

A G R E E M E N T

Between

**OZARK BORDER ELECTRIC COOPERATIVE
(EMPLOYER)**

And



IBEW - LOCAL 702

CLERICAL UNIT

Effective

JULY 1, 2015 THROUGH JUNE 30, 2020

OZARK BORDER ELECTRIC COOPERATIVE
Clerical Union Contract
INDEX

I. Scope of Agreement.....	2-3
II. Seniority.....	4-6
III. Negotiation and Arbitration	7
IV. Classifications and Rates of Pay	8
V. General Rules and Work Conditions	9-13
• Section 1 – Work Week and Hours.....	9
• Section 2 – Break	9
• Section 3 – Full-Time Employment.....	9
• Section 4 – Saturday Work – Sub-offices.....	9
• Section 5 – Holidays	9
• Section 6 – Overtime Pay	10
• Section 7 – Pay Day – Electronic Payment	10
• Section 8 – Discharge	10
• Section 9 – Employment for Partially Disabled Employee	10
• Section 10 – Absent From Work - Notification.....	11
• Section 11 – Voting Time	11
• Section 12 – Jury Duty.....	11
• Section 13 – Insurance Benefits.....	11-12
• Section 14 – Meals.....	12
• Section 15 – Payment Sick Leave at Retirement – 20 Years Service.....	12
• Section 16 – Temporary Assignments	13
• Section 17 – Employment Transfers – Progression Steps	13
• Section 18 – Retirement Plan Contributions.....	13
• Section 19 – Conflict of Interest	14
VI. Vacations.....	14
VII. Sick Leave.....	15-17

PREAMBLE

THIS AGREEMENT made and entered into this 1st day of July, 2015, by and between OZARK BORDER ELECTRIC COOPERATIVE, and the Board of Directors of the Cooperative, who may be referred to hereinafter as the "Cooperative" and LOCAL UNION 702, of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, who may be referred to hereinafter as the "Local Union" or "Union".

THIS AGREEMENT, when approved by the Local Union 702 of the IBEW and the Board of Directors of the Cooperative shall be binding upon the Cooperative, its successors or assigns and shall take effect July 1, 2015, and shall remain in full force and effect until and including June 30, 2020, and shall continue in full force and effect from year to year thereafter until it has been canceled or amended by the giving of sixty (60) days written notice from either party to the other. If amendment is desired, the contents of amendment shall accompany the notice. Changes mutually agreed to may be made at any time.

It is the desire of the Cooperative and the Union that all parties to this Agreement will cooperate with each other to promote harmonious relations, mutual good will and efficiency, and it is not the intent or desire of either party to engage in any subterfuge, or to evade or circumvent the spirit and intent of this Agreement.

WITNESSETH:

ARTICLE I

SCOPE OF AGREEMENT AND UNION SECURITY

Section 1. Pursuant to certification by the NLRB (Case No. 14-RC-5262), the Cooperative recognizes Local Union 702 of the International Brotherhood of Electrical Workers as the exclusive bargaining agent and representative of its clerical department personnel consisting of all clerical and technical excluding all confidential employees, professional employees, guards and supervisors as defined in the Labor Relations Act and all other employees.

Section 2. This Agreement shall have effect only on the property of the Cooperative and shall cover all work thereon coming under the jurisdiction of the Brotherhood as usually performed by the employees of the Cooperative covered by this Agreement as set out in Section 1 above.

Section 3. It is agreed by the parties hereto that all present and new employees, except those transferred to supervisory positions outside the Union, also former employees returning to work, shall be and remain or required to become and remain, respectively, members of the Local Union as a condition of employment hereunder, provided that new employees shall be employed subject to a probationary period of one hundred eighty (180) days, during which time the Cooperative shall elect whether the work of the new employee is satisfactory and whether it wishes to continue the employment. The Cooperative shall refer all new or re-employed employees to the local representative of the Local Union for instructions and advise concerning the Union Shop requirements of this Agreement. The Cooperative shall have the sole right to employ whomsoever it chooses without regard to membership or non-membership in the Local Union except that after said probationary period all new employees shall become members of the Local Union. All new employees shall be informed in writing of their definite classification within one hundred eighty (180) calendar days time of their employment. Substitute employees who replace permanent employees who are absent from work on authorized leave are not subject to the terms of this Section unless the Cooperative retains such substitute employees as a permanent employee and in this event, his or her seniority shall begin with the date of employment.

Section 4. It is understood and agreed that no member of the Union shall be discriminated against or denied employment because of his activities in legitimate matters affecting the Union, however, the Cooperative will not be required to compensate an employee absent from his regularly assigned duties for the purpose of conducting business for the Union.

Section 5. The Cooperative agrees that it shall not contract out any work normally done by the bargaining unit if such contracting would result in lay off of permanent employees covered by this Agreement. However, the use of automated office equipment shall not be considered as work being contracted out.

Section 6. Except as otherwise specifically provided herein, the Cooperative shall:

1. Have the right to manage its business and its properties and to direct its working forces.
2. Have the right to employ, transfer, lay off, promote, demote, discipline, and discharge its employees subject, however, to the terms of this Agreement.
3. Be the sole judge of the qualifications, ability, and classifications of its employees.

Section 7. In the event that any of the provisions of this Agreement shall conflict with any State or Federal law or presidential regulations, such provisions shall be deemed to be modified sufficiently in respect to either or both parties to the extent necessary to comply with such laws or regulations and the remaining portion of this Agreement shall remain in full force and effect.

Section 8. The Union agrees there shall be no strike, lockout, slow down or suspension of work nor shall any item of the Cooperative's property be knowingly changed in a manner that it will not function in the way most economical to the Cooperative during the term of this Agreement because of the interpretation or application of the provisions of this Agreement. All such questions or disputes shall be handled in the manner provided for herein. The Cooperative agrees that there shall be no lockouts or actions knowingly to provoke a strike. The Union further agrees that in the event of picket lines being established, the crossing of picket lines will be at the sole discretion of the individual member of the Union.

ARTICLE II

SENIORITY

Section 1. Seniority for each regularly paid employee who has been employed as such for six (6) months within a period of twelve (12) consecutive months under this Agreement shall begin as of the first day of such employment unless his or her seniority has been broken as hereinafter in Section 3 provided. If his or her seniority has been broken and he or she is re-employed then and in that event his or her seniority after having been re-employed for a period of six (6) months within a period of twelve (12) consecutive months, shall begin on the first date of re-employment after his or her most recent loss of seniority hereunder.

The foregoing shall not alter or effect seniority rights such as vacation, sick leave, annuities, or other benefits and privileges to which such regular employee may be entitled for service with the Cooperative prior to being employed or re-employed hereunder. It being understood, however, that when an employee's seniority has been broken for reasons hereinafter provided in Article II, Section 3, and the employee is re-hired, he or she shall have forfeited all accumulated employees' benefits and privileges which he or she had accrued during his or her prior service with the Cooperative.

Section 2. When making a reduction in the number of employees due to the lack of work and when re-hiring, the following procedure shall govern:

- (a) Employees who have not established seniority with the Cooperative shall be laid off first.
- (b) Thereafter, employees shall be laid off in the inverse order of their established seniority.
- (c) The foregoing provisions of (a) and (b) need not apply when the application thereof would result in the Cooperative being required to lay off employees possessed of skill essential to properly perform the work available at the time of the layoff not possessed by employees having greater seniority.
- (d) When adding employees, those having established seniority most recently laid off on account of curtailment of work shall be the first among those holding seniority to be re-employed, if available, and physically able to return to work, providing they have the qualifications required.

Section 3. Seniority shall be deemed to have been broken for the following reasons:

- (a) If the employee resigns.
- (b) If the employee is discharged for just cause.
- (c) If the employee is absent from work without authorized leave except when satisfactory reasons for his or her absence are given.
- (d) If an employee who has been laid off fails to return to work within three (3) days after being properly notified by certified mail to report for work and does not give a satisfactory reason for failing to report within this three (3) day period.
- (e) If an employee is laid off for twelve (12) consecutive months, he or she shall, however, not lose his or her seniority if said seniority exceeds twelve (12) months. In all other cases where an employee is laid off for more than twelve (12) consecutive months, he or she shall not lose his or her seniority unless he or she is laid off for a continuous period equal to the seniority he or she had acquired prior thereto. In the event that an employee with five (5) or more years of service is laid off in excess of five (5) continuous years, then the seniority of such employee shall terminate.

Section 4. Promotions shall be made and vacancies shall be filled based on seniority, ability and qualifications. Ability and qualifications being reasonably equal, seniority shall prevail.

- (a) Should an employee deny a promotion, it shall have no effect on his or her future promotions. Should all employees in lower classification refuse such a promotion, the Cooperative may then hire an additional employee for this position. If the Cooperative feels that additional help is not required, they may release the employee with the least seniority in order to make room for such additional employees.
- (b) An employee promoted to a new position will be given a reasonable opportunity to demonstrate his or her qualifications and ability to management. If he or she does not qualify in a reasonable time, he or she shall be returned to the position he or she formerly held.

(c) When vacancies occur or when new positions are created within the bargaining unit, the Cooperative will post a notice on bulletin boards for a period of five (5) days (Sundays and Holidays excluded) announcing the position open. Employees desiring to be considered shall make written application to the Manager. When necessary, temporary assignments will be made for the period the position is considered open. A copy of the notice of job vacancy posting and a copy of written application shall be forwarded to the Local Union.

This Section shall apply only to such positions as are specifically covered under the terms of this Agreement.

Section 5. An employee who has established seniority, if he or she can be separated from duty, may be granted a leave of absence upon approval from the Cooperative and while on such leave, he or she shall not forfeit any such seniority he or she may heretofore have established provided he or she does not overstay his or her leave or accept employment elsewhere while on such leave without the approval of the Cooperative. Female employees shall be granted up to four (4) months leave of absence due to pregnancy; leave of absence to begin not less than three (3) weeks prior to expected delivery date of the child in compliance with Missouri State Law. If based on a certificate of attending doctor, medical complications arise preventing return to work within the four (4) months pregnancy leave, and upon letter of intent from employee indicating a desire to return to work, pregnancy leave may be extended beyond the four (4) month period, but in no event shall exceed one (1) year in duration.

The foregoing shall apply to employees hired by the Cooperative after July 1, 1987, except the four (4) months pregnancy leave shall be reduced to three (3) months.

(a) Notwithstanding any of the other terms hereof, an employee who has been laid off shall deem to have lost all accumulated seniority, and all rights to be re-employed unless he or she registers with the Cooperative either in person or by registered mail, at least once each year and within thirty (30) days prior to the following January 1 of the year under consideration.

ARTICLE III

NEGOTIATIONS AND ARBITRATION

Section 1. The parties agree that the operations of the Cooperative upon which the employees covered in this Agreement are to be engaged are essential to the welfare of the Community served by it and recognize their obligations to furnish continuous electric service.

Section 2. The Cooperative agrees to meet and treat with the duly accredited officers and committees of the Union in the following manner on differences that may arise between the Cooperative and the Union.

- (a) In case of any disagreement arising between the Cooperative and any employee and/or employees covered by this Agreement, it shall be handled in the following manner: Any dispute arising between the employee and/or employees and the Coop must be submitted in writing on an agreed form setting forth the nature of the dispute or the alleged violation of any provision of this Agreement within a five day period after the alleged violation or dispute arises. Three (3) copies of the written statement of grievance will be required. One (1) copy to be forwarded to the Coop office – One (1) copy to be forwarded to the Union office - Third copy retained by the employee and/or employees.
- (b) Upon receipt of the written statement of grievance by the Cooperative and the Union, a meeting will be held between two (2) representatives of the Cooperative and two (2) representatives of the Union and the aggrieved employee and/or employees within ten (10) days after receipt of the statement of grievance and together will endeavor to resolve the dispute at this meeting.
- (c) In the event that no satisfactory agreement is reached as set forth in subsection (b), the matter will be submitted immediately to arbitration for settlement.
- (d) Either or both parties shall notify Federal Mediation and Conciliation Service, Washington, D.C., for the purpose of obtaining fifth member who will serve as an impartial chairman of the grievance committee who will hear and consider the evidence submitted and render a decision on the grievance or grievances presented, and the decision rendered by such chairman will be final and binding on both parties.
- (e) Each party shall bear the expense of its own committee members and the expenses of the fifth member or impartial chairman shall be borne equally between both parties.

Section 3. It is agreed that the procedure set forth in Section 2 above, may be initiated by either party to this Agreement. It is further agreed and understood that neither party to this Agreement will resort to other methods than those agreed in Section 2 to effect a settlement of differences.

ARTICLE IV

CLASSIFICATIONS AND RATES OF PAY

CLASSIFICATIONS:

STRAIGHT TIME HOURLY RATES PER HOUR

Percent Increase	3.0% Effective 7-1-15	3.0% Effective 7-1-16	3.0% Effective 7-1-17	3.0% Effective 7-1-18	3.0% Effective 7-1-19
Sr. Accounting Clerk	\$24.34	\$25.07	\$25.82	\$26.59	\$27.39
Accounting Clerk	\$23.13	\$23.82	\$24.53	\$25.27	\$26.03
Sr. Cashier Billing Clerk	\$25.02	\$25.77	\$26.54	\$27.34	\$28.16
Cashier Billing Clerk	\$22.62	\$23.30	\$24.00	\$24.72	\$25.46
Data Processing Clerk	\$22.62	\$23.30	\$24.00	\$24.72	\$25.46
*Sub-Office Clerk	\$24.39	\$25.12	\$25.87	\$26.65	\$27.45
Sr. Staking Technician	\$30.39	\$31.30	\$32.24	\$33.21	\$34.21
Staking Technician	\$29.07	\$29.94	\$30.84	\$31.77	\$32.72
*Member Relations Clerk	\$24.39	\$25.12	\$25.87	\$26.65	\$27.45

***NOTE:** The Sub-office clerk and member relations clerk rate of pay will apply to those who currently hold this classification. All future hires or anyone transferring into either of these classifications will be classified as a cashier billing clerk and will be paid the cashier billing clerk rate.

Employees hired or re-hired after June 30, 2015, will be paid seventy percent (70%) of their classification wage rate set forth in Article IV. Employees will receive progression step increases of 5% each year for six (6) years on their anniversary in the classification provided they are making improvements. Ninety (90) days prior to receiving a progression step increase, the employee will be evaluated by their supervisor and the employee will be given areas to improve in and provided improvements are made progression step increases will be approved on the anniversary. Any current employees as of June 30, 2015 which are in progression steps will continue in the previous steps as follows: 60% start, 70% after one year, 80% after 2 years, 90% after 3 years, and 100% after 4 years. Management has the sole right to grant merit increase at any time.

ARTICLE V

GENERAL RULES AND WORKING CONDITIONS

Section 1. The normal work week shall consist of forty (40) hours of five (5) consecutive days, Monday through Friday or Tuesday through Saturday and the normal work day shall consist of eight (8) hours from 8:00 A.M. to 5:00 P.M. with one (1) hour for lunch between the hours of 11:00 A.M. and 2:00 P.M. The normal work days as defined herein, may be altered at the request of any employee subject to the Cooperative's approval. Nothing shall prohibit the Cooperative from changing work hours from 8:00 A.M. to 5:00 P.M. to 7:00 A.M. to 4:00 P.M., 6:00 A.M. to 3:00 P.M., or 9:00 A.M. to 6:00 P.M., not to exceed eight (8) days per month. Employees who are requested to change their work hours shall be given forty-eight (48) hours' notice.

Section 2. Employees shall be permitted to take a fifteen (15) minute coffee break morning and afternoon.

Section 3. All employees covered by this Agreement shall receive full-time employment provided they are ready and in condition to perform their work.

Section 4. It is agreed that permanent employees of all sub-offices shall be permitted to work up to two (2) Saturdays during the billing period at the overtime rate of pay provided the Sub-offices are scheduled to be open on Saturdays. It is further agreed that substitute employees in all sub-offices may work such hours as the work load at the particular sub-office required subject to approval by the Cooperative.

Section 5. The following will be recognized as holidays and employees shall not be required to work on these holidays or the days celebrated therefore except in emergencies: New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve, Christmas Day, and Good Friday. All employees covered herein shall receive eight (8) straight time hours pay for each of the above holidays or the days celebrated therefore.

Section 6. When it is necessary for an employee to perform work outside of the regularly scheduled eight (8) hour day or forty (40) hours per week, the employee shall receive time and one-half for all hours worked, except if such work is performed on a calendar Sunday or holiday, the employee shall receive two (2) times his or her base rate of pay for all hours worked. All the (overtime) will be paid to the nearest one-fourth (1/4) hour as follows:

<u>Minutes</u>	<u>Time Paid</u>
1-15	¼ Hour
16-30	½ Hour
31-45	¾ Hour
46-60	1 Hour

Section 7. The Cooperative will pay employees each week by direct deposit. The Cooperative agrees to deduct Union dues from the checks of each full time employee who has completed the 180 day probationary period and signed a payroll authorization form for the deduction of dues. The Union will provide the Cooperative a notice of two weeks in advance of changes in union dues to be deducted. The amount deducted for union dues will be forwarded to the Financial Secretary of the IBEW Local 702 each week. Any disputes between the Union and the employee in the amount of dues owed will be resolved between the Union and the employee.

Section 8. Nothing in this Agreement shall be so construed as requiring the Cooperative to employ any person not required in the proper and efficient operation of its properties.

The Cooperative shall have the right to discharge any employee for physical inability to perform his or her work, violation of agreed safety practices or other just cause and the Cooperative agrees to give to such employee and the Union at least one (1) warning notice in writing before such discharge provided, however, it is agreed between the parties that just cause for discharge of an employee without notice shall include drunkenness, drinking while on duty, drinking during lunch hour and returning to work, gross incompetence, insubordination, and subversive activities.

Section 9. The Cooperative and the Union, by mutual agreement, may suspend or may alter the provisions of this Article in case of mutual desire to provide employment for an employee who has been partially disabled.

Section 10. No employee covered by this Agreement shall absent himself or herself from duty without securing permission from their supervisor, the designated substitute supervisor, or General Manager. Every effort will be made to notify the supervisor in ample time before working hours. Employees who are absent from work for reasons other than illness, accident, or death shall make every effort to give at least five (5) days' notice to the supervisor before doing so.

Section 11. Employees shall be entitled to the necessary time off for the purpose of voting in accordance with the provisions covered by the Missouri State Laws, providing they are eligible to vote and do actually vote.

Section 12. If an employee is required to serve on jury duty in the Circuit Court of the county of his or her residence (excluding Grand Jury) the Cooperative will pay such employee the difference between the amount actually received for Jury Duty and the employee's regular wages.

Section 13. Beginning on January 1, 2016, and continuing during the life of this Agreement, the employees covered by this Agreement have elected to have group medical and prescription drug insurance through Line Construction Benefit Fund (LINECO), with the Cooperative paying one hundred percent (100%) of the premiums for such insurance for the life of the Agreement, up to the following per employee monthly maximum caps:

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Monthly Cap:	\$1,152.75	\$1,221.92	\$1,295.24	\$1,372.95	\$1,455.33

(This monthly cap applies regardless of the type of coverage needed/selected, i.e. employee only, employee and spouse, employee and children, or employee and family.)

Should the monthly premium for any employee exceed the monthly maximum cap outlined in this Agreement, the employee will authorize payroll withholding by the Cooperative for the balance of the payment.

The Union outlines, and the Cooperative acknowledges, that, Cooperative employees covered under this Agreement are described under the LINECO plan as “utility employees,” and the benefits provided to eligible utility employees and their dependents are the same benefits provided to “non-utility employees” and dependents under LINECO, except that the insurance benefits (life insurance and AD&D insurance) and the Weekly Loss of Time Benefit are not provided.

The Union hereby represents and agrees that the insurance through LINECO will not require any administration by the Cooperative other than to send the monthly group premium contribution check and payment form. Further, the Union and the Cooperative agree that any plan or benefit changes imposed by LINECO during the term of this Agreement, shall not increase the obligations of the Cooperative outlined in this section.

The Cooperative will pay one hundred percent (100%) of the premium for the NRECA life insurance plan equal to five (5) times base pay, as well as accidental death and dismemberment at the same rate.

Effective January 1, 2016, employees who have retired under previous collective bargaining agreements will no longer be entitled to purchase through the Cooperative post-retirement medical insurance benefits for himself, his spouse, and/or his dependents, in that LINECO does not allow employees who retired prior to the effective date of this Agreement to obtain coverage with the employees covered by this Agreement, and, since the employees covered by this agreement are moving their health and prescription drug insurance from NRECA on January 1, 2016, NRECA will no longer have a plan for bargaining unit employees or retirees.

Section 14. When it becomes necessary for the employees to continue on the job one (1) hour past their regular quitting time, the Cooperative shall furnish a meal and shall furnish an additional meal every five (5) hours thereafter.

Employees called to work before their normal starting time shall be entitled to a morning meal at 8:00 A.M. and (1) meal at 12:00 noon and an additional meal every five (5) hours thereafter. All meals will be paid for at the rate of \$13.00 per meal starting July 1, 2015 and will increase to \$14.00 per meal starting on July 1, 2017.

Employees qualifying for meals will be paid for the meal whether it is eaten or not; however, the Cooperative will have the option of providing a meal at the office rather than paying for a meal. Normal allotted time for eating the meal will not be paid unless actually eaten.

Section 15. When any employee who has been in the service of the Cooperative for twenty (20) continuous years or more retires, such employee shall receive a lump sum cash settlement, the equivalent of fifty percent (50%) of all accrued sick leave due but not taken at the time of retirement.

Section 16. Nothing in this Agreement shall prohibit the Cooperative from temporarily assigning employees to perform work on any job in the department provided, however, that when such assignment requires the employee to work in a higher classification, the employee so assigned shall receive the rate of pay of that classification. In the event an employee is assigned to a lower classified job, such employee shall receive his or her regular rate of pay.

Section 17. When an Employee is promoted to a higher classified job as a result of the provisions set forth in Article II, Section 4 of this Agreement, such employee shall receive the classification rate of pay provided they are not in progression steps. In this event, where employees are in progression, their rate of pay shall be determined by their years of service with the Cooperative.

Section 18. The Cooperative agrees to establish, on January 1st, 2016, an NRECA's Retirement and Security Defined Benefit Pension Plan, which shall provide for a normal retirement age of 65, a 2.0 benefit multiplier for all qualified years of service in the plan, a 50% death benefit, non-COLA, with the quasi-retirement and lump sum features available, with the funding outlined as follows:

- For the duration of the Agreement, the employee shall contribute the first four percent (4.0%) of the required contribution, to be deducted from base earnings, with the Cooperative paying the remaining portion.
- Should there be a moratorium on required contributions for this plan during the term of this Agreement, or should the funding level fall below the four percent (4.0%) of the required employee contribution (all or any part thereof), the employee shall be notified of such, have the deductions halted, and the amount placed on his or her paycheck.

Furthermore, until the R & S Pension Plan takes effect, the Cooperative agrees to continue the current 401K plan with the 13.5% contribution amount by the Cooperative. Upon implementation of the R & S Pension Plan, the Cooperative will suspend its contribution to the 401K plan, but will continue allowing the employee to contribute the maximum amount allowed by law to such plan.

Section 19. No Staking Technician or Senior Staking Technician shall solicit, engage in, or render any electrical service (paid compensation) for a Member. The private provision of electrical services by a Staking Technician or Senior Staking Technician for a Member creates a conflict of interest with his/her official duties on behalf of the Cooperative.

Upon any first offense, a Staking Technician or Senior Staking Technician may cure the violation by ceasing from any private provision of electrical services for Members. Any Staking Technician or Senior Staking Technician found to have violated this provision a second time is subject to discipline, including dismissal.

ARTICLE VI

VACATIONS

Section 1. An employee will be granted an annual vacation with full pay of ten (10) working days per vacation year after he has completed his first year of service. Employees who have completed ten (10) years of service shall be granted an annual vacation with full pay of fifteen (15) working days per vacation year. After completion of twenty (20) years' service, employees will be granted an annual vacation of twenty (20) working days with full pay. Employees who have completed twenty-five (25) years of service with the Cooperative will be entitled to five (5) weeks (25 working days) vacation per year.

Section 2. Vacation schedules shall be arranged as near to the wishes of the employees as efficient operation of the property will permit. Vacations are to be taken in one or more work periods of not less than one calendar week in duration. This provision may be altered providing the Cooperative will agree to a different division of vacation time for special reasons. Vacations may be taken at any time during the vacation year.

ARTICLE VII

SICK LEAVE

Section 1. The Cooperative will allow sick leave to regular employees of the Cooperative without payroll deduction in a total amount not to exceed one (1) day for each month's service with the Cooperative. This sick leave shall be cumulative to a maximum of one hundred (100) days. When it becomes necessary for an employee to be absent due to illness, he shall notify the Cooperative of his inability to report for work. If the Cooperative desires they may require a physician's certificate to support the necessity of such absence provided the Cooperative pay all fees required to obtain such a certificate.

Section 2. The Cooperative may permit leave of absence without payroll deduction up to six (6) days per calendar year in the event of sickness, accident or death in the employee's family. The employee's family, for the purpose of this Section shall be considered as including the employee's spouse, son, daughter, son-in-law, daughter-in-law, brother, sister, father, mother, father-in-law, mother-in-law, grandparent, grandchild, step-children living in the home or on employee insurance, or any other related person living in the employee's household. This will not be deducted from that due under Section 1 above. Unused time under this Section may accumulate for two and one-half (2½) consecutive calendar years, not to exceed a total accumulation of fifteen (15) days. The Cooperative may permit leave of absence without payroll deductions in the event of sickness, accident or death to other relatives not covered by this Section.

Section 3. The Cooperative will permit a maximum of one (1) day leave of absence without payroll deduction in the event of the death of a fellow employee or his or her spouse or child for the purpose of assisting the family or attending the funeral.

Section 4. Sick leave with pay may be reduced or entirely eliminated if, upon investigation, it is found that the employee in question is abusing this privilege. The Cooperative shall give notice to the Union of any impending investigation.

Section 5. In the event any employee is absent from work because of occupational accident, the employee will be paid on hundred percent (100%) of his or her regular rate for the first three (3) days and eighty percent (80%) of his or her regular rate of pay for the remainder of the time lost less the amount of compensation payments paid the employee under the Missouri Workers' Compensation Act for his or her regularly scheduled hours as determined by his or her normal work schedule for all time lost not to exceed fifty-two (52) weeks regardless of his or her length of service with the Cooperative. The employee will be compensated on the above basis for each occupational accident; however, such payments shall cease not later than when the employee is physically fit to return to his or her regular job and his or her Workers' Compensation payments under the Missouri Workers' Compensation Act are terminated or the employee is awarded a lump sum settlement or granted an award for either total or partial impairment. Employees must report all known injuries to their supervisor and complete an accident report within 24 hours of their injury, or by the end of the employee's next scheduled work day.

Section 6. The Cooperative agrees to pay fifty dollars (\$50.00) per year for all employees toward an optical examination fee. Claims for the remainder of 2015. Starting January 1, 2016, this benefit will be eliminated and no optical exams will be paid after this date.

Section 7. Effective as soon as possible following the ratification of this Agreement, the Cooperative will establish a Prepaid Health Insurance Account, the contents of which may only be used after retirement or termination from the Cooperative to pay premiums for continuing health insurance under the Cooperative's group plan. Employees may choose to "bank" the approved dollar value of unused sick leave and vacation into the Prepaid Health Insurance Account. No withdrawals from the Prepaid Health Insurance Account may be made prior to retirement or termination. Any cash amounts, if any, withdrawn after termination, will be subject to all applicable taxes.

At the end of each calendar year, an employee may choose to transfer the unused sick leave earned in that year for 50% of its book value to that employee's Prepaid Health Insurance Account.

At the end of each calendar year, an employee may choose to transfer the unused family sick leave earned in that year for 50% of its book value to that employee's Prepaid Health Insurance Account.

At the end of each calendar year, or at the employee's anniversary date, an employee may choose to transfer any or all unused vacation for 100% of its book value to that employee's Prepaid Health Insurance Account. All employees shall be required to use at least one week (5 days) of earned vacation per year. Upon termination, payments will be made for any unused vacation leave, and for any vacations earned during the year of termination that would have been available for use the next year. Such earned vacation shall be pro-rated for the time actually worked during that year.

At retirement, the amount accumulated in the Prepaid Health Insurance Account shall be applied towards the monthly premiums of the retiree's medical insurance offered by the Cooperative until all such funds have been exhausted. In the event of the death of the retired employee prior to the exhaustion of these funds, the employee's spouse and/or dependent children will continue to have their medical plan coverage payments paid until all remaining funds have been exhausted. Should no eligible spouse or dependents remain, then remaining funds will, at that time, be paid to the retiree's beneficiary. Should an employee terminate employment with the Cooperative or die prior to reaching age fifty-five (55), then the amount of the Prepaid Health Insurance Account on that date will be paid to the former employee, or if deceased, to the deceased's beneficiary. The amount paid will be a lump sum with appropriate taxes being deducted.

IN WITNESS WHEREOF, the parties hereto by their duly authorized officers have executed this Agreement.

OZARK BORDER ELECTRIC COOPERATIVE

**LOCAL UNION 702, INTERNATIONAL
BROTHERHOOD OF ELECTRICAL
WORKERS**

BY: Ed Crow
Ed Crow, President

BY: Steve Hughart
Steve Hughart, Bus. Mgr.

DATE: April 27, 2015

DATE: 5 - 1 - 15

BY: Gary Melton
Gary Melton, Secretary

BY: Mark Baker
Mark Baker, Business Representative

DATE: April 27, 2015

DATE: 5 / 1 / 2015

APPROVED
INTERNATIONAL OFFICE - I.B.E.W.
7/29/2015
Lonnie Stephenson, President
This approval does not make the
International a party to this agreement.