCHEDULE K

**NOC TECHNICIAN
PC TECHNICIAN**

<u>WAGE CREDIT</u>	<u>EFFECTIVE 10/08/00</u>	<u>EFFECTIVE 10/21/01</u>	<u>EFFECTIVE 10/20/02</u>
Start	\$13.03	\$14.23	\$15.49
6 mos.	14.17	15.42	16.72
12 mos.	14.97	16.26	17.60
18 mos.	15.73	17.05	18.42
24 mos.	16.96	18.32	19.74
30 mos.	17.84	19.24	20.70
36 mos.	18.82	20.26	21.76
42 mos.	19.85	21.33	22.87
48 mos.	23.17	24.78	26.46

GRANDFATHERED ITEMS

1. All Central District employees who have accumulated unused sick days as of February 28, 1984 will retain them.
2. The positions of Working Foreperson held by R.Harmon shall be reclassified as Linepersons and **Mr. Harmon is** grandfathered on the Communications Technician schedule.
3. John Sankosky shall be reclassified as Building Mechanic **and** shall be placed at the top step of the Building Mechanic schedule.

MISCELLANEOUS ITEMS

1. The Company agrees to furnish ice to employees in the summer and allow employees to idle their trucks in the winter for a reasonable period of time so they may eat their lunch.

The following "intent" shall apply in interpreting the articles and sections below.

ARTICLE 4, Section 4.03.3C - Examples for Clarification:

Not essentially the same.

Example 1 Communication Technician - (Analog - C.O. Function) to Communication Technician - (Digital - C.O. Function)

Essentially the Same

Example 1 Communication Technician (I/R function) to Communication Technician (I/R function)

Example 2 Service Office Representative (Service Representative-Phone Fair) to Service Office Representative (Service Representative-"On The Wheel")

Example 3 Service Office Representative (Facilities Assignor-Assignment) to Service Office Representative (Facilities Assignor-Cutter).

Example 4 Service Office Representative (Service Representative) to Service Office Representative (Service Representative "Treatment").

ARTICLE 5, ARTICLE 10, AND APPENDIX A:

The following is set forth to clarify the agreement reached during the 1986 Negotiations concerning the new classifications of Communications Technician and Service Office Representative.

The classification of Communications Technician includes the classifications formerly known as Combination Person, Installer-Repair Person, Equipment Repairer, and Cable Splicer. The classification of Service Office Representative includes the classifications formerly known as Service Representative, Facility Assignor, Repair/Dispatch Clerk, and Service Office Clerk. The vacation schedules within these new classifications will continue to be selected in accordance with the work groups' predominant job function. Additionally, work schedules and tours within the new classifications will be established and selected in accordance with the work groups' predominant job functions and/or current local practice. Nothing in this letter shall be construed to change the procedures outlined in the Articles of Agreement.

ARTICLE 12:

- I. For all employees (except as noted in 2 below) who vacate their current classification, and are subsequently laid-off, the following will apply:
 - A. They would displace an individual contract employee working on premise in the affected employee's former classification as long as Company employees are still performing that work function in the affected bargaining unit.
 - B. They may bump a less senior employee working in their former classification.
 - C. They may apply any of their options as specified in Article 12.
2. For employees who are currently classified as Line Person, Equipment Installer, Janitor, and Utility Custodian who vacate these classifications and are subsequently laid-off, the following will apply:
 - A. They would displace any contract employee working in their former classification.
 - B. They may bump a less senior employee working in their former classification.
 - C. They may apply any of their options as specified in Article 12.

ARTICLE 1 UNION RECOGNITION

The positions of Administrative Aide held by Marga Woltman and Shirley Jarocki shall, as long as held by these two individuals, not be represented by the Union nor covered under the terms of the Labor Agreement.

As each of these positions become vacant, they shall be included within the representation of the Union and covered under the terms of the Labor Agreement. Thus, if and when the Company determines to fill the position(s), it shall fill them in accordance with the provisions of the Labor Agreement.

MEMORANDUM OF AGREEMENT

RETIREE MEDICAL BENEFITS

1. During the term of this Memorandum of Agreement, Retiree Medical Benefits for eligible participants (those who were employed prior to October 18, 1995 subject to the provisions of Article 27, Section 27.01.3) shall be the same level and type of benefits as provided in the Medical Plan for active employees, and subject to change in the Medical Benefits for active employees.
2. Eligible employees will make a contribution based on years of accredited service. The following is the monthly premium contribution schedule:

For Service Linked Coverage (Prior to age 60)

<u>Years of Accredited Service at Retirement</u>	<u>Percent of Health Care Premium Paid by Retiree</u>
Less than 10	100%
10 to 14	80%
15 to 19	60%
20 to 24	40%
25 to 29	20%
30 and over	10%

During the term of this Memorandum of Agreement, the Company shall contribute up to the following amounts for Retiree Medical Benefits, as described in Section 4, (hereinafter referred to as Defined Dollar Benefits), subject to the provisions contained in this Memorandum of Agreement:

- A. The full cost, less the retiree contribution, of retiree medical benefits for primary coverage up to a maximum of \$292.00 per month.
 - plus B. The full cost, less the retiree contribution, of retiree medical benefits for employee one dependent coverage up to a maximum of \$566.00 per month.
 - plus C. The full cost, less the retiree contribution, of retiree medical benefits for employee family coverage up to a maximum of \$816.00 per month.
 - D. For an eligible participant covered by Medicare: the full retiree medical benefits costs, less the retiree contribution, up to a maximum of \$695.00 per month.
3. For coverage at minimum age 60:

During the term of this Memorandum of Agreement, the Company shall contribute up to the following amounts for Retiree Medical Benefits, as described in Section 4, (hereinafter

referred to as Defined Dollar Benefits), subject to the provisions contained in this Memorandum of Agreement:

- A. The full cost of retiree medical benefits for primary coverage up to a maximum of \$292.00 per month for retirees age 60 to 65.
 - B. The full cost of retiree medical benefits for employee plus one dependent coverage up to a maximum of \$566.00 per month for retirees age 60 to 65.
 - C. For an eligible participant covered by Medicare: the full cost of retiree medical benefits less \$10.00 per month payment by each eligible participant covered by Medicare, up to a maximum of \$444.00 per month.
4. If the Retiree Medical Benefits costs exceed the Defined Dollar Benefits as described in Section 5, the difference shall be payable to the Company by the covered retiree in monthly payments in order to continue Retiree Medical Benefits.

MEMORANDUM OF AGREEMENT

RETIREE LIFE INSURANCE BENEFITS

1. During the term of this Memorandum of Agreement, Retiree Life Insurance Benefits for eligible participants (those who were employed prior to October 18, 1995) will be as follows:
 - A. After retirement, the Company will carry non-contributory life insurance on each retired employee who was approved for disability or service pension.

The amount of insurance will be computed in accordance with the following schedule and will be based on the average annual wages of such employee for the five (5) consecutive years during which the employee was paid the highest wages:

First 5 years after retirement.....	75%
For 6th year after retirement.....	65%
For 7th year after retirement.....	55%
For 8th year after retirement.....	45%
For 9th year after retirement.....	35%
and thereafter.....	30%

The initial amount of Non-contributory Life Insurance after retirement will be established upon retirement. Subsequent adjustments will be made on the anniversary date of retirement following the completion of the 5th, 6th, etc., year of retirement.

The amount of insurance will be adjusted to the next higher multiple of \$1,000, if not already a multiple of \$1,000, subject to a minimum of \$3,000 and a maximum of \$25,000.

- B. Prior to retirement, an employee may elect to receive Paid-Up Life Insurance coverage with a cash value. The amount of Paid-Up Life Insurance is based on 30% of the final amount of the retiree's Life Insurance less a \$ 3,000 minimum. (The \$3,000 minimum amount will be continued as Group Retired Life Insurance by the company.) The cash value of this coverage will be based on the insurance company's rate per 1,000 at the employee's age at the time of election.

MEMORANDUM OF AGREEMENT

TERMINATION PAY PLAN (TPP)

1. During the term of this Agreement, if the Company notifies the Union in writing that a technological change has created or will create a surplus in any job title in any work group and/or work location, regular and part-time employees meeting the following qualifications shall be eligible for Plan participation:
 - A. Accredited service of one year or more:
 - B. Not entitled to participate in the Employee Adjustment Income Plan (EAIP); and
 - C. No comparable assignment available within thirty (30) miles of the former permanent headquarters, and/or refusal of reassignment to a new permanent headquarters thirty (30) miles or more from the former permanent headquarters.

However, the Company reserves the right to apply this Plan to any surplus in force, whether or not it is brought about by technological change that the Company deems appropriate. All elections shall be voluntary, and acceptance by the Company will be in order of seniority.

2. The Company reserves the right to determine the job titles and work group(s) and/or work location(s) in which a surplus exists, the number of work groups and/or work locations in which surplus exists, the number of employees in such titles and locations which are considered to be surplus, and the period during which the employee may, if he or she so elects, leave the service of the Company pursuant to this Plan. In no event shall the number of employee elections accepted under the terms of the Plan exceed the number of employees determined by the Company to be surplus.
3. For those employees who are eligible in accordance with Sections 1 and 2, the Company will provide the following termination benefits:
 - A. One (1) week's pay at the basic wage rate (excluding differentials, overtime pay, bonuses, commissions, premiums, or extra payments) for each full year of accredited service up to and including ten (10) years.
 - B. Two (2) week's pay at the basic wage rate for each full year of accredited service in excess of ten (10) years to a maximum of thirty-six (36) week's pay in total.
 - C. Continuation of one-half (1/2) of the Company-paid premiums for existing medical, dental, and life insurance coverage for the employee and his or her dependents for a period not to exceed six (6) months.
 - D. Reimbursement for the successful completion of retraining in a new career field within a twenty-four (24) month period from the date of separation, at a cost not to exceed \$3,000.

- E. Reimbursement up to \$2,200 for packing and cartage fees for a move thirty (30) miles or more from the employee's present residence within a twenty-four (24) month period from the date of separation. (Employees electing reimbursement for retraining benefits under D above, will not be eligible for this miscellaneous moving expense.)

To be eligible for retraining benefits, approved courses and/or programs must be undertaken at accredited or state-approved educational institutions, and enrollment must be within three (3) months from the date of separation from the Company. The cost of tuition, required textbooks, and required lab and entrance fees will be reimbursed as follows:

- (i) 35% reimbursement of approved costs upon presentation of receipted bills;
- (ii) 65% reimbursement of approved costs upon submission of proof of successful completion of the course/program.

Approved training expenses that are covered by other employers, government benefits, or scholarships will not be subject to reimbursement by the Company.

If an employee is enrolled in a course/program at the time of reemployment by the Company or any affiliated or subsidiary companies within the Citizens Utilities Corporation, the 65% reimbursement portion of retraining benefits will be made upon successful completion of the course/program within twenty-four (24) months from the date of separation or twelve (12) months from the date of reemployment, whichever occurs later. No reimbursement will be made beyond that date.

The dollar amount set forth in this Agreement shall be prorated for part-time employees based on the average hours worked during the last twenty-six (26) pay periods; i.e.; average of thirty (30) hours worked per week would result in termination benefits paid at 75% of those set forth in Paragraphs A,B,D and E of this section 4.

- 4. Termination pay benefits for employees, who so elect to leave the service of the Company in accordance with Section 2, shall begin with two (2) weeks after such employee has left the service of the Company and shall continue on a bi-weekly basis until the earliest of (a) exhaustion of benefits as set forth in Section 4, or (b) reemployment by the Company or any affiliated or subsidiary companies of the Citizens Utilities Corporation, (c) commencement of Unemployment Compensation, or (d) death of the former employee.
- 5. Re-employed employees must complete one (1) full year of accredited service with the Company before becoming eligible again for termination benefits. In subsequent terminations to which this Agreement is applicable, the employee shall receive the difference between the termination benefits for which he or she is presently eligible and any benefits previously received.
- 6. All benefits payable under the Plan are subject to legally required deductions.
- 7. Termination benefits shall not be made if the termination is the result of any sale or other disposition by the Company of the exchange or office at which the employee is working or from which the employee is assigned to work, when the employee is continued in the employment of the new management of the exchange or office.

8. An employee's election to leave the service of the Company and receive termination pay benefits must be in writing and transmitted to the Company within twenty-one (21) calendar days from the date of the Company's offer in order to be effective, and it may not be revoked after such twenty-one (21) calendar day period.
9. This Agreement will be implemented prior to invoking the provisions of Article 12 (Layoffs) the Collective Bargaining Agreement, when conditions set forth in Section 1 of this Agreement exist as determined by the Company.
10. An employee who elects under the Plan shall not be entitled to any of the provisions outlined by Article 12 (Layoffs) of the Collective Bargaining Agreement, nor any other termination allowance offered by the Company.
11. Neither the right to effect a technological change, the determination of a surplus condition, eligibility for participation in the Plan, nor any part of this Plan or Agreement shall be subject to the arbitration procedure of the Collective Bargaining Agreement.
12. This Memorandum of Agreement is effective October 18, 1998 and shall expire on October **18, 2003**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the TPP, shall also terminate on October **18, 2003** and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT

EMPLOYEE ADJUSTMENT INCOME PLAN (EAIP)

1. During the term of this Agreement, if the Company notifies the Union in writing that a technological change has created or will create a surplus in any job title in any work group and/or work location, regular employees meeting the following qualifications shall be eligible for Plan participation:
 - A. Accredited service of fifteen (15) or more years.
 - B. The combination of age and accredited service must total at least 76 as of the date of the Company's notice to the Union; and
 - C. No comparable assignment available within thirty (30) miles of the former permanent headquarters, and/or refusal of reassignment to a new permanent headquarters thirty (30) miles or more from the former permanent headquarters.

However, the Company reserves the right to apply this Plan to any surplus in force, whether or not it is brought about by technological change that the Company deems appropriate. All election shall be voluntary, and acceptance by the Company will be in order of seniority.

2. The Company reserves the right to determine the job titles and work group(s) and/or work location(s) in which a surplus exists, the number of work groups and/or work locations in which a surplus exists, the number of employees in such titles and locations which are considered to be surplus, and the period during which the employee may, if he or she so elects, leave the service of the Company pursuant to this Plan. In no event shall the number of employee elections accepted under the terms of the Plan exceed the number of employees determined by the Company to be surplus.
3. An employee's election to leave the service of the Company and receive adjustment pay benefits must be in writing and transmitted to the company within twenty-one (21) calendar days from the date of the Company's offer in order to be effective, and it may not be revoked after such twenty-one (21) calendar day period.
4. For employees who are eligible in accordance with Sections 1 and 2, the Company will pay a monthly benefit as follows:

Schedule of Adjustment Pay Benefits

<u>Years of Accredited Service</u>	<u>Monthly Payment</u>
15 by less than 20	\$270
20 but less than 25	\$300
25 but less than 30	\$335
30 but less than 35	\$375
35 but less than 40	\$420
40 or more	\$470

5. Adjustment pay benefits for employees, who so elect to leave the service of the Company in accordance with Section 2, shall begin within one (1) month after such employee has left the service of the Company and shall continue until forty-eight (48) monthly payments have been made.

A. Adjustment pay benefits will be reduced by the amount of any state or federal Unemployment Compensation received by the employee during the time he/she is receiving adjustment pay benefits.

6. In addition, the affected employee may elect one (1) of the following options which shall not exceed \$3,500;

A. For up to forty-eight (48) months from the date of separation, a continuation of Company-paid premiums for existing medical plan coverage (excluding dental coverage) for the employee and his/her dependents;

B. Reimbursement for successful completion of retraining in a new career field within a twenty-four (24) month period from the date of separation.

Eligible employees may receive financial assistance for approved courses and/or programs undertaken at accredited or state approved educational institutions.

The cost of tuition, required textbooks, and required lab and entrance fees will be reimbursed up to a maximum of \$3,500 as follows:

(i) 35% reimbursement of approved costs upon presentation of receipted bills;

(ii) 65% reimbursement of approved costs upon submission of proof of successful completion of course/program.

Approved training expenses that are covered by other employers, government benefits or scholarships will not be subject to reimbursement by the Company.

C. A miscellaneous moving expense associated with an actual relocation to a new residence within a twenty-four (24) month period from the date of separation.

7. In lieu of the benefits listed in Sections 4 and 5 (monthly payments for 48 months) and Section 6 (maximum \$3,500 option), and eligible employee may elect to combine these two amounts and apply the total amount to the continuation of employee/dependent health insurance premiums (excluding dental coverage) until the employee becomes eligible for Medicare or the total amount is depleted, whichever occurs first. If the employee becomes eligible for Medicare before the total amount of the combined benefit is depleted, any surplus will be distributed to the employee on a monthly basis per Section 5.
8. The maximum amount of adjustment pay benefits payable shall in no event exceed a total of \$22,560 and when combined with one of the elected options shall not exceed \$26,060. The dollar amounts set forth in this Agreement shall be prorated for part-time employees based on the percentage of a full year's equivalent (i.e., 700 hours worked taken as a percentage of 2,080 hours equals 33.65%).

In no event shall the total adjustment pay benefits exceed the equivalent of twice employee's annual compensation at the basic weekly wage rate (exclusive of tour premiums or temporary differentials, overtime pay, commissions, bonuses, or other extra payment(s) received during the year immediately preceding the termination of service.

9. In addition to the benefits set forth in Sections 4,5, and 6 or in Section 7 above, employees who so elect to leave the service of the Company and receive adjustment pay benefits may elect to receive in combination with such benefits, a retirement service pension if eligible for such person.
10. Payments under the Plan, with the exception of the retraining benefits, shall cease upon the reemployment of a recipient by the Company or any affiliated or subsidiary companies within the Citizens Utilities Corporation. If an employee is enrolled in a course/program at the time of reemployment, the 65% reimbursement portion of the retraining benefits will be made upon the successful completion of the course/program within twenty-four (24) months from the date of the separation or twelve (12) months from the date of reemployment, whichever occurs later. No reimbursement will be made beyond that date.
11. Re-employed employees must complete one (1) full year of accredited service with the Company before becoming eligible again for termination benefits. In subsequent terminations to which this Agreement is applicable, the employee shall receive the difference between the termination benefits for which he or she is presently eligible and any benefits previously received.
12. All benefits payable under the Plan are subject to legally required deductions.
13. Upon the death of a recipient, all benefits under the Plan shall cease.
14. This Agreement will be implemented prior to invoking the provisions of Article 12 (Layoffs) of the Collective Bargaining Agreement, when conditions set forth in Section 1 of this Agreement exist as determined by the Company.
15. An employee who elects under the Plan shall not be entitled to any of the provisions outlined in Article 12 (Layoffs) of the Collective Bargaining Agreement, nor any other termination allowance offered by the Company.

16. Neither the right to effect a technological change, the determination of a surplus condition, eligibility for anticipation in the Plan, nor any other part of this Plan or Agreement shall be subject to the arbitration procedure of the Collective Bargaining Agreement.
17. This Memorandum of Agreement is effective on October 18, 1998 and shall expire on October **18, 2003**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the EAIP, shall also terminate on October **18, 2003** and shall not survive the expiration of the Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF UNDERSTANDING

DRUG & ALCOHOL POLICY

The Parties agree that the Company has the right to issue a Drug and Alcohol Policy (see policy dated May 1990). It is understood that all matters surrounding a drug and alcohol investigation will maintain strict employee confidentiality.

The Company will require that the observation resulting in the requirement for drug and/or alcohol screenings will be documented in writing by the management employee(s) who make the observations.

It is not the intent of the policy to require a drug/alcohol screen as a result of a performance problem(s), in and of itself, without the presence of indicators that would cause a "reasonable person" to conclude that the individual could be under the influence of a drug or alcohol. This is to say that a single indicator that could be the result of many different conditions would not be the sole factor that would result in a requirement for a drug/alcohol screening.

At the time the specimen is collected, the employee will be given the opportunity to provide two (2) specimens in separate container. The second specimen will be properly sealed and maintained in order to be available for retest at the request of the employee and/or the Union as described below.

The Company agrees that the employee who tests positive on both the screening and the confirmation test will have the option to request that the additional specimen be released to a certified lab for re-testing. The Company's responsibility for the chain of custody ends when the specimen is released at the direction of the second testing lab. This request must be made by the Union or the employee within ten (10) workdays from the date the original test result is provided to the employee. It is understood that the employee is responsible to arrange for the test and all associated additional cost. The results of this retest will be forwarded to the Company within ten (10) working days from the date the results are available for consideration by the Company.

It is understood that a decision to discipline as a result of a positive test would depend on all circumstances surrounding the particular situation, and would be based on established just cause standards.

It is the intent of the Company to utilize testing methods which are recognized by the U.S. Department of Health and Human Services as state-of-the-art for validity and accuracy.

It is understood that the Union does not endorse those portions of the policy that are specifically excluded by this modification. The Union is not responsible for ascertaining the Drug-Free or Alcohol-Free status of any employee.

The Company agrees that the Union retains all previous held rights to challenge discipline or adverse actions resulting from this policy.

The Company shall hold harmless and indemnify the Union against liabilities resulting from the implementation and administration of the Company's Drug and Alcohol Policy.

Notes

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